

Course	FINC 5880/NC; Advanced Corporate Finance	
Term	Spring 2, 2008	
Instructor	Stanley Helm, JD, CPA, CIA, CMA Phone: (321) 795-7263 email: profhelm@yahoo.com (Please include "FINC 5880" in Subject line)	
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 construct strategies to reduce risk utilizing derivatives	Students can compute payoffs to put and call contracts and value corporate projects using the real option approach.
6. Students demonstrate integration of more than one area of finance when using	Students can solve cases requiring integration across various finance areas.	

	case studies.																															
	7. 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, 2008, Financial Management, Theory and Practice, 12th edition, Thomson/ South-Western, ISBN: 9780324422696 • Financial Calculator • Access to Wall Street Journal &/or other business news sources. 																															
Grading	<p>Weight:</p> <table> <tr> <td>Exam 1</td> <td>35%</td> </tr> <tr> <td>Exam 2</td> <td>35</td> </tr> <tr> <td>Homework</td> <td>10</td> </tr> <tr> <td>Paper & Presentation</td> <td>20</td> </tr> <tr> <td></td> <td>100%</td> </tr> </table> <p>Taking the numerical score from the formula above and converting it to the appropriate letter grade from the chart determine the student's letter grading for the course.</p> <table border="1"> <thead> <tr> <th>Letter Grade</th> <th>Numerical Score</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>96-100% (4.0)</td> </tr> <tr> <td>A-</td> <td>91-95% (3.67)</td> </tr> <tr> <td>B+</td> <td>87-90% (3.33)</td> </tr> <tr> <td>B</td> <td>82-86% (3.0)</td> </tr> <tr> <td>B-</td> <td>78-81% (2.67)</td> </tr> <tr> <td>C</td> <td>70-77% (2.0)</td> </tr> <tr> <td>F</td> <td>69 & below (0)</td> </tr> <tr> <td>I</td> <td>Incomplete (0)</td> </tr> <tr> <td>W</td> <td>Withdraw</td> </tr> </tbody> </table>		Exam 1	35%	Exam 2	35	Homework	10	Paper & Presentation	20		100%	Letter Grade	Numerical Score	A	96-100% (4.0)	A-	91-95% (3.67)	B+	87-90% (3.33)	B	82-86% (3.0)	B-	78-81% (2.67)	C	70-77% (2.0)	F	69 & below (0)	I	Incomplete (0)	W	Withdraw
Exam 1	35%																															
Exam 2	35																															
Homework	10																															
Paper & Presentation	20																															
	100%																															
Letter Grade	Numerical Score																															
A	96-100% (4.0)																															
A-	91-95% (3.67)																															
B+	87-90% (3.33)																															
B	82-86% (3.0)																															
B-	78-81% (2.67)																															
C	70-77% (2.0)																															
F	69 & below (0)																															
I	Incomplete (0)																															
W	Withdraw																															
Activities	<ul style="list-style-type: none"> • Attend Class. Class attendance is expected. • Students are encouraged to participate actively in class in regard to analysis and discussion of reading material, lecture material, problems, and cases. • Class time will be devoted to lecture, discussion, and analysis of assigned problems. Students should complete readings and assigned problems prior to class meetings. Written answers should be prepared for all problems. These may be collected periodically and will be instrumental in determining course grades. • Students should expect to spend substantial amounts of time, in and out of class, to keep up with readings and assignments. Frequently, there will not be sufficient time to review all assigned work & topics in the classroom. However, it is an important learning tool to attempt all tasks, and ask questions on any unclear concepts and problems. Help sessions may be 																															

	<p>scheduled on non-class days. Please ask, if needed.</p> <ul style="list-style-type: none"> • Required articles may be distributed in class, be on reserve in the library, or one may be required to find the article. • Homework will be collected periodically. • Paper: Research paper on current topic. • Homework and projects are due on the date indicated on the syllabus at the BEGINNING of class, or as modified in class. A late penalty will apply for all work turned in the next class period. Homework and projects may not, at the option of the instructor, be accepted past the next class period.
<p>Policy Statements:</p> <p>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 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</p> <p>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</p> <p>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 projects be shared outside the academic</p>

	<p>Department, the student's name and all identifying information 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 is cancelled for any reason, it must be rescheduled.</p>	
<p>Course Policies</p>	<ul style="list-style-type: none"> • Attend Class. Class attendance is expected. • Students are encouraged to participate actively in class in regard to analysis and discussion of reading material, lecture material, problems, and cases. • Class time will be devoted to lecture, discussion, and analysis of assigned problems. Students should complete readings and assigned problems prior to class meetings. Typically, problems are due the week <i>following</i> the corresponding chapter & lecture. (For example, Chapter 2 is discussed in Week One, and the problems are due in Week Two) Written answers should be prepared for all problems. These may be collected periodically and will be instrumental in determining course grades. • Students should expect to spend substantial amounts of time, in and out of class, to keep up with readings and assignments. Frequently, there will not be sufficient time to review all assigned work & topics in the classroom. However, it is an important learning tool to attempt all tasks, and ask questions on any unclear concepts and problems. Help sessions may be scheduled on non-class days. Please ask, if needed. • Required articles may be distributed in class, be on reserve in the library, or one may be required to find the article. • Sometimes, circumstances beyond students' control require that they miss a scheduled class. If the absence is absolutely necessary, it is the student's responsibility to obtain any missed lecture notes or handouts. If you are unable to make it to class to turn in an assignment, make arrangements with a classmate to turn in your work and/or contact me prior to class. You are responsible for what takes place or is announced in class. 	
<p>Weekly Schedule</p>	<p>WEEK 1</p>	<p>PREPARATION FOR CLASS: Review Chapters 14 and 15</p> <p>CLASSROOM DISCUSSION TOPICS:</p> <ol style="list-style-type: none"> 1. Financial Planning and Forecasting 2. Corporate Valuation

		<p>Homework: Ch 16 – Q 5,6,8; Pr 8; Ch 18 -0 Q 5, Pr. 1, 3</p> <p>CLASSROOM DISCUSSION TOPICS:</p> <ol style="list-style-type: none"> 1. Initial Public Offerings 2. Lease Financing
	WEEK 4	<p>PREPARATION FOR CLASS: Review for Exam 1</p> <p>Homework: Ch 19 – Q 3,5; Pr 1, 2; Mini-Case sections a,b,c,d,L,o; Ch 20 – Q 2,5; Pr 1,2</p> <p>Exam 1 (Chapters 14,15,16,18,19,20)</p>
	WEEK 5	<p>PREPARATION FOR CLASS: Read Chapters 21 and 22</p> <p>CLASSROOM DISCUSSION TOPICS:</p> <ol style="list-style-type: none"> 1. Hybrid Financing 2. Working Capital Management
	WEEK 6	<p>PREPARATION FOR CLASS: Read Chapters 24 and 25</p> <p>Homework: Ch 21 – Q 3,4; Pr 1,2; Ch 22 – Q 4,5,6,9; Pr 1,2,6,14</p> <p>CLASSROOM DISCUSSION TOPICS:</p> <ol style="list-style-type: none"> 1. Bankruptcy and Reorganization 2. Mergers, LBOs, etc.
	WEEK 7	<p>PREPARATION FOR CLASS: Read Chapter 27</p> <p>Homework: Ch 24 – Q 2, Pr 1, Mini-Case parts c, e and f only</p> <p>CLASSROOM DISCUSSION TOPICS: Ch 9 – Financial Options</p>
	WEEK 8	<p>PREPARATION FOR CLASS: Prepare presentations of research projects;</p> <p>Homework: Ch 9 - TBA</p> <p>CLASSROOM DISCUSSION TOPICS: Presentation of research projects</p>
	WEEK 9	<p>PREPARATION FOR CLASS: Prepare for Exam 2</p> <p>CLASSROOM DISCUSSION TOPICS: Exam 2</p>

PURCHASING TEXTBOOKS – Most textbooks can be purchased through **MBS Direct**. Check the syllabus for textbook information. Give MBS Direct the campus location (For the purpose of ordering books, the campus is **Space Coast Campus**), course name, number, and Section Number (i.e., Space Coast Campus, Advanced Corporate Finance, FINC 5880/P2), and most important, the **title, author, publisher, edition, and ISBN** of the book you are ordering. MBS Direct will buy back your textbook at the end of the term, should you elect not to retain it as a reference book.

You may order by phone or on-line. Orders should be placed no earlier than four (4) weeks prior to the start of the term.

MBS Direct: 1-800-325-3252

MBS Direct Website is: www.mbsdirect.net/webster

Monday-Thursday: 7AM-10PM (Central Time)

Friday: 7AM-6PM (Central Time)

Saturday: 8AM-5PM (Central Time)

Sunday: Noon until 4PM (Central Time)

In order to meet the course objectives, this syllabus may be modified at the discretion of the instructor without approval of the students.

Original approved by:

Dr. Calvin D. Fowler, Academic Dean, Space coast Region, November 19, 2007

Copyright © 2005 – 2006, School of Business & Technology, Webster University. All rights reserved.