

COURSE SYLLABUS
BUS 2224-01 – CORPORATE FINANCE
NOTRE DAME DE NAMUR UNIVERSITY

Semester: Fall 2017
Day/Time: Tuesday & Thursday, 9:25 a.m. – 10:40 a.m.
Location: Cuvilly __
Instructor: Don Campodonico
(650) 508-3629 (Voice Mail on campus)
donc@ndnu.edu

Prerequisites: BUS 1100, BUS 1220 or 1224, MTH 1225 or MTH 2502

Office Hours: 7:30 – 8:00 a.m. Tuesday & Thursday (Cuvilly __ & by appointment)

Course Description

This course is an introduction to the field of finance, including principles, techniques and uses of finance as a business function. Study of financial information and analysis, valuation of future cash flows, valuing stocks and bonds, and capital budgeting. Focuses are on financial decision-making process and applications of NPV, IRR and other investment rules. A financial calculator is required for this class.

Undergraduate Program Learning Outcomes

- **PLO#1. Acquire and demonstrate analytical and problem solving skills within various disciplines of business—accounting, economics, finance, management and marketing.**
- **PLO#2. Learn to describe, discuss and analyze current events in American business with attention to the global, social and ethical dimensions of events.**
- **PLO#3. Acquire the communication, research and technological skills needed to analyze a business situation (problem and/or opportunity), and prepare and present a management report**
- **PLO#4. Engage in at least one internship or service learning experience to demonstrate relevancy of foundational and theoretical knowledge of their academic major and to gain career related experiences**
- **PLO#5. Develop critical thinking abilities and a foundation of ethical principles that allows them to work effectively, respectfully, ethically and professionally with people of diverse ethnic, cultural, gender and other backgrounds**

The key course objectives include the following and support the identified PLO:

- To evaluate and interpret financial statements using methods such as common size comparisons, ratio analysis, cash flow and working capital management **(PLO #1)**
- To understand the concept of the Time Value of Money and apply it to typical business/financial issues such as capital expenditure analysis, discounted cash flow, and bond valuation. **(PLO #1)**
- To learn and understand the concepts of risk and return...specifically expected returns, systematic and unsystematic risk, beta, and the security market line **(PLO #1)**
- To understand the meaning of Cost of Capital, how it is determined, calculated and used in financial applications. **(PLO #1)**

Text: The primary text(s) for this class are as follows:

- Ross, Stephen A, Westerfield, Randolph W., and Jordan, Bradford F., Essentials of Corporate Finance, 9th edition, McGraw-Hill Irwin, 2017 ISBN 978-1- 259-277721-4
- *Using url: <http://connect.mheducation.com/class/d-campodonico-bus-2224-01> you can access the McGrawHill Connect website for this course and purchase an E-Book version of this text. You also have the option of purchasing a loose-leaf version of the text via this site.*

Required Calculator: Hewlett Packard 10B business calculator.¹

1. ***This calculator is a required item for this class.*** You can buy it at any good office store such as Office Depot, Staples or on line providers such as Amazon as well as from HP directly. The cost should be in the \$30-\$35 range. Appendix D of our textbook (page 627-629 and the HP manual provided with your purchase will provide you with adequate knowledge to perform the financial calculations you will experience over the semester. The **app** for this calculator is also available for iPhones and Android devices. One can download the manual from the HP website. I believe the cost of the **app** is ~\$5.00. **CAUTION: DO NOT DOWNLOAD THE FREE VERSION!**

About the Instructor

I joined the adjunct faculty at NDNU in 1993, and I am currently a Senior Lecturer part of the core faculty of the School of Business and Management. I was a full time instructor from Fall 2007 through the Spring 2015

From 1998 through the fall of 2001, I was the Vice President of Human Resources with Inhale Therapeutic Systems (now Nektar Therapeutics) in San Carlos. Prior to Inhale, I spent eleven years with Octel Communications Corporation where I was the Sr. Vice President of Operations, which included the functions of Manufacturing, Order Management, Corporate Quality and Information Technology. In 1997 Lucent Technologies acquired Octel, and as part of that transaction, my last role at Octel was directing the post-merger integration of Octel into Lucent. Prior to Octel, I spent nine years at ROLM Corporation where my last role was Vice President of Operations.

The majority of my career has been in Operations, specifically, manufacturing, information systems, and quality, and have operated in a senior management capacity for 21 of my 29 year business career. In this capacity, I was intimately involved in all of the Managerial Accounting areas that we will discuss this semester. In addition to my business career, since 1983 I have taught management classes at Saint Mary's College, Golden Gate University and NDNU. I received my undergraduate degree in business and MBA from San Francisco State University.

Moodle: Moodle is Course Management System that will be used this semester to augment our class. The site can be accessed via <http://sbmonline.ndnu.edu> . Once logged on, you merely need to double click on the BUS 2224-01 link.

Items posted to the site will include supplemental materials associated with each week's discussion topic along with Power Point slides that will/may be identical to those used in our class discussion along with the solutions to the selected exercises detailed in this syllabus. I **may** provide "practice quizzes" on the Moodle site that you can prep during the week leading up to the formal chapter quiz. I cannot promise this one!

I hope you will find Moodle useful to your learning experience.

Grading Criteria

The final grade in this course will be based upon your class attendance & involvement, homework assignments, in-class quizzes, mid-term and final examinations. **(Opportunities for extra credit are left to the discretion of the instructor, beyond those identified in this syllabus.)**

Deliverable	Point Distribution	Weighting
Attendance & Involvement	100 points	10% of final grade
Homework Assignments	315 total points available	35% of final grade
Quizzes	~20 points each quiz	15% of final grade
Mid-Term Exam	100 Points	20% of final grade
Final Exam	100 points	20% of final grade

Grading Scale

Total %	Final Grade
> 95%	A
90 - 94.9%	A-
86.7 - 89.9%	B+
83.3 - 86.6%	B
80 - 83.2%	B-
76.7 - 79.9%	C+
73.3 - 76.6%	C
70 - 73.2%	C-
60 - 69.9%	D
< / = 59.9%	F

Workload

In addition to class attendance, every class at NDNU includes assignments estimated to take approximately six or more hours per week outside of class. The distribution of average weekly hours of instruction and study for this class will, for the most part follow that norm, although this is a rigorous course and likely will require more time outside of class.

Distribution of Average Weekly Hours of Instruction and Study ~ 10 hours per week

Class Contact Hours	3 Hours
Text Reading/Notes/Exercise Prep	4 hours
Written Assignments	1 Hour
Prep for quizzes and exams	2 Hours
Total Number of Hours for this course:	150 hours

Homework assignments will take the form either intermediate level problems or end of chapter cases. See the listing of “**TO BE SUBMITTED**” assignments on page 7 of this syllabus. In addition, listed on the course schedule are a number of exercises that I encourage you to try and complete prior to class. I plan to review most of the exercises in class as part of our discussion. The solutions to the exercises are on the Moodle site for this class. You are encouraged to work together on these exercises outside of class; group learning is always a positive thing.

LATE HOMEWORK: Problems will be collected and graded and are due in class on the day indicated in the course calendar. An assignment not submitted on the schedule due date is considered late, and will be accepted up to the next class session. A one-grade deduction will apply to any late submittal. See page 5 of the syllabus for the only exceptions to this policy!

It is highly recommended that you 1) use a pencil to do the assignments, and 2) when there are multiple pages **PLEASE** staple them together at the upper left hand corner. You should do all parts of the problem and answer all questions asked as part of the problem.

In business, reports presented to management must be clear and legible, otherwise expect your boss to reject them. To that end, I expect work that is neatly organized and legibly, handwritten or typed, and should the circumstances allow it, use Microsoft Excel.

Quizzes will occur several times during the semester. I have provided target dates (**9/19; 9/26; 11/7**) for three quizzes during the semester. It’s possible there may be a fourth, however it depends upon how well we adhere to the current course schedule and timing. Quiz dates are subject to change depending upon circumstances.

Mid-Term Exam: The Mid Term Exam is scheduled for Thursday, October 19, 2017.

Final Exam: The university's Fall 2017 class schedule details the dates for final exams. **For BUS 2224-01, the Final Exam is Thursday, December 14, 2017 from 8:00 am to 10:30 a.m.**

The exam content will be similar to the types of questions/problems included in quizzes.

One final note regarding quizzes and exams! There are no make-up dates except for the conditions detailed below. It is your responsibility to be here on those days, so you should plan accordingly.

Opportunities for Extra Credit

You can receive extra credit in a few ways. In the event the School of Business & Management hosts either the Distinguished Speaker Series or a similar business discussion event, your attendance at these events will earn extra credit toward your homework assignment grade. **To receive the Extra Credit, you 1) must attend the event, and 2) complete and submit a 1-2 page summary of the speaker's presentation or panel discussion and identify any particular areas you felt were significant to you.**

Other opportunities to gain extra credit are 1) participation in the BIZ Club...this will provide valuable insights to various business and career issues that will benefit you over the long term, and 2) additional extra credit assignments are at the discretion of the instructor.

Exceptions for Missed Assignments, Quizzes and Examinations

The only exceptions for a missed assignment, quiz or exam are:

- 1) A sanctioned NDNU activity that would take you away from the campus at the time a quiz is scheduled. This includes, for example, an athletic contest, a meeting or conference of some other extracurricular activity, or a field trip for another course. If you will miss a quiz, you should submit written notice in advance from the Director of Athletics or from the appropriate NDNU faculty member or staff member who is sponsoring other types of absence. You can give homework assignments in advance to another class member who will/could turn them in on your behalf.
- 2) A true medical emergency for you or for a direct member of your family. This does not apply to a pre-scheduled appointment for yourself or another person. To turn in a missed assignment or take a missed quiz you should submit a written statement of the event from a medical professional.
- 3) Other overwhelming circumstances for which you will provide written explanation for consideration by the instructor. Illness that requires no medical attention does not qualify.

Class Attendance & Participation

This is a **very rigorous course**, where your attendance and involvement are essential to success in the class. Often, work in one area of finance is the building block for another. Clearly, it is very important that you minimize your absence from class. On occasion, I know it may be necessary for you to miss class, arrive late or possibly leave early. However, missing more than three classes (aside from the exceptions defined above) will negatively affect your grade.

In short, your attendance is very important to your studies at the University. Non-attendance or lack of participation in the class will be considered during the grading process.

You are all adults, so act accordingly.

Class Methodology

A typical class day will include a review and discussion of the material assigned for reading and reviewing the relevant exercises as per the class schedule on page 5 of this syllabus. Through this process, the goal is to understand corporate financial theory and apply the to typical business situations.

Privacy and Confidentiality

One of the highlights of the NDNU academic experience is that students often use real-world examples from their organizations in class discussions and in their written work. However, it is imperative that students not share information that is confidential, privileged, or proprietary in nature. Students must be mindful of any contracts they have agreed to with their companies.

Learning and Other Disabilities

If you have a learning disability or other circumstance that requires accommodations in this class, you must bring it to the attention of Program for Academic Support and Services (PASS) to arrange for accommodations (650-508-3670). The office is located in New Hall East Room E19.

Some final thoughts

To do well in this class in terms of both your learning and your grade focus on the following:

- Preview the reading assignments, read the chapters, do the self-test exam at the end of the chapter and do the exercises and problems. Moreover, **read and turn in assignments on time**. This is not necessarily easy stuff, so it will require you to find a quiet location, read the chapters thoroughly and then apply what you have read by doing the various exercises.

Doing this on a regular basis demonstrates commitment and a real desire to learn the material.

- Get to class on time and be engaged. I cannot emphasize enough the need to attend class and participate in the discussion of the assigned work. You will run into difficulty doing the assignments; but we will work through the concepts and the exercises together in class to ensure understanding.

Course Evaluations/Teaching Effectiveness Surveys

Teaching Effectiveness Surveys (course evaluations) will be available online through Campus Portal from ***(Tentative dates)*** Monday, December 5 thru December 17. Your feedback regarding courses and faculty is very important to Notre Dame de Namur University, to your faculty, and to me as the instructor for this course. Your feedback helps us review and improve their teaching, helps departments/programs review and improve program content, and is used by the university in making decisions about tenure, promotion, and hiring decisions for part-time faculty.

Directions: To access, please enable pop-ups in your browser (uncheck pop-up blocker), then in Campus Portal look for the "**You have an active survey**" link in the left sidebar. Click that link to open the Course Evaluation Surveys page, which has a link to a survey for each course in which you're enrolled. Your feedback is very important! Please complete your evaluations for all your courses promptly. Remember: Your responses are anonymous

I am excited about the being your instructor for this class. Best of luck!

Final Note: Refer to this syllabus for course assignments. However, the course Syllabus and schedule are subject to change in the event of extenuating circumstances. You will be notified of any changes made to the syllabus. In all circumstances University policies will be strictly adhered to.

COURSE SCHEDULE AND ASSIGNMENTS

Date	Readings	Practice Exercises	Class Topic
August 29	Course Syllabus	-----	Syllabus Review & Course Expectations
August 31	Chapter 1		Intro to Financial Management
September 5, 7 & 12	Chapter 2	P 2-1; 2-2; 2-3; 2-5; 2-6; 2-14; 2-19	Financial Statements, Taxes & Cash Flow
September 14, 19 & 21	Chapter 3	Critical Thinking 3.1 & 3.3; P 3-1; 3-4; 3-5; 3-6; 3-7	Quiz Chapters 1 & 2 (9/19/2017) Working with Financial Statements “Ratio Analysis”
September 26, 28 & October 3	Chapter 4	P4.1; 4.2; 4-3; 4-4; 4-5; 4-6; 4-7; 4-16;	Quiz Chapters 3 (9/26/2017) Introduction to Valuation: Time Value of Money
October 5, 12, & 17	Chapter 5	5-1; 5-3; 5-4; 5-6; 5-10; 5-11; 5-14; 5-15; 5-39	Discounted Cash Flow & Valuation
October 10	Call to Action Day	Call to Action Day	Call to Action Day
October 19	Mid Term Exam	Mid Term Exam	Mid Term Exam
October 24, 26 & 31	Chapter 6	P6-1; 6-2; 6-3; 6-4; 6-5; 6-6; 6-17	Interest Rates and Bond Valuation
November 2, 7, 9, 14	Chapter 8 Chapter 9 pgs. 275-282	P8-1; 8-4; 8-5; 8-6; 8-7; 8-8; 8-9; 8-16; P9-1; 9-2; 9-3; 9-4; 9-8; 9-11	Quiz Chapter 6 (11/7/2017) Net Present Value & Other Investment Criteria Project Cash Flows
November 16, 21 & 28	Chapter 11	P11-1; 11-2; 11-3; 11-5; 11-6; 11-7; 11-13; 11-14; 11-15	Risk and Return
November 23	Thanksgiving	Thanksgiving	Thanksgiving
November 30, December 5 & 7	Chapter 12	12-2; 12-3; 12-6; 12-7	Cost of Capital
December 8 (Optional)	Prep for Final Exam	Prep for Final Exam	Prep for Final Exam

Assignments & Deliverables

<u>Due Date</u>	<u>Assignment</u>
September 7	Case Study: McKee Cake Company (20 Points)
September 19	Case Study: Sunset Boards Inc. (30 Points)
September 26	Case Study: S&S Air, Inc. (25 Points)
October 12	Problem 4-21; 4-25 (20, 20 Points each)
October 27	Problem 5-42; 5-51; 5-55 (20, 20 & 10 pts. Respectively)
November 8	Problem 6-22; 6-34 (20 points each)
November 17	Problem 8-10; 9-9 & 9-10 (20, 20 & 10 pts. respectively)
December 6	Problem 11-19 & 11-30 (20 Points each)
December 13	Problem 12-18 (20 Points)

Total Assignment Points Available: 315 Points