

Course	FINC 5880.PR - Advanced Corporate Finance	
Term	Fall 1, 2009	
Instructor	Name: Dan Andrews E-mail: dandrews@andrewslemek.com	
Catalog Description	This advanced study of corporate financial analysis and planning includes capital budgeting, cost of funds, and capital structure and valuation. Selected topics that may be covered are leasing, mergers, takeovers, business failure, reorganization, and liquidation. A combination of problem-solving and case study methodologies is used to illustrate theories and techniques helpful in financial analysis and planning.	
Prerequisites	FINC 5000 Finance	
Course Level Learning Outcomes	Outcome	Expectation
	1. Students can determine the value of fixed income securities	Students can calculate the implied value of convertible securities as well as the value of bonds-with-warrants.
	2. Students can analyze capital budgeting decisions using standard methodologies	Students can make capital budgeting decisions using cash flow estimates and incorporating other sources of cash, such as taxes and depreciation. Students can explain the impact of profit margin and overall firm profitability on capital budgeting decisions, particularly when outside financing may be required to be able to complete projects.
	3. Students can explain the impact of capital structure decisions on financial performance and cost of capital	Students can determine the impact of changes in cost of equity, cost of debt, the risk-free rate of interest, the tax rate, and the levels of debt and equity on the firm's balance sheet on the overall cost of capital and the effect on both project and firm profitability.
	4. Students can utilize financial analysis to assess an organization's financial condition	Students can apply ratio and financial statement analysis skills to solve unstructured problems.
	5. Students can evaluate strategies to increase the value of the firm.	Students can determine the present value of cash flows generated by alternative strategies and choose the strategy that provides maximum value.
	6. Students can construct	Students can compute payoffs to put and call

	strategies to reduce risk utilizing derivatives	contracts and value corporate projects using the real option approach.
	7. Students demonstrate integration of more than one area of finance when using case studies.	Students can solve cases requiring integration across various finance areas.
	8. Students will demonstrate knowledge of lease analysis.	Students can compare the value of leasing to that of purchasing.
Materials	<ul style="list-style-type: none"> • Brigham, Eugene F. and Michael C. Ehrhardt, Financial Management, Theory and Practice, South-Western, ISBN: ISBN-13:978-0-324-64908-6, or ISBN -10:0-324-64908-8, 12th edition. • A study guide is available for students who want additional support for solving problems. Note: Previous online students have said that a study guide was a valuable resource. • Financial Calculator • Access to Wall Street Journal and other business news sources. 	
Grading	Grading scale:	
	A range - 90/100 pts.	90-100%
	B range - 80/89 pts.	80-89%
	C range - 70/79 pts.	70-79%
	The Graduate catalog provides these guidelines and grading options for graduate business degrees:	
	Grades in the program are A, A-, B+, B, B-, C, F, I, ZF, and W. Grades reflect the following standards:	
	A/A-	Superior Graduate Work
	B+/B/B-	Satisfactory Graduate Work
	C	Work that is barely adequate as graduate-level performance
	F	Work that is not satisfactory
	I	Incomplete work
	ZF	An "I" that is not completed within one year of the end of the course is automatically converted to a "ZF." A "ZF" is treated the same as an F or NC for all cases involving GPA, academic warning, probation and dismissal.
	W	Withdrawal from the course

<p>Activities</p>	<ul style="list-style-type: none"> • Readings Readings are from the textbook, Financial Management, Theory and Practice, 12th edition. • Written Assignments Students will be required to complete problems and cases. The problems are from the textbook. Complete problems in Excel. Show how you derived each answer. If you use a financial calculator, show the keystrokes. Complete quantitative aspects of cases in Excel; narrative may be completed in Excel (use textboxes) or Word. Late submissions will be penalized unless pre-approved by the instructor. • Quizzes You will be required to take a quiz certain weeks of the course. Quizzes will be graded automatically. You may take a quiz only one time, so be sure of your answer before submission. Students must complete the quizzes on their own with no help of any kind from anyone else. • Exams There will be a mid-term and a final exam. Students must complete the exams on their own with no help of any kind from anyone else. A limited amount of time may be available to students to complete the exams.
<p>Policy Statements: University Policies</p>	<p>University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university's published policies. The following policies are of particular interest:</p> <p>Academic Honesty</p> <p>The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the university's academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.</p> <p>Drops and Withdrawals</p> <p>Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the university policies on drops and withdrawals (published elsewhere) to find out what the deadlines are for dropping a course with a full refund and for withdrawing from a course with a partial refund.</p> <p>Special Services</p> <p>If you have registered as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the</p>

	<p>instructor at the beginning of the course of the accommodations you will require in this class so that these can be provided.</p> <p>Disturbances Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course</p> <p>Student Assignments Retained From time to time, student assignments or projects will be retained by The Department for the purpose of academic assessment. In every case, should the assignment or project be shared outside the academic Department, the student's name and all identifying information about that student will be redacted from the assignment or project.</p> <p>Contact Hours for this Course It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, it must be rescheduled</p>												
<p>Course Policies</p>	<ul style="list-style-type: none"> • Expect to spend substantial amounts of time to keep up with readings and assignments. Students should ask questions on any unclear concepts or problems. • A working knowledge of Excel is required. 												
<p>Weekly Schedule</p>	<p>The schedule below presents an approximate expectation of course progress. The instructor reserves the right to change this schedule. Any changes will be announced.</p> <table border="1" data-bbox="358 1325 1427 1911"> <thead> <tr> <th data-bbox="358 1325 475 1394">Week</th> <th data-bbox="475 1325 1427 1394">Topic and Chapter</th> </tr> </thead> <tbody> <tr> <td data-bbox="358 1394 475 1507">1</td> <td data-bbox="475 1394 1427 1507"> <ul style="list-style-type: none"> • Financial Statements Analysis, Chapter 4 • Cash Flow Estimation, Chapter 12 </td> </tr> <tr> <td data-bbox="358 1507 475 1654">2</td> <td data-bbox="475 1507 1427 1654"> <ul style="list-style-type: none"> • Financial Options, Chapter 9 • Real Options, Chapter 13 </td> </tr> <tr> <td data-bbox="358 1654 475 1768">3</td> <td data-bbox="475 1654 1427 1768"> <ul style="list-style-type: none"> • Dividends and Repurchase, Chapter 18 • Investment Banking, Chapter 19 </td> </tr> <tr> <td data-bbox="358 1768 475 1839">4</td> <td data-bbox="475 1768 1427 1839"> <ul style="list-style-type: none"> • Corporate Valuation, Chapter 15 </td> </tr> <tr> <td data-bbox="358 1839 475 1911">5</td> <td data-bbox="475 1839 1427 1911"> <ul style="list-style-type: none"> • Mid-term • Lease Financing, Chapter 20 </td> </tr> </tbody> </table>	Week	Topic and Chapter	1	<ul style="list-style-type: none"> • Financial Statements Analysis, Chapter 4 • Cash Flow Estimation, Chapter 12 	2	<ul style="list-style-type: none"> • Financial Options, Chapter 9 • Real Options, Chapter 13 	3	<ul style="list-style-type: none"> • Dividends and Repurchase, Chapter 18 • Investment Banking, Chapter 19 	4	<ul style="list-style-type: none"> • Corporate Valuation, Chapter 15 	5	<ul style="list-style-type: none"> • Mid-term • Lease Financing, Chapter 20
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6	<ul style="list-style-type: none"> Hybrid Financing, Chapter 21
7	<ul style="list-style-type: none"> Derivatives, Chapter 23
8	<ul style="list-style-type: none"> Bankruptcy, Chapter 24 Mergers and Divestitures, Chapter 25
9	<ul style="list-style-type: none"> Multinational Financial Management, Chapter 26 Final examination
<p><u>Course Requirements:</u></p> <p>Course Attendance: The University reserves the right to drop students who do not attend class the first two weeks of the term/semester. Students are expected to attend all class sessions of every course. In the case of unavoidable absence, the student must contact the instructor. The student is subject to appropriate academic penalty for incomplete or unacceptable makeup work, or for excessive or unexcused absences.</p> <p>Conduct: Students enrolling in a degree program at Webster University assume the obligation of conducting themselves in a manner compatible with the University's function as an education institution. Misconduct for which students are subject to discipline may be divided into the following categories:</p> <ol style="list-style-type: none"> All forms of dishonesty, cheating, plagiarism, or knowingly furnishing false information to the University. Obstruction or disruption of teaching, research, administration, disciplinary procedures, or other University activities or of other authorized activities on University premises. Classroom disruption. Behavior occurring within the academic arena, including but not limited to classroom disruption or obstruction of teaching, is within the jurisdiction of Academic Affairs. In case of alleged campus and/or classroom disruption or obstruction, a faculty member and/or administrator may take immediate action to restore order and/or to prevent further disruption (e.g. removal of student[s] from class or other setting). Faculty members have original jurisdiction to address the immediacy of a situation, as they deem appropriate. When necessary and appropriate, Public Safety and/or the local [or military] police may be contacted to assist with restoring peace and order. Faculty response is forwarded to the academic dean (or his or her designee) for review and, if necessary, further action. Further action might include permanent removal from the course. Repeated offenses could lead to removal from the program and/or the University. Theft of or damage to property of the University. Students who cheat or plagiarize may receive a failing grade for the course in which the cheating or 	

plagiarism took place.

Students who engage in any of the above misconducts may be subject to dismissal from the University on careful consideration by the executive vice president of the University or his designee. To the extent that penalties for any of these misconducts (e.g. theft or destruction of property) are prescribed by law, the University will consider appropriate action under such laws.

Students are subject to the Student Code of Conduct and Judicial Procedure described in the Online Student Handbook.

Course Contact Hours:

Unless a course has enrolled fewer than four students, faculty has a contractual obligation to meet the full complement of contact/meeting hours (32 for undergraduate courses; 36 for graduate courses). Not to meet this full complement of hours may be construed as a breach of contract and may also endanger Webster University's accreditation by The Higher Learning Commission, a commission of the North Central Association of Colleges and Schools, and its licensure by the State of Florida. Finally, course meetings, which are missed for any reason, must be made up.

Determination of Grades Statement:

Determination of grades is based on the following criteria:

Minimum Requirements:

Products (papers, case studies, projects) must be on time, in the correct format, corrected for spelling and grammar, appropriate materials included and referenced to-the-point and on topic and conclusions must be supported.

Examinations must be complete, accurate, neat, evidence clear thought, and exhibit concise and to-the-point responses.

Behavior in class discussions and group activities should be responsible, should exhibit open communication, be constructive, and helpful.

Mastery Level Plus (Grade of "A"): Creative Achievement

Products must meet all requirements stated above and additionally meet creative criteria. These criteria include unique topic or subject selection, synthesis of ideas, evaluation of subject matter and positions found in the literature, be creative in approach, establish new relationships with ideas and provide new insights.

Examination responses indicate insightfulness of understanding, a synthesis of information and unique ideas, and rationale for application of principles following careful analysis.

Classroom behavior should exhibit very focused activity and thought on the

	<p>subject at hand, be motivated, and assist in discovery of new insights and relationships concerning the subject/topic of discussion.</p> <p>The grade of “A” represents the best work of students, accomplished in a unique and professional manner.</p> <p>Mastery Level (Grade of “B”): Professional Achievement Products must meet the requirements stated above for minimum requirements and additionally meet professional criteria. For example, documentation should be included to support research papers, the APA format should be used consistently throughout the paper, and substantially more than the minimum number of references should be included. Presentations should be logical, organized, and comprehensive.</p> <p>Examinations should be organized, in depth, comprehensive, logical and complete, and evidence thorough understanding of the subject /topic through application of principles.</p> <p>Classroom behavior should exhibit very focused activity and thought on the subject at hand, be motivated, and assist in discovery of new insights and relationships concerning the subject/topic of discussion.</p> <p>Note: To achieve the objectives of this course, this syllabus may be revised at the discretion of the instructor without prior notification or consent of the student.</p> <p>For Webster University policies and procedures, please refer to the Catalog and Student Handbook.</p> <p>Reviewed by: ___Nicki Nance_____</p> <p>Job Title: _____Faculty Coordinator_____</p> <p>Date: ___7/16/09_____</p>
<p>Additional Information</p>	