

Financial Management

MASY1-GC 1220| 103 | Spring 2024 | 01/25/2024 - 05/02/2024 | 3 Credit

Modality: In-Person

Course Site URL: <https://brightspace.nyu.edu/>

General Course Information

Name/Title: Robert Nagle, CFA - Adjunct Assistant Professor

NYU Email: rn28@nyu.edu

Class Meeting Schedule: 01/25/2024 - 05/02/2024/ Thursdays | 06:20pm -- 08:55pm

Class Location: 20 W. 43rd St (Midtown Center) - Room 525

Office Hours: Students will have an opportunity to schedule via email. Meetings are by appointment.

Description

This course covers current financial and managerial accounting methods and their function within the information system of decision making. Topics include accounting theory and concepts, financial statement analysis as well as financial analysis for evaluation and decision-making. The course also focuses on capital investment analysis, financial models, and the legal ramifications of technological advances in the finance industry. Students learn to apply financial management principles, techniques, and best practices to analyze a firm's finances. The course prepares students to study financial risk management and entrepreneurship.

Prerequisites

N/A

Learning Outcomes

At the conclusion of this course, students will be able to:

- Analyze financial statements utilizing generally accepted accounting principles (GAAP) to assess financial health of the organization and inform decision making
 - Apply the Time Value of Money theory in making financial decisions and evaluating competing projects
 - Apply the basics of financial markets in making financial decisions
 - Apply knowledge of capital markets to meet a firm's capital needs and investment decisions
- Develop organizational financial plans using financial modeling techniques

Communication Methods

Be sure to turn on your [NYU Brightspace notifications](#) and frequently check the "Announcements" section of the course site. This will be the primary method I use to communicate information critical to your success in the course. To contact me, send me an email. I will respond within 24 hours.

Credit students must use their NYU email to communicate. Non-degree students do not have NYU email addresses. Brightspace course mail supports student privacy and FERPA guidelines. The instructor will use the NYU email address to communicate with students. All email inquiries will be answered within 24 hours.

Students have the opportunity to add their pronouns, as well as the pronunciation of their names, into Albert. Students can have this information displayed to faculty in Albert, Brightspace, and other NYU systems. Students can also opt out of having their pronouns viewed by their instructors.

<https://www.nyu.edu/students/student-information-and-resources/registration-records-and-graduation/forms-policies-procedures/change-of-student-information/pronouns-and-name-pronunciation.html>

Structure | Method | Modality

This course is In-person and will meet once a week on Thursday. Brightspace is the learning management system we will use for assignments, announcements and emails. Students should check Brightspace on a daily basis for course assignments and messages. The primary delivery method will be in-class sessions, but we will use Brightspace to support the learning effort. The course will involve class participation, individual assignments, hands-on projects using Excel, a midterm exam and a final exam. There will be practice problems and reading assigned for homework which we will review as a group the following class session. Also, students are encouraged to speak to peers/co-workers about topics covered between class sessions which will help them participate.

Expectations

Learning Environment

You play an important role in creating and sustaining an intellectually rigorous and inclusive classroom culture. Respectful engagement, diverse thinking, and our lived experiences are central to this course, and enrich our learning community.

Participation

You are integral to the learning experience in this class. Be prepared to actively contribute to class activities, group discussions, and work outside of class.

Assignments and Deadlines

Students will be expected to read the assigned text and handouts. They will also be expected to keep abreast of current financial and economic developments. Applying class principles to real world events is integral to students meeting the objective of this class.

Bring your textbook to every class. We will frequently do practice problems in class together. Please attend all sessions, participate, and complete any assigned work, including the class projects. You will need access to Microsoft Excel.

Class Projects – The three projects allow students to apply the principles from the class to real-world situations. The full details of the projects will be provided via Brightspace. The students are also required to present their Project #3 findings to the class.

Midterm and Final Exam – There are two exams intended to test the students' understanding of the material from the class. The final exam is not cumulative and only covers topics covered

after the midterm.

Course Technology Use

Most class sessions require use of technology (e.g., laptop) for learning and research purposes. However, we will periodically have a device-free learning environment. Students are not allowed to use laptops for exams. This course is supported by NYU Learning Management System called Brightspace. Log on with net ID at <https://brightspace.nyu.edu/>, see instructions. Student must have access to NYU Brightspace. Course outlines, announcements, and assignments will be posted on this venue.

Feedback and Viewing Grades

I will provide timely meaningful feedback on all your work via our course site in NYU Brightspace. You can access your grades on the course site Gradebook.

Attendance

Students are expected to attend all class sessions. Excused absences are granted in cases of documented serious illness, family emergency, religious observance, or civic obligation. In the case of religious observance or civic obligation, this should be reported in advance. Unexcused absences from sessions may have a negative impact on a student's final grade. Students are responsible for assignments given during any absence.

If for some reason (excused absence) you will not be in class, you must notify the instructor prior to the scheduled session if you will not be attending and the reason.

Each unexcused absence or being late may result in a student's grade being lowered by a fraction of a grade. A student who has three unexcused absences may earn a Fail grade.

Refer to the [SPS Policies and Procedures page](#) for additional information about attendance.

Textbooks and Course Materials

Textbook Name: *Financial Management: Principles and Practice* 9th edition

Authors: Timothy J. Gallagher

Year: 2022

Publisher: Textbook Media Press

ISBN Number: (ISBN-13: 9781954156241 OR 9781954156098)

This textbook can be purchased via www.textbookmedia.com, and either the eBook version or Paperback version is acceptable.

Financial Calculator - Texas Instruments BAII Plus. You will need this to perform standard investment analysis calculations. You can purchase an app for your smartphone.

Microsoft Excel – We will be using Excel for financial modeling homework and for projects.

NYU Learning Management System (Brightspace) – additional posted materials on our class portal <https://brightspace.nyu.edu/>

Recommended Material: The Wall Street Journal, CNBC.com, CNN.com

Grading | Assessment

Participation (including Homework)	10%
Project #1 – 3 Statement Model	20%
Project #2 – Retirement Planning Model	10%
Midterm Exam	20%
Final Exam	20%
Project #3 – DCF Model & Presentation	<u>20%</u>
	100%

Class Participation: Students are expected to be active participants in class discussions including any discussion of homework assignments.

Projects: Students are expected to complete the individual projects and deliver them on their due dates.

Midterm and Final Exam: The final exam is not cumulative and only covers topics covered after the midterm.

See the [“Grades” section of Academic Policies](#) for the complete grading policy, including the letter grade conversion, and the criteria for a grade of incomplete, taking a course on a pass/fail basis, and withdrawing from a course.

Course Outline

Start/End Dates: 01/25/2024 - 05/02/2024 | Thursday

Time: 06:20pm - 08:55pm

No Class Date(s): Thursday, 03/21/2024 and Thursday 04/04/2024 (This session will be rescheduled)

Special Notes: Spring Break 03/18/24 - 03/24/24

Session 1 - 01/25/24

Introduction to Finance

Reading: Chapter 1

Objectives:

- What is finance?
- Roles of finance in a business

Practice: Problems from Chap 1

Session 2 – 02/01/24

Review of Accounting

Reading: Chapter 4

Handout: 5 Wildly Successful Entrepreneurs Reveal How Risk-Taking Propelled Their Careers

<https://www.inc.com/partners-in-leadership/5-wildly-successful-entrepreneurs-reveal-how-risk-taking-propelled-their-careers.html>

Objectives:

- Description and purpose of core financial statements
- Basic accounting concepts and conventions

Practice: Problems from Chap 4

Session 3, 02/08/24

Analysis of Financial Statements

Reading: Chapter 5

Objectives:

- Financial Ratios
- Benchmarking and trend analysis

Practice: Problems from Chap 5

Session 4, 02/15/24

Forecasting for Financial Planning

Readings: Chapter 6

Objectives:

- Forecasting and pro forma statement analysis

Practice: Problems from Chap 6

Session 5, 02/22/24

Intro to Financial Modeling

Readings: (Handout) Ultimate Guide to Financial Modeling for Startups

https://www.ey.com/en_nl/finance-navigator/the-ultimate-guide-to-financial-modeling-for-startups

Objectives: Create the 3 financial statements in Excel linked to each other

Class Exercise: Rob's Pizza – 3 Statement Model – starting point

Project #1: 3 Statement Model (Due by end of semester)

Session 6, 02/29/24

Risk and Return

Readings: Chapter 7

Objectives:

- What is risk and return?
- Types of risk and measures

Practice: Problems from Chap 7

Session 7, 03/07/23

Review & Midterm Exam

Session 8, 03/14/24

The Time Value of Money

Readings: Chapter 8

Objectives:

- Common TVM calculations using Financial Calculator and Excel

Project #2: Retirement Planning Model (Due by end of semester)

Practice: Problems from Chap 8

Additional resources:

<https://www.calculator.net/finance-calculator.html>

<https://www.bankrate.com/calculators.aspx>

NO CLASS 03/21/24

Session 9, 03/28/24

Financial Instruments and Valuation Overview

Readings: Chapter 14, 15, 12

Objectives:

- Key characteristics of Stocks and Bonds and approaches to valuation

Practice: Problems from Chap 14, 15, 12

NO CLASS 04/04/24 (Will have a makeup session)

Session 10, 04/11/24

Discounted Cash Flow Model

Readings: Chapter 12

Objectives:

- Create DCF Model in Excel

Class Exercise: DCF Model project – starting point

Handout: Online NYU Library Research

Handout: Caterpillar Valueline Report

Project #3: DCF Model (Due in 13th class session)

Session 11, 04/18/24

The Cost of Capital

Readings: Chapter 9

Objectives:

- Component costs of capital
- WACC

Practice: Problems from Chap 9

Session 12, Makeup Session Tentative for 04/19/24 or 4/20/24 – TBD – possibly virtual

Capital Budgeting Decision Methods

Readings: Chapter 10

Objectives:

- Payback Period method
- Net Present Value (NPV) method
- Internal Rate of Return (IRR) method

Practice: Problems from Chap 10

Session 13, 04/25/24

Project #3 Student Presentations and Final Exam Preparations

Session 14, 05/02/24

Final Exam

NOTES:

The syllabus may be modified to better meet the needs of students and to achieve the learning outcomes.

The School of Professional Studies (SPS) and its faculty celebrate and are committed to inclusion, diversity, belonging, equity, and accessibility (IDBEA), and seek to embody the IDBEA values. The School of Professional Studies (SPS), its faculty, staff, and students are committed to creating a mutually respectful and safe environment (*from the [SPS IDBEA Committee](#)*).

New York University School of Professional Studies Policies

1. Policies - You are responsible for reading, understanding, and complying with [University Policies and Guidelines](#), [NYU SPS Policies and Procedures](#), and [Student Affairs and Reporting](#).
2. Learning/Academic Accommodations - New York University is committed to providing equal educational opportunity and participation for students who disclose their dis/ability to the [Moses Center for Student Accessibility](#). If you are interested in applying for academic accommodations, contact the [Moses Center](#) as early as possible in the semester. If you already receive accommodations through the Moses Center, request your accommodation letters through the Moses Center Portal as soon as possible (mosescsa@nyu.edu | 212-998-4980).
3. Health and Wellness - To access the University's extensive health and mental health resources, contact the [NYU Wellness Exchange](#). You can call its private hotline (212-443-9999), available 24 hours a day, seven days a week, to reach out to a professional who can help to address day-to-day challenges as well as other health-related concerns.
4. Student Support Resources - There are a range of resources at SPS and NYU to support your learning and professional growth. For a complete list of resources and services available to SPS students, visit the [NYU SPS Office of Student Affairs site](#).
5. Religious Observance - As a nonsectarian, inclusive institution, NYU policy permits members of any religious group to absent themselves from classes without penalty when required for compliance with their religious obligations. Refer to the [University Calendar Policy on Religious Holidays](#) for the complete policy.
6. Academic Integrity and Plagiarism - You are expected to be honest and ethical in all academic work. Moreover, you are expected to demonstrate how what you have learned incorporates an understanding of the research and expertise of scholars and other appropriate experts; and thus recognizing others' published work or teachings—whether that of authors, lecturers, or one's peers—is a required practice in all academic projects.

Plagiarism involves borrowing or using information from other sources without proper and full credit. You are subject to disciplinary actions for the following offenses which include but are not limited to cheating, plagiarism, forgery or unauthorized use of documents, and false form of identification

[Turnitin](#), an originality detection service in NYU Brightspace, may be used in this course to check your work for plagiarism.

Read more about academic integrity policies at the NYU School of Professional Studies on the [Academic Policies for NYU SPS Students](#) page.

7. Use of Third-Party Tools - During this class, you may be required to use non-NYU apps/platforms/software as a part of course studies, and thus, will be required to agree to the “Terms of Use” (TOU) associated with such apps/platforms/software.

These services may require you to create an account but you can use a pseudonym (which may not identify you to the public community, but which may still identify you by IP address to the company and companies with whom it shares data).

You should carefully read those terms of use regarding the impact on your privacy rights and intellectual property rights. If you have any questions regarding those terms of use or the impact on the class, you are encouraged to ask the instructor prior to the add/drop deadline.