

Finance
Course Number: 33:390:400
Course Title: Corporate Finance

COURSE DESCRIPTION

This course is intended to show how corporations make short and long-term financial decisions and help students perform the same analyses as a Financial Manager in a company. The goal in Corporate Finance is to maximize shareholder value and we will demonstrate how to evaluate and make decisions involving assets and liabilities to provide an efficient capital structure. We will focus on solving problems and using basic tools of finance in the following areas: capital budgeting, capital structure, dividend policy, mergers & acquisitions and other areas to achieve maximum value.

COURSE MATERIALS

Textbook:

Required Text: Corporate Finance by Ross, Westerfield, Jaffe and Jordan, 11th Edition.
ISBN 978-0-07-786175-9

We will also be using McGraw Hill Connect (eBook)

Title: Corporate Finance 33:390:400

Author: Ross

Canvas:

Canvas will be the primary source of information for this course. I will post all classwork that we do onto canvas so that you can check back at the work. Check Canvas (canvas.rutgers.edu) regularly

E-Mail:

I will be sending emails out regarding each week's learning objective. You are responsible to make sure that you receive these emails as they will include the classwork that we will do each week. If you do not receive these emails, then please speak to me ASAP. Check your official Rutgers email account regularly

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, class discussions and excelbased lessons. On successful completion of this course, students will be able to apply these concepts; and, most importantly, be able to think in financial terms.

Students who complete this course successfully will demonstrate the following:

1. Appreciate the importance of finance in key decision making throughout a corporation.
2. Practice excel skills, including formatting and computation
3. Budget and project future P&Ls based on historical financials, adjusting for 1-time and extraordinary items.
4. Compute the future value, present value and the rate of return on an investment for projects that involve single or multiple cash flow(s).
5. Understand and calculate how time value of money applies to valuation of stocks and bonds and overall company value.
6. Analyze financial statements and the industry specific drivers for financial and operational success.
7. Value companies and projects using discounted cash flows, as well as payback, IRR, breakeven and comparable company analyses.
8. Learn about risk, return and calculate the cost of capital.
9. Understand how companies evaluate leverage in their financing decisions.
10. Understand the rationale and valuation of mergers and acquisitions.

Students develop these skills and knowledge through the following course activities and assignments:

1. In Class exercises
2. Class Slides
3. Homework Assignments

PREREQUISITES

Introduction to Financial Management (33:390:300)

ACADEMIC INTEGRITY

I do NOT tolerate cheating. Students are responsible for understanding the RU Academic Integrity Policy (<http://academicintegrity.rutgers.edu/>)

I will strongly enforce this Policy and pursue *all* violations. 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." I will screen all written assignments through *SafeAssign* or *Turnitin*, plagiarism detection services that compare the work against a large database of past work. Don't let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.

ATTENDANCE AND PREPARATION POLICY

- Attendance is MANDATORY, and if you are not there at that time, you get a ZERO, no excuses.
- Expect me to attend all class sessions. I expect the same of you. If I am to be absent, my department chair or I will send you notice via email and Canvas as far in advance as possible. 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 and you seek makeup work, also send me an email with full details and supporting documentation [within three days of your first absence].
- For weather emergencies, consult the campus home page. If the campus is open, class will be held, unless there is an emergency on my end, in which case I will notify everyone by email at least three hours prior to the start of class.
- Expect me to arrive on time for each class session. I expect the same of you. If you are going to be tardy, then quietly enter the room and make your way to the back of the classroom so as not to disturb the other students.
- Expect me to remain for the entirety of each class session. I expect the same of you. If you are going to leave early, then please let me know at the beginning of class, so that I can seat you near an exit and minimize any class disruptions.
- 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. The minimum expectation is that for each 80 minute class session, you have prepared by studying for at least twice as long.
- 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. Laptops / Computers in the classroom are for notetaking, not surfing the web.

CLASSROOM CONDUCT

I expect students to conduct themselves professionally at all times in my class. Students must be respectful of others and of sometimes extremely differing points of view, that may sometimes even seem offensive. That doesn't mean that students have to agree with each other, but they do have to give each other the opportunity to present their views in a safe, professional, and unthreatening venue. Disrespectful students will be asked to leave my classroom.

I don't mind if there is food or drink in the classroom, provided that the rules at RBS allow such things, and that the food isn't so aromatic or noisome as to be distracting to your classmates. A simple gauge is

that if your neighbor can smell it, then it doesn't belong in my classroom. All this notwithstanding, I strongly suggest that you eat either before or after class.

Texting and incessantly checking your cell phone will **NOT** be tolerated. I will have my cell phone face down and I expect the same of you. We will have a break in the middle of class and at that time, you will be free to text, respond to e-mails and check your phone. Please show me the same courtesy that I show you.

EXAM DATES AND POLICIES

During exams, the following rules apply:

- If you have a disability that influences testing procedures, provide me an official letter from the Office of Disability Services at the start of the semester.
- No cell phones or other electronics are allowed in the testing room.
- You must show a valid Rutgers photo ID to enter the room and to turn in the exam.
- Alternate seating; do not sit next to another student or in your usual seat.
- Use the bathroom prior to the exam start; bathroom breaks, if essential, will be escorted. - Your exam will not be accepted unless you sign the Honor Pledge.

GRADING POLICY

Your course grade will be comprised of six (4) elements, each of which is described in greater detail below:

1. Attendance: 10%
2. 3 Quizzes: 15% each
3. Exam 1: 20%
4. Exam 2: 25%

Grading Scale

A	90.00 - 100
B+	87.00 - 89.50
B	80.00 - 86.50
C+	75.50 - 79.50
C	70.00 - 75.49
D	65.00 - 69.99
F	Below 65

While it would be nice for everyone to get an A, your course grade will reflect the amount of work and effort that you put into the readings and the practice questions. Your final grade is not subject to negotiation. If you feel I have made an error or you would like me to look over a grade I gave you, submit your written argument to me within one week of receiving a grade. Clarify the precise error I made and provide all due supporting documents. If in the end I made an error, I will gladly correct it. I will however not change grades for reasons such as a lost scholarship, lowering your GPA, or lost internship opportunity.

ATTENDANCE (10%)

Attendance in class is mandatory and is factored into your overall grade. If you are going to miss a class/classes, please speak to me or () beforehand so that we can discuss a solution. Attendance will be taken at () and if you come late or are not present at that time, you get a ZERO for attendance that day.

QUIZZES (45%)

There will be a total of three 3 quizzes worth 15% each. The quizzes will be multiple choice

SCANTRONS. The substance will be based on what is discussed in class, the readings and the practice problems.

MID-TERM (20%) & FINAL EXAM (25%)

There will be 2 exams worth a total of 45% of your grade. The exams will be multiple choice SCANTRONS. The substance will be based on what is discussed in class, the readings and the practice problems. While the exams will cover multiple chapters, the Final Exam will not be cumulative.

COURSE SCHEDULE

Listed below is a general view of the weekly class schedule. This schedule may be subject to change in the event of a cancelled class or for any other reason.

Class #	Day	Date	Content	Problems / Quizzes / Exams
1	()	()	Syllabus & Chapter 1	
2	⊖	⊖	NO CLASS	
3	()	()	Chapter 16	
4	()	()	Chapter 16	pgs. 516-517; Ch. 16 #1ab, 3ab, 4abc, 6abc & 7
5	()	()	Chapter 16	pgs. 516-517; Ch. 16 #2ab, 3c, 4abc, 6d
6	()	()	Chapter 17	
7	()	()	Chapter 17	QUIZ 1 on Chapter 16
8	()	()	Chapter 17	pgs. 550-551; Ch. 17 #2abc, 7abcd

9	()	()	Chapter 17,18	
10	()	()	Chapter 18	
11	()	()	Chapter 18	QUIZ 2 on Chapter 17
12	()	()	Chapter 18	pg. 571; Ch. 18 #1-4
13	()	()	Chapter 18	
14	()	()	Chapter 31	
15	()	()		MID-TERM EXAM: Ch. 16, 17, 18
	⊖	⊖	SPRING BREAK	
	⊖	⊖	SPRING BREAK	
16	()	()	Chapter 31	pg. 961; Ch. 31 #1-3
17	()	()	Chapter 31	
18	()	()	Chapter 31	pgs. 961-962; Ch. 31 #4,8,11
19	()	()	Chapter 29	
20	()	()	Chapter 29	QUIZ 3 on Chapter 31
21	()	()	Chapter 29	pgs. 916-920; Ch. 29 #2,6,15
22	()	()	Chapter 29	
23	()	()	Chapter 22	pgs. 712 & 718; Ch. 22 #1 & 32
24	⊖	⊖	NO CLASS	
25	()	()	Chapter 25	pgs. 796-797; Ch. 25 #2,6,9
26	()	()	Chapter 19	pgs. 611-612; Ch. 19 #1-3,5-6
27	()	()	Q&A	FINAL EXAM REVIEW
28	()	()		FINAL EXAM: Ch. 31, 29, 22, 25, 19

SUPPORT SERVICES

If you need accommodation for a *disability*, obtain a Letter of Accommodation from the Office of Disability Services. The Office of Disability Services at Rutgers, The State University of New Jersey, provides student-centered and student-inclusive programming in compliance with the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments of 2008, Section 504 of the Rehabilitation Act of 1973, Section 508 of the Rehabilitation Act of 1998, and the New Jersey Law Against Discrimination. More information can be found at ods.rutgers.edu.

[Rutgers University-New Brunswick ODS phone (848)445-6800 or email dsoffice@echo.rutgers.edu]

[Rutgers University-Newark ODS phone (973)353-5375 or email ods@newark.rutgers.edu]

If you are ***pregnant***, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email jackie.moran@rutgers.edu]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email TitleIX@newark.rutgers.edu]

If you seek ***religious accommodations***, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email deanofstudents@echo.rutgers.edu]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email DeanofStudents@newark.rutgers.edu]

If you have experienced any form of ***gender or sex-based discrimination or harassment***, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at <http://vpva.rutgers.edu/>.

[Rutgers University-New Brunswick incident report link: <http://studentconduct.rutgers.edu/concern/>. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7 . You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at TitleIX@newark.rutgers.edu. 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 email run.vpva@rutgers.edu]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via <https://temporaryconditions.rutgers.edu> .

If you are a military ***veteran*** or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. <http://veterans.rutgers.edu/>

If you are in need of *mental health* services, please use our readily available services.

[Rutgers University-Newark Counseling Center: <http://counseling.newark.rutgers.edu/>]

[Rutgers Counseling and Psychological Services–New Brunswick: <http://rhscaps.rutgers.edu/>]

If you are in need of *physical health* services, please use our readily available services.

[Rutgers Health Services – Newark: <http://health.newark.rutgers.edu/>]

[Rutgers Health Services – New Brunswick: <http://health.rutgers.edu/>]

If you are in need of *legal* services, please use our readily available services: <http://rusls.rutgers.edu/>

Students experiencing difficulty in courses due to *English as a second language (ESL)* should contact the Program in American Language Studies for supports.

[Rutgers–Newark: PALS@newark.rutgers.edu]

[Rutgers–New Brunswick: eslpals@english.rutgers.edu]

If you are in need of additional *academic assistance*, please use our readily available services.

[Rutgers University-Newark Learning Center: <http://www.ncas.rutgers.edu/rlc>]

[Rutgers University-Newark Writing Center: <http://www.ncas.rutgers.edu/writingcenter>]

[Rutgers University-New Brunswick Learning Center: <https://rlc.rutgers.edu/>]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]