

GCOM 7060 – Financial Management – Fall 2023 Course Outline and Syllabus

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1. MEETING TIMES

a. Required Lectures

Section 1: TTh 12:30p – 1:45p in RRH 118

Section 2: TTh 2:00p – 3:15p in RRH 123

Section 3: TTh 3:30p – 4:45p in RRH 123

b. Optional Monday TA Review Sessions

6:30p – 8:00p in RRH 123

8/28, 9/11, 9/18, 9/20 (Wednesday), 10/16, 10/23, 10/30, 11/6, 11/7 (Tuesday)

c. Optional Friday TA Office Hours

1:30p – 3:30p in RRH 264

9/1, 9/8, 9/15, 9/29, 10/20, 10/27, 11/3

2. **COURSE DESCRIPTION.** In GCOM 7060 we develop skills in financial analysis. All students who aspire to be decision-makers and leaders, regardless of functional area of expertise, must understand the basic principles of finance and how to discuss financial concepts. We study how to read and interpret financial statements, what the time value of money is, how to value projects, bonds, and stocks, and how to think about common issues in capital budgeting. Students will practice Excel with online homework assignments. Two in-class exams will test students on their mastery of the finance toolkit. An integrated take-home final exam will give students the opportunity to apply what they've learned to a real business problem.

3. REQUIRED COURSE MATERIALS

a. **Canvas.** Lecture notes, slides, and other learning resources will be posted on Canvas. I expect you to check the website for updates regularly.

b. **MyLab & eTextbook.** You are required to purchase “MyLab Finance with Pearson eText for Corporate Finance” by Jonathan Berk, Peter DeMarzo; published by Pearson; ISBN-13: 978-0137844777. This will grant you access to MyLab, the online website that was designed with the textbook. You will do your homework assignments through MyLab. Your purchase includes access to the ebook which contains the full text of the textbook. (If you would like, you can also purchase a loose-leaf version of the text or a hardback cover version; this is absolutely not required.) The course is participating in UVA's Inclusive Access Program, and your access code will be delivered via the UVA Bookstore Inclusive Access link in Canvas.

- **Please follow these steps to ensure you purchase the correct materials:**

- i. To get started, go to your Canvas course and click on “UVA Bookstore Inclusive Access” on the left-hand side. Navigate to the Courseware product you'd like to access and click

"Acquire Access Code." Write down your access code or copy & paste it into a separate word/text file.

- ii. Now that you've acquired your access code, navigate back to your Canvas course, and go to the Pearson link ('Access Pearson') in your Canvas course to begin the registration process. When prompted, type in the Access Code you copied/saved and complete your registration process.

- *Note on inclusive access:* Corporate Finance – MyLab Finance with Pearson eText Access Code will cost \$103.12 instead of \$109.99 if you buy it "on the market." The program is optional, but students must **actively opt out** by September 6th, 2023 to not be charged. Do **not** purchase access to Pearson materials directly from Pearson **unless** you have opted out of UVA Bookstore Inclusive Access or you will be double-charged.
- *Note to Finance Track Students.* Several other finance track courses use this same textbook and it is an industry standard. You'll have access to MyLab for 12 months, so you will not need to purchase anything extra for the spring semester finance courses. If you're interested in having lifetime access, I recommend purchasing a loose-leaf print upgrade for \$25 (available after purchasing MyLab). When logged into MyLab, select "Purchase Options" from the left-hand navigation menu. A second option is to buy an older edition of the textbook secondhand. A third option is to purchase a Pearson+ account for \$11 a month.

c. **Calculator.** For homework assignments you will use Excel. For exams, you may use any calculator that you like, but it must not have internet access – phones and laptops will not be allowed. The questions on the exams will be conceptual problems and math problems, but no excel-style problems. I highly recommend the cheap and basic, but highly useable and intuitive, **Texas Instruments 30X**. You may use a financial calculator – like the Texas Instruments BAII Plus – if you want, but I'm not a huge fan and will not be teaching with it. The exams will require calculator use and I recommend you spend time during the semester practicing with your preferred calculator.

4. GRADING, ASSIGNMENTS, AND EXAMS

a. **Course Grade.** Your grade will be based on the following deliverables using the following weights:

| | |
|------------------------------|--------------------|
| MyLab Homework Assignments | 15% of final grade |
| In Class Exam 1 | 35% of final grade |
| In Class Exam 2 | 35% of final grade |
| Integrated Final Exam | 10% of final grade |
| Attendance and Participation | 5% of final grade |

I reserve the right to adjust the above for any reason.

b. **MyLab Homework Assignments.** There will be seven (7) homework assignments due over the course of the semester. The homework assignments will be on MyLab. The release dates and due dates for each assignment are posted on MyLab and detailed in the course schedule below, please plan accordingly.

- The assignments will be worth 2.5% each.

- Your top six (6) homework assignments will be included in your final grade calculation. The seventh (lowest) homework score will be dropped, no questions asked.
- Late homework submissions will **not** be accepted under **any** circumstances.
- There will be no deviations from this policy. If you send me an email asking for an extension on an assignment, I will passively aggressively respond with a screengrab of this section of the syllabus.

c. Exams. There will be two (2) in-class exams.

- You may use any calculator that does not have internet access capabilities. No other electronic aids will be permitted, and their use will be considered cheating.
- You are expected to take the exams at the designated times. There will not be a dedicated time for make-up exams. In the event that you need to miss the exam, we will proceed as follows:
 - If you have a known conflict with a scheduled exam, you must inform me, by **email**, at least **one week** ahead of time (the earlier the better). If you are officially excused from either of the in-class exams, I will assign you the score you received on the other in-class exam.
 - If you miss either of the exams due to an **unforeseen emergency**, please let me know, by **email**, as soon as possible, and I will assign you the score you received on the other in-class exam.
 - If you miss an exam for any other reason, you will receive a score of 0 for that exam.
 - I reserve the right to adjust these policies on an ad hoc basis in the event of **extraordinary** circumstances.
 - Above all else, please communicate with me your situation **as soon as possible**. The earlier you fill me in, the more time we have to work out a solution.
- Accommodations. See SDAC section below.

d. Integrated Final Exam. I will provide more details on this later in the semester. My current plan is to request deliverables like what we produce while working on our semester-long, in-class Bubble and Bee case.

e. Attendance and Participation. Students are expected to attend all class meetings.

- If you need to miss class in your assigned section:
 - i. If you need to miss class at your assigned time because you have a legitimate conflict, you are welcome to come to one of the other two sections. Please email me before class to give

me a heads up. This does not count as an absence. Example: zoom interview, doctor's appointment.

- ii. If you will need to miss class and cannot make it to either of the other class sections, please email me with a brief explanation as soon as possible. Example: sporting event, flyout interview, family function.
 - iii. If you are sick or are unable to attend for some unexpected reason, please stay home. Email me at your earliest convenience with a very brief explanation. Example: sick, personal matter. No further explanation will be required.
 - iv. If you miss class and never provide an explanation, you will be recorded as having an unexcused absence.
- Starting with your third unexcused absence, 1 percentage point will be deducted from your final grade for each absence.
 - If you miss class, it is your responsibility to find out what was missed. Lectures will be recorded and posted.
 - Please bring your name cards with you to every lecture and have them propped up in front of you before class begins.
 - Cold calling is an important part of GCOM 7060. I will call on everybody at least once each class.

f. Grade Distribution. There is no set-in-stone correspondence between the percent and the letter grade.

- I plan to curve the class so that the average GPA is between a 3.4 and a 3.5.
- I have some latitude here. If you all knock it out of the park, the average GPA can be above 3.5. And, conversely, if the results are very poor, the average GPA can be below a 3.4.
- It is very unlikely that a 90% will not be at least an A- and that a 94% will not be at least an A.

5. STANDARD POLICIES FOR MS-COMMERCE

a. McIntire Policy on Audio and Video Taping and Distribution of Class Materials. The general policy of the McIntire School is to prohibit audio and video recording of classroom lectures and discussions. Audio and video recording are only allowed under special circumstances (e.g., students with documented disabilities) and only with the prior written permission of the instructor. Any audio or video recording or all other class materials handed out in class or posted to websites such as Canvas may not be exchanged or distributed for commercial purposes, for compensation, or for any other purpose other than study by students enrolled in the class. Public distribution of such materials may constitute copyright infringement. Unauthorized use of class notes or recordings may subject an individual to University Honor, Judicial charges, and/or legal action.

- b. Class Recording Policy.** Class sessions for this course will routinely be recorded. These recordings will be made available to all students. Any access to recordings will be made available via Canvas, thus available to only participants of our course. Distribution to others or public posting is strictly prohibited.
- c. In-Class Electronic Device Use.** Electronic devices (computers, tablets, phones) are permitted in the classroom for relevant class work (e.g., note-taking, review of case preparation notes). Device use distracting to others is not acceptable.
- d. Participation and Contribution to Learning.** See the previous section for the policies we will use in GCOM 7060.
- e. Late Policy.** See the previous sections for the late policy.

6. ACADEMIC HONESTY

- a. McIntire School of Commerce Honor Statement.** The standard honor statement applies.
- b. Clarifications for GCOM 7060.** Academic dishonesty will not be tolerated!
 - **Online Homework.** Work on these together! I'm explicitly recommending that you do this! Feel free to have ChatGPT help you. You must submit your own answers on MyLab. Giving your laptop to a friend and having them do your assignment is forbidden. Short of such blatant laziness and complete disregard for the spirit of the UVA Honor System, I encourage group work and encourage you to use all available resources.
 - **In-Class Exams.** The exams are in a lecture hall. If I catch you cheating on an exam you will fail the course. If you have any questions about what is allowed and what is not, please ask.
 - **Integrated Final Exam.** Same rules as for the online homework assignments apply. *Except* you may not work with anybody else in 7060 except for your partner.

7. ACCESSIBILITY

- a. SDAC.** UVA is committed to creating a learning environment that meets the needs of its diverse student body. If you anticipate or experience any barriers to learning in this course, please feel welcome to discuss your concerns with me. If you have a disability, or think you may have a disability, you may also want to meet with the Student Disability Access Center (SDAC), to request an official accommodation. You can find more information about SDAC at <https://www.studenthealth.virginia.edu/SDAC>.
 - To receive your accommodations, you must meet with SDAC **as soon as possible!**
- b. In-Class Exams.** Accommodations for alternative testing will be provided to students for both in-class exams as recommended by SDAC. If applicable, please schedule your exams with SDAC. Sign up for a time as close to the in-class time as possible.

8. ADVERSE WEATHER CONDITIONS AND EMERGENCY PREPAREDNESS

a. Weather. In the event of a snow day or some other foreseeable weather event, I plan to have class on Zoom. I will send out a link to the Zoom room either a few hours or the night before class is to be held.

b. Emergencies. Please take time to visit the website for Emergency Management at the following link: <https://uvaemergency.virginia.edu/>. Also, if you have not already done so, please make sure to sign up for UVA Alerts at <https://uvaemergency.virginia.edu/uva-alerts>.

9. OTHER RESOURCES. UVA provides many resources to ensure the health and safety of its students. Please take some time to familiarize yourself with what's available.

- Counseling and Psychological Services: <https://www.studenthealth.virginia.edu/CAPS>
 - i. CAPS@Comm: <https://mymcintire.virginia.edu/resource/capscomm?slug=capscomm>
- Student Legal Services: <https://sls.virginia.edu/>
- Student Health: <https://www.studenthealth.virginia.edu/>
- Discrimination and Harassment: <https://eocr.virginia.edu/discrimination-and-harassment>
- Just Report It: <https://justreportit.virginia.edu/>

10. COURSE SCHEDULE. I will try to follow the schedule closely, but it is subject to change. Any adjustments will be announced in class.

| Class | Day | Date | Topic | Reading | MyLab Assignment |
|-----------|--------------|---------------------|---|---------------|----------------------------|
| 1 | Tues | 8/15 | 0. Syllabus Day and Big Picture | | |
| 2 | Thurs | 8/17 | 1. FSA & Financial Ratios | 2.2 – 2.6 | HW 0 – Due 8/21 at 11:59p |
| 3 | Tues | 8/22 | 1. FSA & Financial Ratios | | |
| 4 | Thurs | 8/24 | 2. Financial Forecasting | B&B Case | HW 1 – Due 8/28 at 11:59p |
| 5 | Tues | 8/29 | 2. Financial Forecasting | | |
| 6 | Thurs | 8/31 | 3. The Time Value of Money | 4.1 – 4.9 | |
| 7 | Tues | 9/5 | 3. The Time Value of Money | | |
| 8 | Thurs | 9/7 | 4. Interest Rates | 5.1 – 5.5 | HW 2 – Due 9/11 at 11:59p |
| 9 | Tues | 9/12 | 4. Interest Rates | | |
| 10 | Thurs | 9/14 | 5. NPV | 7.1 – 7.3 | HW 3 – Due 9/18 at 11:59p |
| 11 | Tues | 9/19 | <i>Review for Exam 1</i> | | |
| 12 | Thurs | 9/21 | Exam 1 – In Class – Covers Topics 1 – 5 | | |
| 13 | Tues | 9/26 | 6. Capital Budgeting | 8.1 – 8.5 | |
| 14 | Thurs | 9/28 | 6. Capital Budgeting | | |
| | Tues | 10/3 | Fall Break | | |
| 15 | Thurs | 10/5 | 7. Bond Valuation | 6.1 – 6.5 | HW 4 – Due 10/9 at 11:59p |
| 16 | Tues | 10/10 | 7. Bond Valuation | | |
| 17 | Thurs | 10/12 | 8. Stock Valuation | 9.1, 9.2, 9.4 | HW 5 – Due 10/16 at 11:59p |
| 18 | Tues | 10/17 | 9. The Capital Asset Pricing Model | 10.1 – 11.8 | |
| 19 | Thurs | 10/19 | 9. The Capital Asset Pricing Model | | HW 6 – Due 10/23 at 11:59p |
| 20 | Tues | 10/24 | 10. Valuation | 12.1 – 12.7 | |
| 21 | Thurs | 10/26 | 10. Valuation | 9.3, 9.5 | HW 7 – Due 10/30 at 11:59p |
| 22 | Tues | 10/31 | 11. Personal Finance Crash Course | | |
| 23 | Thurs | 11/2 | <i>Review for Exam 2</i> | | |
| | Tues | 11/7 | Election Day | | |
| 24 | Thurs | 11/9 | Exam 2 – In Class – Focuses on Topics 6 – 11 | | |
| | | 12/6 – 12/12 | Integrated Final Exam | | |