

FINC 4531 Intermediate Corporate Finance - Online
Expanded Course Outline
Summer 2020

Professor: Charles Hodges
Office: Adamson Hall - 205B, due to Covid-19, offices are closed.
Telephone: (678) 839-4816, do not use as I will not be allowed back into my office until August 2.
Office Hours: online
Cell: (770) 301-8648 use this to contact me
E-Mail: chodges@westga.edu

Catalog Description:

An in-depth study of financial planning and management with emphasis on capital structure and dividend payout policies, cost of capital and capital budgeting, and working capital management. The course serves as a framework for understanding a broad range of corporate financial decisions. Cases and directed readings are used extensively.

Required Background or Experience:

- A. Prerequisites: FINC 3511
- B. Prerequisite Justification:
A general knowledge of present value analysis, capital budgeting and cost of capital as well as financial planning concepts are required. These topics are covered in FINC 3511. In addition, a general knowledge of the concepts of accounting is needed. These topics are covered in ACCT 2101 and ACCT 2102, which are prerequisites to FINC 3511.
- C. General Education (Core) Contributions:
The course uses the oral skills developed in COMM 1110 and the critical thinking and analysis abilities developed in mathematics. The knowledge gained in core area IV courses of ACCT 2101 and ACCT 2102 are used.

Expected Outcomes [are located here:](#)

- A. Communicate effectively in oral presentations and in writing. (LG 1).
- B. Improve research and analytical skills through analysis and presentation (LG 2, 3).
- C. Understand the concepts of the theory of the capital structure and cost of capital of the firm (LG 2, 6).
- D. Understand how to determine incremental cash flows (LG 2, 3, 6).
- E. Understand and be able to apply the analytical techniques of capital budgeting to determine whether projects should be accepted or rejected (LG 2, 3, 6).
- F. Apply statistical techniques to risk analysis as it applies to the budgeting process (LG 2, 3).

Text:

Ross, Westerfield, and Jordan – Fundamentals of Corporate Finance, McGraw Hill, 11th or 12th edition. The ISBN-13 is 978-0077861704 for the 11th and 978-1259918957 for the 12th. Videos are based on the 12th edition, but about half the chapters are unchanged between the two editions. 12th edition rents for about \$35 at Amazon. Be careful as Amazon may direct you to an old Canadian version from 1995 (costs about \$10 and will not work for the course. You will need the textbook as every exam is open book and open notes. You will need the 11th or 12th edition as we use four chapters were not included in the 10th edition.

Special or Unique Student Materials:

A financial calculator with a "cash flow" button is highly recommended. Examples include the Hewlett Packard 10B, Texas Instruments BA II Plus, or Texas Instruments 83 (or any TI-80 series with the Finance add-in), or Sharp EL-733A). During Exams, you are not allowed to use any device with a

‘wireless’ connection (e.g. smartphone, ipad, tablet, laptop, etc.) as a calculator.

Special or Unique University Facilities:

Access to the Richards College of Business Computer Lab and CourseDen. The course webpage [is located here](#).

Expanded Description of the Course and Instructional Methods:

A. Expanded Course Description:

This course generally covers the same topics as those covered in FINC 3511. However, FINC 4531 covers the material with a much higher degree of rigor. Themes related to valuation, cash flow projection, principal-agent conflicts, and contingent claims analysis are recurring within the course. Students will learn both theory and advanced analytical techniques. Students are encouraged to integrate the various areas of finance into a coherent and holistic view of the firm. Students will have opportunities to improve their use of spreadsheets, calculators, and research techniques.

B. Instructional Methods:

1. Lecture, problem solving, and class participation. Topics are integrated into a complete theory of the financial structure of the firm. Problems are analyzed in online lectures and informal case presentation and critique is used.
2. Quizzes. There are CourseDen quizzes available for each chapter covered within the course. Students are allowed multiple attempts per quiz, with the highest grade being used in grade calculations. Quizzes are generally available for more than two weeks. I will drop your lowest quiz score when computing your quiz average. Cooperation among students, when preparing for and completing the quizzes, is allowed. These quizzes will form the foundation of in-class exams. Short Extensions are available upon request.
3. Corporate Analysis Project. From a selected list of companies in CourseDen, each student will critically examine and prepare a written report on a public corporation. The paper will include a basic risk and return analysis, financial statement analysis, and valuation of the stock. The corporate analysis project is detailed in in CourseDen. This course has been designated as a “research course” for Business majors.
4. Capital IQ Extra Points. Early in the course, you will be given a set of five exercises that use the Capital IQ database. If you complete these exercises by the due date, I will add 2% to your overall course average.

Methods of Evaluating the Outcomes:

A. Evaluation Tools

CourseDen Quizzes (KEY TO HIGH GRADE) = 35%

Exam 1 = 15%

Exam 2 = 20%

Exam 3 = 20%

Individual Project = 10%

(I reserve the right to curve grades.)

B. Administrative Policies

1. Credit Hour Policy (3 credit hours): Students in this class will spend 3 hours (160 minutes) per week with faculty instruction (either face-to-face or online). Generally, students can expect to spend about six hours of class work outside of the classroom each week. This out-of-class work may include, but is not limited to, quizzes, reading the chapters before a topic is covered in class, assignments, individual project, research, and test preparation. The amount of out of class time required for a given outcome will vary by student. **THIS APPLIES ONLY TO A REGULAR FALL OR SPRING SEMESTER. THIS COURSE IS A SESSION 4 COURSE, BUT MATERIALS WILL BE MADE AVAILABLE EARLY.**

2. Please carefully review [the information located here](#). The document at this link contains important information pertaining to your rights and responsibilities in this class. Because these statements are updated as federal, state, university, and accreditation standards change, you should review the information each semester.
3. Information regarding test scores will not be given out over the telephone. If you are absent when exams are returned, you must contact me in person to receive grade information.
4. Requests for adjustments to exam scores must be made in writing within ONE WEEK of the end of an exam. Only written, including emailed, requests will be considered.
5. Attendance Policy- None, this is an online class
6. Code of Conduct: Honesty and integrity are necessary to the academic and professional functions of business. Acts of dishonesty undermine the basic foundation of the academic environment. Improper academic conduct on the part of students shall be interpreted to mean the obtaining and using of information during an examination by means other than those permitted by the instructor, including the supplying of such information to other students. All forms of academic dishonesty, including cheating, plagiarism, and falsification of academic records are subject to disciplinary action.

C. Learning Domains

1. Cognitive: Knowledge; comprehension; synthesis; analysis; evaluation.
2. Affective: Receiving; responding; valuing; organization; characterization.

MY.WESTGA.EDU

The policy of the University of West Georgia is that each student is responsible for checking his/her my.westga.edu e-mail account on a regular basis.

NOTE 1. This course covers the following AACSB perspectives:

- Influences of legal and regulatory issues
- Ethical issues
- Oral communication
- International issues
- Social issues

NOTE 2. This course covers the following teaching objectives:

- develops oral communication skills
- develops ability to do research
- develops problem solving (analytical) skills
- develops critical thinking
- encourages social responsibility
- provides depth in major

NOTE 3. I do not give extra credit and do not give credit for work done in other courses.

Daily Course Outline:

Module 1, Available from now until July 6.

Course Overview and Introductions, Chapter 1 (Introduction) and Chapter 1 Quiz, Chapter 22 (Behavioral Finance) and Chapter 22 Quiz, Chapter 2 (Financial Statements, Taxes, and Cash Flows) and Chapter 2 Quiz.

Exam 1 covers Chapters 1, 22, and 2; is available from June 17 until July 6.

Module 2, Available from now until July 13.

Chapter 12 (Some Capital Market History) and Chapter 12 Quiz, Chapter 7 (Valuing Bonds) and Chapter 7 Quiz, Chapter 8 (Valuing Stocks) and Chapter 8 Quiz, Chapter 14 (Weighted Average Cost of Capital) and Chapter 14 Quiz, Chapter 9 (Capital Budgeting Methods) and Chapter 9 Quiz.

Exam 2 covers Chapters 12, 7, 8, 14, and 9; is available from June 17 until July 13.

Last day to withdraw with a grade of W is July 10

Module 3, Available from now until July 23.

Individual Project is available from June 16 to July 21.

Chapter 10 (Capital Budgeting Cash Flows) and Chapter 10 Quiz, Chapter 11 (Project Analysis and Evaluation) and Chapter 11 Quiz, Chapter 24 (Options) and Chapter 24 Quiz, Chapter 25 (Options and Corporate Finance).

Exam 3 covers Chapters 10, 11, 24, and 25 ; is available from June 17 until July 23.

PLEASE NOTE: This schedule is tentative and could require modification.