COURSE DESCRIPTION
An in-depth study of corporate finance concepts and how they are applied in practice. The course will consist of lectures, homework assignments, case studies, guest speakers and exams. Lectures will introduce specific finance concepts. Homework and exams will reinforce understanding of concepts. Case studies will apply concepts to real world situations. Guest speakers will highlight personal experience with concepts and application.

COURSE MATERIALS (And Other Study Aids)
1. **Textbook (OPTIONAL):** Fundamentals of Corporate Finance, by Ross, Westerfield, and Jordan, McGraw Hill. You can use the digital version, an older version or this current version. 
   
   Digital version: [https://connect.mheducation.com/class/l-kaplowitz-fall-2020-1](https://connect.mheducation.com/class/l-kaplowitz-fall-2020-1). If you encounter any issues registering for Connect, support is available at 1-800-331-5094 or [http://mpss.mhhe.com/](http://mpss.mhhe.com/)

2. **Wall Street Prep Excel:** This excel crash course will give you the foundation needed for this course and your future career. [https://gv142.infusionsoft.com/app/manageCart/addProduct?productId=4407](https://gv142.infusionsoft.com/app/manageCart/addProduct?productId=4407)

3. **Course Packet (MANDATORY):** Purchase at [https://hbsp.harvard.edu/import/744706](https://hbsp.harvard.edu/import/744706). This case is mandatory. There may also be articles and primers, available for purchase, noted as “optional” in the course pack for additional background.

4. **Microsoft Excel (MANDATORY):** Other spreadsheet programs/applications do not provide the same flexibility and ease of use as excel. Student rates available at software@rutgers.edu.

5. **CANVAS Website (MANDATORY):** [https://canvas.rutgers.edu/](https://canvas.rutgers.edu/). Lecture slides, in-class excel problems (and solutions), syllabus and other information will be posted. YOU ARE RESPONSIBLE for downloading all class materials, handouts, and readings for a session.

6. **Remote Learning:** We will be using Zoom to conduct live lectures during regularly scheduled class times. “Zoom Class” link on Canvas Course Home Page. There are 2 links since class meets at different times. Use the same URL and password for each class.
LEARNING GOALS AND OBJECTIVES

Corporate Finance will provide students with practical experience in solving finance issues typically encountered in investment banking and the CFO’s office through lecture, case study and excel-based lessons. On successful completion of this course, students should understand corporate policies and actions, such as capital structure, firm valuation, and mergers and acquisitions. Specifically, students will demonstrate an understanding of the impact of leverage on the cost of capital, payout policy, the impact of taxes and agency costs on firm value, and issues related to control of the firm. Lastly, students should demonstrate ethical awareness and the ability to think critically and deal successfully with unstructured problems.

During this semester, student will:

1. Appreciate the importance of finance in key decision making throughout a corporation.
2. Practice excel skills, including formatting and computation, using it as an iterative tool vs a simple calculator.
3. Analyze financial statements and the industry specific drivers for financial and operational success.
4. Budget and project future P&Ls based on historical financials, adjusting for 1-time and extraordinary items.
5. Review time value of money as it applies to valuation of stocks and bonds and overall company value as well as risk, return and cost of capital.
6. Value companies and projects using discounted cash flows, as well as payback, IRR, breakeven and comparable company analyses.
7. Understand how companies evaluate leverage and capital structure in their financing decisions and calculate the impact on valuation when capital structure changes.
8. Payout policy & use of excess cash (share repurchase, dividends) – Weigh investor demands against capital requirements and tie to long term business strategy and capital requirements. Learn how companies evaluate payout policy decisions and analyze the impact to company profitability, ownership and valuation
9. Understand the rationale and valuation of mergers and acquisitions.

PREQUISITES

21:355:101(English Composition I); 21:355:102(English Composition II); 21:220:101(Intro to Econ-Micro);
21:220:102(Intro to Econ-Marco); 21:220:231(Statistical Methods (or) 21:640:211(Statistics); 29:010:203(Financial Accounting); 29:010:204(Managerial Accounting); 21:640:119(Basic Calculus).

ACADEMIC INTEGRITY


This Policy will be strongly enforced and all violations will be pursued. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.”

Don’t let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.
ATTENDANCE AND PREPARATION POLICY

- Expect me to attend all classes, unless otherwise noted. If I am unable to attend class, I will send you an email and post an announcement on Blackboard, as soon in advance as possible.

- Students are expected to attend all classes. If you are to be absent, report your absence in advance at https://sims.rutgers.edu/ssra/. If your absence is due to religious observance, a Rutgers-approved activity, illness, or family emergency/death, also send instructor email with full details and supporting documentation.

- For weather emergencies, consult the campus home page. If the campus is open, class will be held.

- Expect me to arrive on time for each class session. I expect the same of you.

- Expect me to prepare properly for each class session. I expect the same of you. Complete all background reading and assignments. You cannot learn if you are not prepared.

- Expect me to participate fully in each class session. I expect the same of you. Stay focused and involved. You cannot learn if you are not paying attention.

- Expect me to answer your questions and engage in open discussion. I expect the same of you. You will be “cold-called” from time to time.

CLASSROOM CONDUCT

Students are responsible for everything that is detailed on CANVAS, listed in the syllabus, announced electronically or in class, and presented or discussed in class. Students are responsible for all work missed during an absence. There is NO LATE WORK accepted.

In addition, participation is part of your final grade. You need to be actively engaged in class in order to learn and perform well. You will not succeed by simply showing up. To create an optimal learning environment, please adhere to the following:

1. Instructors, TAs, students and guest speakers will acknowledge and respect each other and the related comments/discussions.
2. Arrive on time for each class session.
3. Remain for the entirety of each class session. Do not pack up/leave zoom early.
4. Webcams must be on at all times. Your name must be displayed at all times.
5. Avoid disruptions during class such as private conversations, use of a cell phone (turn off before class), using your computer for something other than current classroom work, and sleeping/snoring.
6. Eating/drinking (non-alcoholic) is permitted, especially if it keeps you awake. However, be careful not to spill on your computer!
7. Be engaged. Participation is essential to the quality and depth of your learning. The more prepared the class, the more lively the discussion, the more everyone will learn from each other.
8. Bring to class daily:
   - (1) Namecard/Display name on zoom
   - (2) Webcam on
   - (3) Assignments/ Cases due
   - (4) Brain
   - (5) Positive attitude
   - (6) Willingness to learn
EXAM DATES

There are (2) exams in this course:

- **Midterm exam**: October 19th during class
- **Final exam & end of year assessment**: December 16th, 3:00pm-6:00pm
- 55% of overall course grade
- Exams are open book. You still need to study and practice.
- You will take the exam in excel and submit as an assignment to Canvas.

GRADING POLICY & ASSIGNMENT DUE DATES*

<table>
<thead>
<tr>
<th>Course grades are determined as follows:</th>
<th>Grade distribution as follows:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm exam</td>
<td>A  90 - 100%</td>
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<tr>
<td>Final exam</td>
<td>B+ 87 - 89%</td>
</tr>
<tr>
<td>Year-end assessment</td>
<td>B  80 - 86%</td>
</tr>
<tr>
<td>Excel Bootcamp</td>
<td>C+ 77 - 79%</td>
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<tr>
<td>HW problem sets</td>
<td>C  70 - 76%</td>
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<tr>
<td>BBBY Case Assignment</td>
<td>D  60 - 69%</td>
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<tr>
<td>In-Class “Pop” Assign</td>
<td>F  &lt; 60%</td>
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<tr>
<td>Participation</td>
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All assignments and points are posted on Canvas with the exception of participation, which will be assigned at the end of the semester. **Each 100 points = 1% of your overall grade.**

1. **Exams**: Exams must be completed **INDIVIDUALLY** during the designated exam time (see schedule on next page). You may use excel and/or a financial calculator to complete.

2. **Excel Prep**: This is an excel crash course that will give you the excel foundation needed in this course and for your future career. [Wall Street Prep Course Link - Sect 1](#)

3. **Homework (HW)**: Please submit through ‘Blackboard’, unless otherwise noted. You can work on with others, but you must submit **INDIVIDUALLY**.

4. **Case Analyses**: The case analyses and simulations are available at [HBS Case Pack Link](#). You must complete as a team of 3-4 people and only need to turn in (1) copy, as long as all members’ names are included on the first page. You must submit, prior to class, via Canvas as a **TEAM Group**.

5. **In class “pop” assignments**: These will be given during class without notice. There are no makeup assignments.

6. **Participation** - You must come to the live Zoom classes prepared to learn as the lectures and case discussions are very detailed. Participation will include completion of the pre-course mandatory assessment and teammate evaluation, attendance for guest lecture sessions, contributions to your group cases and project and overall class discussion and responses to “warm calls.”

7. There is no extra credit.

8. The final grade will be determined based on the aggregated score of all of the above categories. Your final grade is **not** negotiable. If you feel a calculation error was made, please submit your request in writing to me within one week of receiving your final grade. Grades will be adjusted only if a calculation error has been made.

*All due dates are tentative and subject to change.*
# COURSE OUTLINE/SCHEDULE:
(Tentative Schedule) –

<table>
<thead>
<tr>
<th>Mon</th>
<th>Topic</th>
<th>Text Chpt</th>
<th>Due</th>
<th>Wed</th>
<th>Topic</th>
<th>Text Chpt</th>
<th>Due</th>
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<tbody>
<tr>
<td>9/14/2020</td>
<td>In Class Case: CSI Fin Statements</td>
<td>2</td>
<td>9/9/2020</td>
<td>9/16/2020</td>
<td>Budgeting Day #1</td>
<td>4</td>
<td>Due: Excel Crash Course</td>
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<tr>
<td>9/21/2020</td>
<td>Budgeting Day #2</td>
<td>4</td>
<td>9/23/2020</td>
<td>9/23/2020</td>
<td>PV &amp; FV - Day #1</td>
<td>5-6</td>
<td>HW#2 Due: Budget</td>
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<td>9/28/2020</td>
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<td>9/30/2020</td>
<td>9/30/2020</td>
<td>PV &amp; FV - Day #2</td>
<td>5-6</td>
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<td>10/5/2020</td>
<td>Valuing Bonds</td>
<td>7</td>
<td>10/7/2020</td>
<td>10/7/2020</td>
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<tr>
<td>10/12/2020</td>
<td>Valuing Stocks</td>
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<td>10/14/2020</td>
<td>10/14/2020</td>
<td>Review</td>
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<td>10/19/2020</td>
<td>Midterm</td>
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<td>10/21/2020</td>
<td>10/21/2020</td>
<td>&quot;Day in the Life&quot; Panel</td>
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<td>10/26/2020</td>
<td>Valuing Stocks (comps)</td>
<td>8</td>
<td>10/28/2020</td>
<td>10/28/2020</td>
<td>Valuing Stocks (comps) Cash conversion cycle</td>
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<td>11/30/2020</td>
<td>BBBY Case</td>
<td>26</td>
<td>12/2/2020</td>
<td>12/2/2020</td>
<td>M&amp;A</td>
<td>26</td>
<td>HW #9: Payout Policy</td>
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<tr>
<td>12/7/2020</td>
<td>M&amp;A</td>
<td>26</td>
<td>12/9/2020</td>
<td>12/9/2020</td>
<td>Last Day of Class/ Conclusion Review Session</td>
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<tr>
<td>12/16/2020</td>
<td>FINAL EXAM</td>
<td></td>
<td>12/16/2020</td>
<td>12/16/2020</td>
<td>3:00-6:00pm</td>
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ACCOMODATION & SUPPORT STATEMENT:

Rutgers University Newark (RU-N) is committed to the creation of an inclusive and safe learning environment for all students and the university as a whole. RU-N has identified the following resources to further the mission of access and support:

For Individuals with Disabilities: The Office of Disability Services (ODS) is responsible for the determination of appropriate accommodations for students who encounter barriers due to disability. Once a student has completed the ODS process (registration, initial appointment, and submitted documentation) and reasonable accommodations are determined to be necessary and appropriate, a Letter of Accommodation (LOA) will be provided. The LOA must be given to each course instructor by the student and followed up with a discussion. This should be done as early in the semester as possible as accommodations are not retroactive. More information can be found at ods.rutgers.edu. Contact ODS at (973)353-5375 or via email at ods@newark.rutgers.edu.

For Individuals who are Pregnant: The Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy. You may contact the Office of Title IX and ADA Compliance at (973)353-1906 or via email at TitleIX@newark.rutgers.edu.

For Individuals seeking Religious Accommodations: The Office of the Dean of Students is available to verify absences for religious observance, as needed. Contact the Dean of Students at (973)353-5063 or via email at DeanofStudents@newark.rutgers.edu.

For Individuals with temporary conditions/injuries: Students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate should submit a request via https://temporaryconditions.rutgers.edu.

Absences: Per University Policy 10.2.7, you are responsible for communicating with your instructors regarding absences. The Office of the Dean of Students is available to verify extended absences. Contact the Dean of Students at (973)353-5063 or via email at DeanofStudents@newark.rutgers.edu.

For English as a second language (ESL): Students experiencing difficulty in courses due to English as a second language (ESL) should contact the Program in American Language Studies via email at PALS@newark.rutgers.edu to discuss potential supports.

For Gender or Sex-Based Discrimination or Harassment: If you have experienced any form of gender or sex-based discrimination or harassment, including sexual assault, sexual harassment, relationship violence, or stalking, know that help and support are available. If you wish to report an incident, you may contact the Office of Title IX and ADA Compliance at (973)353-1906 or via email at TitleIX@newark.rutgers.edu. You may also submit an incident report using the following link: tinyurl.com/RUNReportingForm. If you wish to speak with a staff member who is confidential and does not have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or via email at run.vpva@rutgers.edu.