



6F:100 Introductory Financial Management – Fall 2009

Lecturer: Heidi J. Dybevik

Office: S312 PBB

Email: heidi-dybevik@uiowa.edu
(the best way to reach me)

Phone: (319) 335-0657

Lectures: A 9:30-10:20 a.m. T/Th (W10 PBB)

B 1:30-2:20 p.m. T/Th (C20 PC)

Office Hours: 10:30-11:30 a.m. T/Th, 2:30-3:30 p.m. T/Th,
and by appointment

TA Discussion Sections*:			Classroom:	TA:	See ICON for TA office hours and contact information.
001	12:30-1:20 p.m.	Mon.	W181 PBB	Burcu Esmer	
002	3:30-4:20 p.m.	Mon.	C121 PBB	Raunaq Pungaliya	
003	12:30-1:20 p.m.	Mon.	W107 PBB	Min Jiang	
004	2:30-3:20 p.m.	Mon.	W181 PBB	Kyeong Hun Lee	
005	12:30-1:20 p.m.	Fri.	W181 PBB	Burcu Esmer	
006	8:30-9:20 a.m.	Fri.	W207 PBB	Miaomiao Yu	
007	9:30-10:20 a.m.	Fri.	S107 PBB	Miaomiao Yu	
008	8:30-9:20 a.m.	Mon.	C121 PBB	Akila RP	
009	1:30-2:20 p.m.	Fri.	S121 PBB	Peter Lehr	
010	12:30-1:20 p.m.	Fri.	S121 PBB	Feng Jiang	
011	11:30 a.m.-12:20 p.m.	Fri.	S181 PBB	Feng Jiang	
012	1:30-2:20 p.m.	Fri.	C121 PBB	Michael Avery	
013	12:30-1:20 p.m.	Fri.	C121 PBB	Kyeong Hun Lee	
014	2:30-3:20 p.m.	Fri.	W181 PBB	Peter Lehr	
015	10:30-11:20 a.m.	Fri.	C121 PBB	Akila RP	
016	9:30-10:20 a.m.	Mon.	S307 PBB	Michael Avery	
017	1:30-2:20 p.m.	Mon.	S181 PBB	Min Jiang	
018	4:30-5:20 p.m.	Mon.	S107 PBB	Raunaq Pungaliya	

*You should memorize the discussion section number corresponding to your official registration (it could be worth a point or two on your exams).

Overview of Course

This course provides an introduction to finance. We will focus primarily on the major types of decisions faced by financial managers, the pricing of financial instruments, and the environment in which these activities take place – financial markets.

Pre-requisites

06A:002, 06E:001, and 06E:002

Course Materials

- The textbook is Essentials of Corporate Finance, 6th ed., by Ross, Westerfield, and Jordan. The textbook may be purchased bundled with Homework Manager online access that will be needed to complete and submit your homework assignments (this access can be purchased à la carte as well – so that is another option if you already have the textbook). A supplemental chapter that we will cover is also bundled with the textbook; a pdf file of this chapter will also be made available on the course website. If you would prefer an e-book option bundled with the Homework Manager, that’s another possibility (see ICON for further details).
- A lecture note packet will be available for purchase through the Document Center (C102 PBB); alternatively, you can download and print it from a pdf file that will be available on the ICON site.

- You need to acquire a financial calculator, become familiar with its functions, and bring it to each class. The following calculators will be acceptable for use during exams for this course: the Texas Instruments BA II Plus (regular or professional model), Sharp EL-733A or the Hewlett-Packard 10BII. *In-class examples will be done on a Texas Instruments BA II Plus model.* You will not be allowed to use a programmable calculator during exams. If you wish to use a calculator other than one listed above during an exam, you need to obtain prior approval in person directly from me.

Course Grade Evaluation

5 Homework Assignments (at 4% each)	20%
Exam 1	25%
Exam 2	25%
Final Exam	30%

The grading scale will be based on the grade distribution recommended by the Finance Department specifically for this course. There will be roughly 25% As, 35% Bs, 30% Cs, and 10% Ds and Fs, based on enrollment figures following Exam 1. Plus and minus grading will be utilized. The exams between the two lecture sections (A & B) will differ; it will therefore be necessary to use distinct grade cutoffs for the two different sections to adjust for any differences in the difficulty level of the exams. I reserve the right to alter these percentages up or down depending on the performance of the class as a whole.

If you wish to challenge the grading of any item in the course, you will need to submit to me a written explanation of your concerns. I will then re-evaluate the item *in its entirety*.

Exam Policy

- Cell phones and other electronic devices are prohibited during exams, as are baseball-style caps.
- Bring a picture i.d. with you to exams and be prepared to show it when turning in your exam.
- To avoid disturbing your classmates, no questions will be allowed during the exam.
- You should bring only two things for exams: a #2 pencil and one of the *approved* financial calculators (see Course Materials section above).
- A pre-printed formula sheet will be provided on the exams for you. A copy of the relevant formula sheet will be available prior to each exam on ICON so that you will know in advance what it will look like. You should not bring any sheets of paper of any kind to the exam. Your exam will be stapled together when you receive it, and must remain that way until you turn it in.
- You may take exams only at the appropriate times as determined by the course section for which you are registered.
- Violations of the above policies will be considered academic misconduct.
- Make-up policy: There are no default makeup exam sessions, as all exams are scheduled during regular class times, or during the official final exam timeslot designated for this course. Make-up exams are only allowed with a valid excuse. Foreseeable excuses (such as athletic travel) need to be documented no less than two weeks in advance, or the student risks a 10% loss of exam points. Some examples of acceptable unforeseen excuses would include death or serious illness in the family, or serious student illness. In such cases, the student should contact me as soon as possible, by phone or preferably email. I will require students to provide sufficient documentation, in person to me, to justify a delay in taking an exam. If you do not have a valid excuse for missing an exam, it will count as a zero. In the case that you are allowed to take a makeup exam, it will be different from the main exams given but will correspond to the general exam information provided in advance to all students; the grade distribution for your registered section would still be applicable.
- Exam format will be a mixture of objective questions (multiple choice, true-false, etc.), numerical problems, and other questions potentially requiring verbal explanation. For numerical problems, partial credit will be available to varying degrees, depending on the complexity of the problem. Supporting calculations must be shown for numerical problems; correct answers will not be accepted without supporting calculations. A file will be posted on ICON prior to each exam providing information about the general exam structure, a recommended study plan, and a copy of the formula sheet as it will appear on the exam.

Graded Homework Assignments

There will be five graded homework assignments. Further details on the assignments are forthcoming. The graded homework assignments will be submitted electronically using the online Homework Manager system associated with your textbook. General instructions for registering to use the system will be provided prior to the first homework assignment (points will be deducted from your Homework 1 score in the case of improper registration). Grading policies might vary somewhat across assignments (such as number of attempts allowed, how many attempts will be graded, etc.). See specific assignment instructions (at the top of the page of the online assignment) for details.

If you miss a deadline and must submit your work late, you will need to contact me for instructions regarding how to submit your late assignment. In the event that you turn in your homework late, the following penalties will apply (unless another penalty scheme is described specifically in the assignment instructions): a 25% reduction from full credit per business day the assignment is late after the due date, with a 10% penalty applying on the due date itself if it is turned in after the specified deadline. Please note that claims of technical problems or other last-minute excuses will not be accepted (unless the technical problem can be verified to me by Homework Manager technical support). To be fair to all students, requests for deadline extensions and “extra credit” assignments will be declined. In the event of death or serious illness in the family, or serious student illness, an exception to this policy will be granted so long as sufficient documentation is provided (you should contact me as soon as possible if this pertains to you).

The homework assignments are to be completed on an individual basis. You may not work with others, receive help from others (other than your professor and TAs), or give help to others. Violations of these policies could result in the student receiving a zero on the assignment, an “F” in the course, and/or other consequences as dictated by the Honor Code. See the section titled “Academic Integrity” for further information.

Supplemental Practice Homework

I will occasionally post non-graded practice homework questions, through the Homework Manager system and possibly otherwise. While these assignments will not be submitted for grading, completing them should generally aid in your understanding of the course material.

The ICON Website and Other Course Communications

I will occasionally post announcements and reminders in the “News” portion of the 6F:100 ICON site. Other relevant course items may also appear in other areas of the ICON site. You should check the website periodically to see if there are any new items (the TA for your discussion section might also post relevant news and information through ICON). Please be advised that in-class announcements and assignments will not necessarily appear on the website, so you should not rely exclusively on ICON. As noted below, there will also be an FAQ section.

Per University policy, you should check your official “uiowa.edu” email periodically, as we will sometimes use this avenue to contact students individually or as a group. To facilitate communication, and to help preserve your privacy, you should use only your official University email account for course-related inquiries to the professor or TAs. The University email address is a way of identifying yourself authentically as a student in this course. We will always attempt to respond to your emailed inquiries in a timely manner, generally within one business day whenever possible.

Attendance

You should attend the lecture and TA sections for which you are registered. The material that is covered in class (both the main lectures and the discussions overseen by the TAs) is generally the material that is prioritized on exams, so it is always in your best interest to attend class regularly. In the event you miss class for a non-emergency reason, it is your responsibility to get notes from a classmate. You can then follow up with me or any of the TAs with *specific* questions you have about the material you missed.

When You Need Help

Have a small question? Major problems? PLEASE SEEK ASSISTANCE IF YOU HAVE ANY QUESTIONS OR DIFFICULTIES WITH THE MATERIAL. During class, I will make every effort to answer questions you might have. I would particularly invite questions of clarification that would benefit the class as a whole (for example, in case of a calculation error). Please be aware, however, that the large-scale nature of the lecture sections is not ideal for creating an interactive environment. Some questions I will defer until after class if I believe it is necessary to keep the pace of the lecture on schedule. I recommend that you highlight in your notes any questions as they arise, large or small, for later follow-up. You can then either ask me after class, during my office hours, or via email.

Alternatively, you can ask a TA. The TAs invite you to any of their office hours, regardless of your official TA section registration. TA office hours and contact information will be posted on ICON.

Note that there will be a Frequently Asked Questions (FAQ) Section on ICON. If I (or the TAs) field the same or similar questions from numerous students, I will post the question and answer in the FAQ section. There will be subsections by lecture number and/or topic as needed. I will refer students with similar questions to this resource.

Academic Integrity

Each student should read The Tippie College of Business Honor Code, which can be found at the following website: <http://tippie.uiowa.edu/undergraduate/honorcode.cfm>. All students enrolled in the course, regardless of whether a Tippie College of Business major or not, are bound by this Honor Code.

You are expected to exhibit exemplary ethical behavior in your academic work. I am obligated to report any incidents of cheating on exams or homework to the appropriate Deans, in accordance with the Honor Code. In such cases, possible outcomes include the student receiving a zero on the assignment or exam in question, an “F” in the course, and/or other consequences as dictated by the Honor Code. Students who witness violations of the Honor Code are encouraged to report those to me or the office of the Dean of the College of Business.

Disability Services

If you have a disability that may require some modification of seating, testing, or any other class requirement, please let me know *as soon as possible* so that appropriate arrangements can be made. Similarly, if you have any emergency medical information about which I should know, or if you need special arrangements in the event the building must be evacuated, please let me know. Please see me after class hours, during my scheduled office hours, or schedule an appointment. I would also remind you that the Office of Disability Services is available to assist you (3100 Burge Hall; phone 335-1462).

Other Course Information

This course is given by the College of Business. This means that class policies on matters such as requirements, grading, and sanctions for academic dishonesty are governed by the College of Business. Students wishing to add or drop this course after the official deadline must receive the approval of the Dean of the College of Business. Details of the University policy of cross enrollments can be found at: <http://www.uiowa.edu/~provost/deos/crossenroll.doc>.

Student concerns regarding this course should first be discussed with Prof. Dybevik. If your issue is not resolved by speaking with Prof. Dybevik, you may contact the DEO of the Finance Department, Paul Weller, at (319) 335-3733. If you cannot resolve the issue by speaking with the DEO, you may contact the Associate Dean of the Undergraduate Program, Lon Moeller, at (319) 335-0924 or lon-moeller@uiowa.edu.

The Tippie College of Business and the University of Iowa are committed to providing students with an environment free from sexual harassment. If you feel that you are being or have been harassed or you are not sure what constitutes sexual harassment, we encourage you to visit the University website, <http://www.sexualharassment.uiowa.edu/index.php>, and to seek assistance from department chairs, the Dean’s Office, the University Ombudsperson Office, or the Office of Equal Opportunity and Diversity.

Tentative Class Schedule Fall 2009

	Date	Lecture #	Topic	Reading
Tu.	8/25	1	Introduction to the Course	
Th.	8/27	2	Introduction to Financial Management	Ch. 1
Fri.,Mon.	8/28,8/31	3 (TA)	Statistics Review/Preview	
Tu.	9/1	4	Financial Statements	Ch. 2
Th.	9/3	5	Financial Statement Analysis	Ch. 3
Fri.	9/4	6 (TA)	Lecture 4 & 5 Follow-Up	
Mon.	9/7	6 (TA)	<i>University Holiday:</i> Monday students are encouraged to attend any discussion session on 9/4; a Lecture 6 summary will be posted on ICON for all students	
Tu.	9/8	7	Financial Planning & Forecasting	} See supplemental chapter (or pdf file on ICON)
Th.	9/10	8	Financial Planning & Forecasting	
Fri.,Mon.	9/11,9/14	9 (TA)	Forecasting Exercise – Dora Corp. – Part I	
Tu.	9/15	10	Dora Corp. – Part II/Part I Follow-Up; Valuation	Ch. 4
Th.	9/17	11	Valuation	Ch. 4
Fri.,Mon.	9/18,9/21	12 (TA)	Valuation	Ch. 4
Tu.	9/22	13	Valuation	Ch. 5
Th.	9/24	14	Valuation	Ch. 5
Fri.,Mon.	9/25,9/28	15 (TA)	Valuation	Ch. 5
Tu.	9/29	16	Valuation	Ch. 5
Th.	10/1	17	Valuation	Ch. 5
Fri.,Mon.	10/2,10/5	18 (TA)	Q&A	
Tu.	10/6		EXAM I – during your regular class period	
Th.	10/8	19	Bonds I	Ch. 6
Fri.,Mon.	10/9,10/12	20 (TA)	Lecture 19 Follow-Up	
Tu.	10/13	21	Bonds II	Ch. 6
Th.	10/15	22	Bonds III/Stocks I	Ch. 6-7
Fri.,Mon.	10/16,10/19	23 (TA)	Capital Market History	Ch. 10 (not pp. 314-318)
Tu.	10/20	24	Stocks II	Ch. 7
Th.	10/22	25	Stocks III	Ch. 7; pp.449-464
Fri.,Mon.	10/23,10/26	26 (TA)	Stock Market Efficiency & Stock Valuation Exercises	Ch. 7; pp. 314-318

	Date	Lecture #	Topic	Reading
Tu.	10/27	27	Risk & Return I	Ch. 11
Th.	10/29	28	Risk & Return II	Ch. 11
Fri.,Mon.	10/30,11/2	29 (TA)	Lecture 27 & 28 Follow-Up	
Tu.	11/3	30	Risk & Return III	Ch. 11
Th.	11/5		Exam II – during your regular class period	
Fri.,Mon.	11/6,11/9	31 (TA)	Topic T.B.A.	
Tu.	11/10	32	Cost of Capital I	Ch. 12
Th.	11/12	33	Cost of Capital II	Ch. 12
Fri.,Mon.	11/13,11/16	34 (TA)	Lecture 32 & 33 Follow-Up	
Tu.	11/17	35	Capital Budgeting I	Ch. 8-9
Th.	11/19	36	Capital Budgeting II	Ch. 8-9
Fri.	11/20	37 (TA)	Lecture 35 & 36 Follow-Up	
			<i>Thanksgiving Break</i>	
Mon.	11/30	37 (TA)	Lecture 35 & 36 Follow-Up	
Tu.	12/1	38	Capital Budgeting III	Ch. 8-9
Th.	12/3	39	Capital Structure I	Ch. 13
Fri.,Mon.	12/4,12/7	40 (TA)	Lecture 39 Follow-Up/Lecture 41 Preview	
Tu.	12/8	41	Capital Structure II/Payout Policy I	Ch. 13-14
Th.	12/10	42	Payout Policy II/Review	Ch. 14
Fri.	12/11	43 (TA)	Q&A: Monday students are encouraged to attend any discussion session(s) on 12/11. Information about Extra Office Hours will be posted prior to the Final Exam.	
Thurs.	12/17	exam period 20	FINAL EXAM*: 9:45-11:45 a.m. – location to be announced	

*Be sure to check your final exam schedule at least 3 weeks in advance. See the following for more information: <http://www.registrar.uiowa.edu/exams/fexampolicy.aspx>. This semester, a request for a change in final exam schedule may be made, where appropriate, no later than November 20, 2009.