

Financial Management (Finance 3500)

Basic Course Information

Semester	Room	Day	Time
Spring '24	SSB-205	T/R	9:30am – 10:45am

Instructor: Dr. Leo Pugachev
Office: ABH-227/Zoom
Office Hours: T/R 11:00-12:30 and by appointment.

Course website: Canvas
Email: lpbnd@umsl.edu
Phone: 314-516-6149

1. Course Description and Objectives

This course offers a basic overview of corporate financial management. Key topics include business organization, financial ratios, time value of money, stock and bond valuation, capital budgeting, risk-return relation, and the capital asset pricing model. The objectives of this course are to help students (1) understand the fundamental concepts underlying corporate financial management, (2) understand theoretical frameworks enabling corporate financial practitioners to make decisions, and (3) develop essential analytical skills to solve real-world financial problems.

2. Prerequisites and Required Materials

You should be at least a sophomore student. Prior to the beginning of the semester, you should have successfully completed Financial Accounting and Principles of Microeconomics.

Textbook: *Fundamentals of Corporate Finance*, by Ross, Westerfield, and Jordan, McGraw-Hill, Irwin. Edition is not that important but I will be using the 13th.

Financial Calculator: Feel free to purchase one or use [this online resource](#). **The best thing to do would be to learn the excel functions, which I can help with.** If you purchase a calculator, I can help you with the Texas Instruments BA-II Plus. I don't know how to work any other calculators but YouTube does so you're not totally on your own.

3. Method of Instruction

This is a fully in person class. I will use the 'flipped classroom' model, in which my lectures are recorded and posted to Canvas ahead of time.

- **Prior to each Tuesday**, you are required to: (1) read the book or watch and take notes on the recorded video lectures, and (2) email me with any questions.
- **Each Tuesday**, we will review the material in class, highlighting certain key points and bringing in real-world examples.
- **Each Thursday**, we will take and grade/review an in-class assignment on the content.

Any exceptions to this routine will be discussed in class.

4. Content and Deliverables

Video lectures and notes

Weekly video lectures are posted to Canvas. Most are in 5-20 minute segments. Expect 45-75 minutes of video instruction per week. Accompanying each chapter's videos is a suggested notes outline. These are notes I use to deliver the lecture but with blanks in them. I strongly suggest engaging as you watch the lectures by 'filling

in the blanks'. Don't focus too much on the word I use for each blank, but instead on what I'm trying to say; feel free to rephrase as needed. In the past, students have found these notes very helpful when studying for exams.

Individual in-class assignments

Every Thursday meeting will begin with a 15-40 minute timed individual assignment, worth 15 points, 30% of your overall grade. I will announce how much time we have for each assignment in class. Upon completion, we will review the in-class assignment together and you will grade your own work, **marking incorrect answers with red ink**. You will then submit the marked up, graded version of the assignment to me before leaving class. Your top 10 of 11 in-class assignments will count toward your grade so you are allowed to miss/bomb one assignment.

WARNING BASED ON MANY YEARS OF PRIOR DATA: Assignments will be untenable if you do not read the book and/or watch the videos ahead of time – even if we review similar content the meeting before.

Exams

There will be one mid-term exam and one cumulative final exam, both administered in person. Exams will be free response and problem solving (very little, if any, multiple choice/true-false). During exam weeks, the Tuesday will be a review session, Thursday the exam. Students must initiate the review session by preparing questions. No questions = no review. Study guides will not be provided but I will generate as many practice questions as you ask for individually. **No make-up exams will be given. No exceptions.**

Final Project

During the final exam period, you will present a brief group presentation. The presentation will showcase your grasp of the material discussed throughout the semester. Groups will consist of 2-4 members. Members will evaluate each other's contributions so your peers' assessments will play prominently into your individual grade. A rubric for the project will be distributed at a later date.

Professional Development

As part of this course, you are required to attend 2 UMSL-sanctioned professional development events, worth 15 points each. Please view separate instructions in Canvas on how to access and register for the events.

5. Grading and Testing Policies

Your final course grade will reflect the following components:

Top 10 of 11 in-class assignments (10 x 15 points)	150 points	(30%)
Midterm exam	90 points	(18%)
Final exam	140 points	(28%)
Group presentation	90 points	(18%)
Professional Development (2 x 15 points)	30 points	(6%)
Total Possible	500 points	(100%)

Grades

462.5-500	A (Excellent)	382.5-397.4	C+ (Average+)
447.5-462.4	A- (Excellent-)	362.5-382.4	C (Average)
432.5-447.4	B+ (Good+)	347.5-362.4	C- (Average-)
412.5-432.4	B (Good)	297.5-347.4	D (Passing)
397.5-412.4	B- (Good-)	Lower than 297.4	F (Failure)

Exam curving parameters

At least 20% of students should be able to get an A; at least 50% should be able to get a B. If the raw scores fail either rule, every student's test is curved upwards until both rules are satisfied. I will never curve downwards. If the raw score distribution meets these requirements, there is no curve.

Late submissions

None will be accepted. No exceptions.

Pet peeves

Please do not ask for:

- Extra credit opportunities (they will be available on exams only).
- Borderline grade consideration (I make 'bumping up' calls very sparingly at my sole discretion. Approaching me on the subject will only hurt your chances).
- Me to compute your grade for you. If you could not add numbers and divide by total points available, you would still be in elementary school.

6. My responsibilities

Stoke your interest in the material

Few people describe finance as fun or interesting. If you are willing to give it a chance, I usually have decent success at convincing you that it is actually pretty cool. It is crucial in understanding how and why the world around you works the way it does. It shouldn't surprise you to learn that risk and return underpins a lot of decisions and finance is the science of evaluating risk and return.

Diligently and effectively communicate the material

I commit to preparing thoroughly for each class and explaining material lucidly. I hold myself to a very high standard in these commitments. If I've failed you in either, let me know and I will remedy the situation to your satisfaction.

Manage a casual and hospitable classroom where you feel comfortable asking questions

My goal is for every student, no matter how shy, to learn the material to whatever degree they want to. In the classroom, I will create as welcoming and friendly an atmosphere as I possibly can. I will strive toward a level of openness in which you feel comfortable asking me finance and non-finance related questions. I will make myself available outside of class whenever you need to help you understand the concepts or council you on professional questions.

7. Your responsibilities

Attendance and participation

You are adults. Attend my class if you'd like. I will not compel you to nor take attendance. If you can teach yourself the material, you deserve every bit of the grade that you would get if I were to teach you. Note, though a graded deliverable is due every Thursday. You cannot submit this deliverable if you do not attend.

Arrive on time. In-class assignments are distributed at the beginning of a class. Any time you miss is less time you have to work on the assignment.

If you have to miss a class, you are responsible for course information and materials (e.g., homework assignments, in-class exercises, adjustment in course coverage, announcements) that you might have missed. Students missing a class must consult classmates (not me) for materials missed including lecture notes.

Attending but not paying attention is very, very stupid! If you're trapped with me spewing finance at you, try to absorb some of it. If you don't intend on absorbing it, why waste your time attending class? Go have a beverage somewhere.

Commit to learning the material

It is your responsibility to learn the material!!! I cannot cram finance into the skulls of reluctant bystanders. If you would like to learn the material, I can provide you with resources, including in-class instruction, to help you do so. In the past, these resources have proven highly effective. Almost formulaically, students committed to learning the material will get A's and B's in the class.

When I say 'committed,' here's what I mean:

- Spend 2-4 hours a week preparing for class by watching video lectures and reading the book.
- Spend 5-10 hours studying for each exam.
- Spend 5-10 hours on the project.
- Attend at least 90% of classes.
- Take good notes and ask questions when anything is unclear.
- Review deliverables to understand why you missed points and seek clarification.
- Seek my help outside class as frequently as you need it via office hours.

The most important of these is the last point. I am willing to meet with you 24/7 as fits your schedule. I am dedicated to helping you learn this material because I have a passion for both the material and teaching. At many points in the semester I will BEG you for questions. I cannot help you unless I know you need help. Please let me know.

If you believe you exemplify this commitment but did not receive the grade you wanted I have failed you, accept full responsibility, and will work with you to bridge the gap toward the grade you deserve. If you have fallen short on any part of this commitment, I cannot accept the blame.

Final Note

Please excuse the strict language throughout this syllabus. I'm actually a nice guy but you wouldn't believe what kind of irresponsible, entitled stuff students have tried to pull over the years. Most of you aren't those kinds of people, but statistically one or two of them lurk among you. I'm just trying to caution those few schmucks...