Georgia Institute of Technology

MGT 6504 Principles of Finance Syllabus

Summer 2026

Delivery: 100% Web-Based, Asynchronous

Dates course will run: 5/18/2026-6/28/2026

Instructor Information

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Office Hours: Weekly office hours via Zoom Wednesdays 6:00-7:00pm. Attendance is optional.

General Course Information

Description

MGT 6504: Principles of Finance provides a rigorous foundation in modern financial decision-making, equipping students with the analytical tools used by managers, investors, and financial analysts to value assets, evaluate investment opportunities, and understand how financial markets price risk. Through a sequence of integrated modules—including the time value of money, net present value and internal rate of return, bond valuation, stock pricing, risk and return, the cost of capital, and full-firm discounted cash flow analysis—students learn how to translate real-world business decisions into quantitative financial models.

The course begins by establishing the **time value of money**, enabling students to analyze cash flows, compare financial alternatives, and understand the economics behind contracts and investments. Students then apply these fundamentals to evaluate projects using **net present value (NPV)** and **internal rate of return (IRR)**, the core tools of capital budgeting. Building on these skills, the class progresses to the pricing of **bonds** and the valuation of **stocks**, including both constant-growth and multi-stage dividend discount models.

Students then explore the relationship between **risk and return**, including the estimation and interpretation of beta and the use of the **Capital Asset Pricing Model (CAPM)**. These concepts feed directly into understanding a firm's **weighted average cost of capital (WACC)**—a critical input for corporate valuation and strategic financial decisions. The course culminates in a full **discounted cash flow (DCF) valuation**, integrating cash-flow forecasting, terminal value estimation, sensitivity analysis, and interpretation of valuation results in a strategic context.

Throughout the course, students learn not just how to compute value, but how financial models guide corporate choices, investor behavior, and strategic decisions. Real-world examples—including firm valuations, capital budgeting cases, and applied Excel modeling—reinforce the practical relevance of the material and prepare students for careers in finance, consulting, corporate strategy, analytics, and investment management.

Pre- &/or Co-Requisites

This course has no formal pre-requisites. However, success in this course is supported by a solid grounding in algebra, comfort interpreting mathematical relationships, and the ability to think logically about cash flows over time. Students benefit from strong analytical reasoning, attention to detail, and the capacity to break complex financial problems into structured steps. A working knowledge of Excel—particularly formulas, basic financial functions, and organizing data in spreadsheets—helps with modeling and valuation exercises, though all essential

techniques are taught in class. Finally, curiosity, persistence, and a willingness to practice problem-solving are key to mastering the core finance concepts covered in the course.

Course Goals and Learning Outcomes

The goal of this course is to build a rigorous, intuitive, and applied foundation in modern financial decision-making. By the end of the course, students will be able to analyze and value cash flows using time-value-of-money principles; evaluate investment opportunities through Net Present Value (NPV) and Internal Rate of Return (IRR); price bonds and assess interest rate, reinvestment, and credit risk; value stocks using the Dividend Discount Model (DDM); compute and interpret free cash flow in corporate settings; and estimate required returns and discount rates using the Capital Asset Pricing Model (CAPM) and the Weighted Average Cost of Capital (WACC). Students will learn to connect financial theory to real-world decisions, develop sound valuation models, and apply these tools to assess firm value and support strategic choices.

Course Learning Outcomes

By the end of the course, students will be able to:

1. **Analyze and value financial assets and investment opportunities** using time value of money, NPV/IRR, bond pricing, dividend discount models, and free cash flow techniques.
2. **Estimate and interpret required returns and discount rates** by applying the CAPM, beta estimation, and the Weighted Average Cost of Capital (WACC) to real firms and projects.
3. **Apply financial reasoning to strategic and managerial decisions** by building valuation models, assessing risk, and evaluating how capital structure, growth assumptions, and cash-flow dynamics

Course Materials

There is a required course pack for this course, which can be purchased via Harvard Business School Publishing. The course link is available here: https://hbsp.harvard.edu/import/1361012

Course Text

There is no required textbook for this course, as all essential concepts, examples, and problem-solving techniques will be fully covered through lectures and provided materials. However, many students have found that past editions of *Corporate Finance* by Ross, Westerfield, and Jaffe offer helpful reinforcement of key topics such as time value of money, valuation, risk and return, and capital budgeting. While not necessary, this text can serve as a useful supplementary reference for students who want additional practice problems or alternative explanations of core principles.

Additional Materials/Resources

None

Course Website and Other Classroom Management Tools

All course materials will be accessible through Canvas, which will serve as the central hub for everything you need throughout the semester. This includes lecture recordings, PowerPoint presentations, practice problems, past exams, student assignments, and any supplementary resources provided to support your learning. Students are encouraged to check Canvas

regularly, as it will be updated frequently with new materials, announcements, and guidance for upcoming class sessions.

Course Requirements, Assignments & Grading

This course includes a mix of individual and group assignments designed to reinforce core concepts and develop applied financial analysis skills. Weekly class participation on Canvas (10%), the peer evaluation (5%), and the final exam (40%) are all individual assignments that assess your engagement, professionalism, and mastery of the material. In addition, you will complete three group case studies: Case #1: Buy vs. Rent Decision (15%), Case #2: Target Corp (15%), and Case #3: Spotify IPO (15%), each tackled in teams of 5–6 students. These cases require collaborative problem-solving and application of valuation and capital budgeting techniques. Together, these components provide a balanced evaluation of both individual understanding and teamwork-based analytical skills.

Assignment Distribution and Grading Scale

Assignment Weight Distribution and Due Dates

Assignment	Release Date	Due Date	Weight (Percentage, points, etc.)
Weekly Class Participation	5/18/2026	6/28/2026	**10%**
Peer Evaluation	6/21/2026	6/28/2026	**5%**
Case #1: Buy vs. Rent Decision	5/18/2026	5/31/2026	**15%**
Case #2: Target Corp	5/18/2026	6/7/2026	**15%**
Case #3: Spotify IPO	5/18/2026	6/21/2026	**15%**
Final Exam	6/21/2026	6/28/2026	**40%**

Grading Scale

Your final grade will be assigned as a letter grade according to the following scale:

A 90-100%
B 80-89%
C 70-79%
D 60-69%
F 0-59%

Description of Graded Components

Weekly Class Participation (10%)

Participation in this online course is tracked through weekly Canvas-based activities, which may include short quizzes, discussion prompts, applied exercises, or reflections. These assignments are designed to reinforce concepts from the week and ensure steady engagement with the material. Participation will be assessed based on completion, effort, and the quality of contributions where applicable—not on correctness alone. Consistent, timely participation is expected and is essential to keeping pace with the course.

Peer Evaluation (5%)

At the conclusion of the group case work, each student will submit a confidential peer evaluation

assessing the contributions of their teammates. This evaluation helps ensure equitable workload distribution and encourages professionalism, communication, and accountability within groups. Ratings should be thoughtful, honest, and grounded in observable behavior. Peer evaluations directly affect the individual portion of your grade.

Case #1: Buy vs. Rent Decision (15%)
This group assignment applies time value of money concepts, cash-flow modeling, and valuation tools to a real-world household finance decision. Students will work in groups of 5–6 to build a financial model, interpret results, and present a recommendation supported by quantitative analysis. The deliverable typically includes a written summary and supporting spreadsheet work.

Case #2: Target Corp (15%)
This group case focuses on corporate capital budgeting and the use of NPV and IRR to evaluate investment proposals. Students will analyze multiple project alternatives, assess strategic considerations, and justify a final recommendation. The case is designed to deepen students' ability to connect financial analysis with managerial judgment.

Case #3: Spotify IPO (15%)
In this group case, students will apply valuation techniques—including free cash flow modeling, comparable company analysis, and cost of capital estimation—to assess Spotify's IPO. Teams will evaluate assumptions, identify key value drivers, and produce a concise valuation report summarizing findings and investment implications.

Final Exam (40%)
The final exam is an **individual**, closed-collaboration assessment. It integrates all major topics from the course, including time value of money, NPV/IRR, bond and stock valuation, free cash flow analysis, and cost of capital. The exam tests conceptual understanding, problem-solving ability, and the student's capacity to apply financial tools to new situations. Students may not discuss the exam with classmates or seek external assistance. Clear instructions and problem formats will be provided to help students prepare effectively.

Extra Credit Opportunities
None

Submitting Assignments
All assignments (homework, knowledge checks, exams etc.) must be completed and submitted within the Canvas. Sending assignments (homework, knowledge checks, exams etc.), whether early, on time, or late to the professors is not permitted and will not be accepted. If there are technical issues, please notify the help desk, as well as the professor immediately.

Assignment Due Dates
All assignments will be due at the times listed above. These times are subject to change so please check back often. Please convert from Eastern Time to your local time zone using a Time Zone Converter.

Late and Make-up Work Policy
A reasonable late policy is to allow assignments to be submitted up to 48 hours after the deadline with a standard deduction of 10% per day, unless an extension is approved in advance. Work submitted more than 48 hours late would receive no credit. Students facing unexpected emergencies or documented circumstances may request an extension before the

deadline, and these will be considered on a case-by-case basis. This approach gives students flexibility when unavoidable issues arise while maintaining fairness and consistency for the class as a whole.

Grading and Feedback

All assignments and exams will be graded within one week of the submission deadline, and timely feedback will be provided to support your learning and improvement. Feedback may include written comments, solution outlines, or rubric-based evaluations, depending on the assignment. If you have questions about your grade or would like additional clarification on feedback, you are encouraged to reach out so we can discuss your work in more detail.

Technology Requirements and Skills

Computer Hardware and Software

- High-speed Internet connection
- Laptop or desktop computer with a **minimum** of a 2 GHz processor and 2 GB of RAM
- Windows for PC computers OR Mac iOS for Apple computers.
- Complete Microsoft Office Suite or comparable and ability to use Adobe PDF software (install, download, open and convert)
- Latest versions of Mozilla Firefox, Chrome and/or Safari browsers

Technology Skills

To be successful in this online course, students should be comfortable navigating a computer operating system, launching and closing applications, and reliably connecting to the internet. You will need to use a web browser to access Canvas, download and upload files, view lecture recordings, and submit assignments. A working ability to download, save, and organize documents is essential. Students should also be able to send and respond to email professionally. Basic proficiency with Word and PowerPoint will be helpful for reviewing course materials, and a working knowledge of Excel will be important for completing financial calculations and modeling exercises. If you are new to any of these tools, please familiarize yourself early so you can stay on pace with the course.

Onboarding Quiz and Proctoring Information

All Georgia Tech online degree and certificate students are required to complete the Onboarding Quiz with Honorlock in the first week of the course. Honorlock is utilized for student identity verification and to ensure academic integrity. Honorlock provides student identity verification via facial and ID photos. You may also be asked to scan the room around you. The Onboarding Quiz is needed to help make sure that your identity is verified and that your system is set up to work with Honorlock online proctoring tool. You are required to complete this quiz early in the semester to avoid problems when taking proctored exams.

Technology Help Guidelines

30-Minute Rule: When you encounter struggles with technology, give yourself 30 minutes to ‘figure it out.’ If you cannot, then post a message to the discussion board; your peers may have suggestions to assist you. You are also directed to contact the Helpdesk 24/7.

When posting or sending email requesting help with technology issues, whether to the Helpdesk, message board, or me use the following guidelines:

- Include a descriptive title for the subject field that includes 1) the name of course 2) the issue. Do NOT just simply type “Help” into the subject field or leave it blank.
- List the steps or describe the circumstance that preceded the technical issue or error. Include the exact wording of the error message.
- When possible, always include a screenshot(s) demonstrating the technical issue or error message.
- Also include what you have already tried to remedy the issue (rebooting, trying a different browser, etc.).

Course Policies, Expectations & Guidelines

Guidelines

This online course is designed to be flexible, interactive, and supportive of your learning. You are expected to engage with weekly modules, videos, and assignments on Canvas, which serves as the central hub for all materials, announcements, and due dates. Because we are online, consistent participation is essential—please check Canvas regularly and plan your work so you can stay on pace.

Assignments must be submitted by the posted deadlines. If an unexpected conflict arises, request an extension before the due date; late work without prior approval may receive reduced or no credit. Collaboration is encouraged on case studies, which may be completed in groups of 5–6. However, the final exam is an individual assignment, and discussing its content with classmates or using unauthorized resources is not permitted.

Academic integrity is expected at all times. All submitted work should reflect your own understanding unless group work is explicitly allowed. If you run into challenges—technical, personal, or academic—please reach out promptly. Email (Jonathan.clarke@Scheller.gatech.edu) is the best way to contact me, and I aim to respond within one business day. Together, we will maintain a respectful, professional online environment where everyone can learn and succeed.

Communication Policy

- Email course questions and personal concerns, including grading questions, to me privately using… Do NOT submit posts of a personal nature to the discussion
- Email will be checked at least twice per day Monday through Friday; Saturday and Sunday, email is checked once per day. During the week, I will respond to all emails within 24 hours; on weekends and holidays, allow up to 48 hours. If there are special circumstances that will delay my response, I will make an announcement to the class.
- Student Forum/Q&A discussion boards will be checked twice per day Monday through Friday; Saturday and Sunday, these discussion boards will be checked once per day.
- Virtual office hours will be held using Zoom. I will hold Virtual Office Hours every Wednesday, 6-7pm], as well as special office hours for dedicated topics, such as a large, upcoming assignment. Special topic hours will be announced in advance. I am also happy to schedule one-on-one office hours in person. Please reach out via email to schedule a time.
- For questions related to technology, the Digital Learning Support team at https://b.gatech.edu/digitallearningsupport for assistance. You can also reach the Canvas Hotline by phone at 1(877) 259-8498 or by email at support@instructure.com.

Online Student Conduct and (N)etiquette

Although it is not expected to be a problem in a graduate-level class, students are asked to behave in the discussions and other class interactions professionally and civilly. If you are in doubt, do not post it! Instructors reserve the right to remove any postings deemed inappropriate, unprofessional, or otherwise distracting from the course.

University Use of Electronic Email

A university-assigned student e-mail account is the official university means of communication with all students at Georgia Institute of Technology. Students are responsible for all information sent to them via their university-assigned e-mail account. If a student chooses to forward information to their university e-mail account, he or she is responsible for all information, including attachments, sent to any other e-mail account. To stay current with university information, students are expected to check their official university e-mail account and other electronic communications on a frequent and consistent basis. Recognizing that some communications may be time-critical, the university recommends that electronic communications be checked minimally twice a week.

Plagiarism & Academic Integrity

Georgia Tech aims to cultivate a community based on trust, academic integrity, and honor. Students are expected to act according to the highest ethical standards. All students enrolled at Georgia Tech, and all its campuses, are to perform their academic work according to standards set by faculty members, departments, schools, and colleges of the university; and cheating and plagiarism constitute fraudulent misrepresentation for which no credit can be given and for which appropriate sanctions are warranted and will be applied. For information on Georgia Tech's Academic Honor Code, please visit http://www.catalog.gatech.edu/policies/honor-code/.

Any student suspected of cheating or plagiarizing on a quiz, exam, or assignment will be reported to the Office of Student Integrity, which will investigate the incident and identify the appropriate penalty for violations.

Collaboration & Group Work

The final exam is an individual assignment, and students are not permitted to discuss its content, questions, or solutions with classmates or anyone else. All work submitted for the exam must represent your own independent analysis. In contrast, the case studies assigned throughout the semester may be completed collaboratively in groups of 5–6 students, allowing you to share perspectives, divide analytical tasks, and learn from one another as you work through more complex, applied problems.

Accommodations for Students with Disabilities

If you are a student with learning needs that require special accommodation, contact the Office of Disability Services at (404)894-2563 or http://disabilityservices.gatech.edu/, as soon as possible, to make an appointment to discuss your special needs and to obtain an accommodations letter. Please also e-mail me as soon as possible to set up a time to discuss your learning needs.

Copyright

Among the materials that may be protected by copyright law are the lectures, notes, and other material presented in class or as part of the course. Always assume the materials presented by an instructor are protected by copyright unless the instructor has stated otherwise.

Student-Faculty Expectations Agreement

At Georgia Tech we believe that it is important to strive for an atmosphere of mutual respect, acknowledgment, and responsibility between faculty members and the student body. See https://catalog.gatech.edu/rules/21/ for an articulation of some basic expectations that you can have of me and that I have of you. In the end, simple respect for knowledge, hard work, and cordial interactions will help build the environment we seek. Therefore, I encourage you to remain committed to the ideals of Georgia Tech while in this class.

Subject to Change Statement

The syllabus and course schedule may be subject to change. Changes will be communicated via the Canvas announcement tool. It is the responsibility of students to check email messages and course announcements to stay current in their online courses.

Course Schedule

The course schedule outlined below is designed to help you stay organized and to provide a clear roadmap for the concepts, skills, and assignments you will encounter throughout the semester. Each week includes the topics we will cover, the materials you should review in advance, and the deadlines for case submissions, participation activities, and the final exam. Please refer to the schedule regularly, as it establishes the structure for your learning progression—from foundational concepts like time value of money to advanced applications in valuation and cost of capital. All due dates adhere to the official Georgia Tech academic calendar, and no assignments are scheduled during Institute holidays or breaks. Staying current with the weekly modules and deadlines will ensure you are well prepared for each topic and able to integrate the material effectively as the course builds toward the final exam.

Course Schedule

Week / Dates	Topic	Readings / Materials	Assignments
1 (May 18)	Module 1: Time Value of Money	PPT: Time Value of Money; Developing Financial Insights Case	
2 (May 25)	Module 2: NPV & IRR	PPT: NPV and IRR; Reading NPV and IRR Accounting for Time	
3 (Jun 1)	Module 3: Bond Valuation	PPT: Bond Valuation	Case #1 Due 6/1
4 (Jun 8)	Module 4: Stock Pricing & DDM; Reading the Dividend Discount Model	PPT: Stock Pricing (DDM)	Case #2 Due 6/8
5 (Jun 15)	Module 5: Free Cash Flow & DCF Valuation; Reading Discounted Cash Flow Analysis; Supplemental: Full Valuation Example	PPT: DCF & Free Cash Flow; Supplemental: PPT Valuation Example	Case #3 Due 6/21

Week / Dates	Topic	Readings / Materials	Assignments
	(Buffett/Media General)		
Final Exam Week (Jun 21–Jun 28)	Final Exam (Individual)	Comprehensive	Final Exam Due (Jun 28)