Objective: To familiarize students with basic financial concepts, allowing them to understand and perform financial calculations, valuations, and analyses as they arise in corporate practice.


Recommended: An MBA-level text on the principles of finance such as Bodie and Merton, Finance (Upper Saddle River, NJ: Prentice Hall, 2000) may be helpful for a more detailed understanding of the technical work we do in class.

Financial Calculator: Purchase a financial calculator, preferably the Texas Instruments BA II Plus Business Analyst Calculator (less than $30) for use with the problem sets; it will make your life considerably easier.

Attendance Policy: The ABA believes it knows how to allocate your time better than you do, so it mandates an 80 percent minimum attendance policy. Eventually, you will benefit from these kinds of entry restrictions.

Problem Sets: To reinforce the technical skills you learn, I will provide a number of problem sets throughout the semester, as well as answer sheets to them. It is up to you whether you put any effort into these since they will not count directly in the grade, but be forewarned . . . the exam will contain a number of problems like those presented in the problem sets, so those who have not actually worked out problems like these will be at a decided disadvantage with respect to the exam.

Grading: Grades will be based entirely on the final exam, which has been scheduled by the law school for April 24, 2007 from 8:30 – 12:30. Exam grades will be curved to meet law school requirements.

Course Schedule:

January 9: Chapter 2: Measuring Firm Output
January 11:  
January 12:  
January 16: Chapter 3: Valuing Firm Output
January 18: 
January 19:  
January 23:  
January 25:  
January 26:  
January 30:  
February 1:  
February 2:  
February 6: Chapter 4: Capital Structure
February 8:  
February 9: No Class
February 13:  
February 15:  
February 16:  
February 20:  
February 22:
February 23: Chapter 5: Common Stock
February 27: Chapter 5: Common Stock
March 1: Chapter 5: Common Stock
March 2: Chapter 5: Common Stock
March 6: No Class (Spring Break)
March 8: No Class (Spring Break)
March 9: No Class (Spring Break)
March 13: Chapter 6: Corporate Debt
March 15: Chapter 6: Corporate Debt
March 16: Chapter 6: Corporate Debt
March 20: Chapter 7: Preferred Stock
March 22: Chapter 7: Preferred Stock
March 23: Chapter 7: Preferred Stock
March 27: Chapter 8: Options and Convertible Securities
March 29: No Class
March 30: No Class
April 3: No Class
April 5: No Class
April 6: No Class
April 10: Chapter 9: Dividends and Distributions
April 12: Chapter 9: Dividends and Distributions
April 13: Chapter 9: Dividends and Distributions
April 17: Chapter 9: Dividends and Distributions
April 24: Exam (8:30-12:30)