COURSE DESCRIPTION
This course introduces you to the basic principles that guide corporate managers in making their investing and financing decisions. It also provides the analytical tools for determining the value of a corporation and assessing the effectiveness of corporate management in maximizing that value. The course covers topics that are important to the decisions-making including the concepts of net present value, capital structure, risk management, and etc. Students study the following broad questions. How should a firm decide whether to invest in a new project? How much debt and equity should a firm use to financing its activities? How should a firm pay its investors? How do taxes affect a firm’s investment and financing decisions? What determines the value of a firm? The emphasis throughout the course is on the economic principles that underlie answers to these questions. The goal of this course is to provide students with a solid understanding of the basic ideas of modern corporate finance as well as the analytical and quantitative tools necessary to be successful in the modern financial world.

COURSE MATERIALS
- Lecture notes: Available at Rutgers Blackboard (blackboard.rutgers.edu).
  I will place the lecture notes on Blackboard. Check Blackboard and your official Rutgers email account regularly.
- Textbook: “Corporate Finance” (by Ross, Westerfield, and Jaffe) 9th edition. ISBN: 0073382337 This textbook is useful as a background material throughout this course. I will reference relevant chapters in course schedule as we move from topic to topic.

LEARNING GOALS AND OBJECTIVES
- This course is designed to help students develop skills and knowledge in the following area(s): Business Knowledge Learning Goal: Students will be able to demonstrate knowledge of basic business concepts
  Quantitative Skills Learning Goal: Students will be able to understand, analyze, and use quantitative data to make business decisions and report to stakeholders.
- Students who complete this course will demonstrate the following:
  Objectives of Business Knowledge Learning Goal
  a. Students will be able to understand basic functional business concepts.
  b. Students will be able to analyze and solve problems and understand relationship among business concepts.
Objectives of Quantitative Skills Learning Goal

a. Students will be able to identify quantitative characteristics of a problem.
b. Students will be able to examine and interpret numerical data.
c. Students will be able to analyze numerical data to derive conclusions.

- Students develop these skills and knowledge through the following course activities and assignments:
  a. Issues relating to the financing of capital investments.
  b. How financial risk affects the cost of capital and helps determine the capital structure of the corporation.
  c. Interactions between investment and financing decisions.
  d. The uses of various securities to finance an investment, as well as methods such as lease financing.

PREQUISITES

ACADEMIC INTEGRITY
All students of Rutgers University are responsible for knowing and adhering to the academic integrity policy of Rutgers. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the academic integrity review committee which recommends appropriate sanctions to the Office of Student Conduct. There will be no exception to this rule. Please visit the following website for more information on the University’s Code of Academic Integrity and possible sanctions: http://academicintegrity.rutgers.edu

ATTENDANCE AND PREPARATION POLICY
- Expect me to attend all class sessions. I expect the same of you. If you are to be absent, report your absence in advance at https://sims.rutgers.edu/ssra/, also send me an email with full details and supporting documentation.
- For weather emergencies, consult the campus home page. If the campus is open, class will be held.

GRADING POLICY
Course grades are determined as follows:
- **Class Participation**: The presence of each and every class is mandatory. Students are responsible for all announcements made in class. I expect that students read all lecture notes and assigned chapters in the book before class.
- **(Pop) Quiz**: There will be short (Pop) quizzes throughout the course. Combined together, these will be 20% of the grade. There will be no make-ups for missed quizzes.
- **Exams**: There will be an in-class, closed book, and closed notes, Exam 1 and an in-class, closed book, and closed notes, Exam 2. The dates are mentioned in schedule section. No make-up exams will be held.

Any absences will result in a grade of zero.
- Your final grade will be based on quizzes, exams, and class participation. These items will be weighted according to the following schedule:
### Class Participation
- 10%

### Quizzes
- 20%

### Exam 1
- 35%

### Exam 2
- 35%

## COURSE SCHEDULE

Schedule dates and/or chapter assignments are subject to change.

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<td>M&amp;A</td>
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15 Dec/10, Dec/12 Review (Dec/10), Exam2(Dec/12)