

FINA 4210: Applied Corporate Finance
Fall 2009
MWF, 10:10-11:00, Sanford 209
MWF, 11:15-12:05, Sanford 209

*"I will be academically honest in all of my academic work
and will not tolerate academic dishonesty of others."*

— UGA Student Honor Code
<http://www.uga.edu/honesty/>

Instructor: Dr. Chris Pope
437 Brooks Hall, 583-0386, cpope@terry.uga.edu
Office Hours: 12-1 pm, Tuesday and Thursdays

Master Syllabus Elements:

a) FINA 4210: Applied Corporate Finance

b) Course Description: Corporate financial decision making by applying the tools, techniques, and theories of finance to actual business decisions.

c) Prerequisites, corequisites, and cross-listings for the course: Prerequisites for FINA 4210 are FINA 3000 and (MSIT 3000 or STAT 3000) and FINA 4200.

d) Course objectives or expected learning outcomes:

This course develops a student's ability to make financial decisions. Specifically, a student learns to gather information in light of theory and standard practice, and arrive at value-creating decisions. In addition to identifying value-creating decisions, students must be able to communicate the basis to both sophisticated and unsophisticated audiences.

e) Topical outline:

The course covers the following topics: ratio analysis, cost of capital, capital budgeting, mergers and acquisitions, valuation, dividend policy, short-term and long-term financial policy, and the corporate finance implications of market efficiency.

f) University Honor Code and Academic Honesty Policy:

As a University of Georgia student, you have agreed to abide by the University's academic honesty policy, "A Culture of Honesty," and the Student Honor Code. All academic work must meet the standards described in "A Culture of Honesty" found at: <http://www.uga.edu/honesty>. Lack of knowledge of the academic honesty policy is not a

reasonable explanation for a violation. Questions related to course assignments and the academic honesty policy should be directed to the instructor.

g) *The course policy is a general plan for the course; deviations announced to the class by the instructor may be necessary.*

Class Syllabus Elements:

h) Principal course assignments –

The approach to learning this material will be a combination of lecture and the preparation, presentation and discussion of business cases. This approach allows students to learn a topic and then see its application of concepts within a business context. My goal is to teach you to think independently about a business problem and to be able to communicate your results in a clear manner.

Tentative Outline of Topics and Assignments:

Unit 1: Financial Ratio Analysis

Unit 2: Financial Forecasting

Unit 3: Free Cash Flow and Cash Flows to Equity

Unit 4: Valuation

Unit 5: Merger Modeling

Unit 6: Risk

Unit 7: Leverage, Capital Structure, and Value

Unit 8: Real Options

i) Specific course requirements for grading purposes:

Your grade will be determined from the scale below:

Test 1 (Wednesday, October 7th)	20%
Test 2 (Wednesday, November 18th)	20%
Final Exam	10%
Collected Case Writeups and Homeworks	30%
Group Case Writeup and Presentation	10%
Participation	10%

There will be two in-class tests during the semester and a cumulative final. The final will be the analysis of a case. During the semester, several of the assigned cases will have writeups collected for a grade. Your writeups will be graded for quality of analysis as well as the quality of your presentation. Towards the end of the semester, you will be assigned a group case that will require a writeup and formal presentation. The final component of your grade will be based on participation and the occasional collected homework assignment.

j) Grading policy

The final grade will be based on the total points earned on the material listed above, weighted as indicated. All students will be ranked by points earned and the final grade will be based on that ranking. Students who do not consistently attend class or contribute to case discussions will be penalized in their participation grade for the course (up to 10%).

k) Attendance Policy

Attendance for case discussions is mandatory. Students who consistently miss lectures and other class days will have their participation grade decreased. (up to 10%)

l) Required course material

- Online Course Pack
- Any financial calculator. It should be able to calculate NPV at a minimum.
- Case Packet found at Bel-Jean copy center
- Occasional notes and problem sets posted to webct

The online course package is selected chapters from two Wiley Publishing CFA preparation textbooks. The first text is Applied Corporate Finance, while the second is Equity Valuation. Both are from their CFA Series. To obtain the course pack, you will need to do the following:

1. Go to: <http://www.xanedu.com/login.shtml?PackId=306719>
2. If you have previously registered for another CoursePack, log in. If not, click the "register" link underneath the "Students" heading. Complete the registration page, and click Continue.
3. Confirm your CoursePack selection, and click Continue.
4. Complete your billing information, confirm and click Continue.
5. After completing the purchase pages, you will be taken to your CoursePack.

m) Policy for make-up of examinations

There will be NO MAKEUP TESTS FOR ANY REASON. The weight from a missed test will be transferred to the final exam PROVIDING the absence is due to a serious illness, a family emergency or SOME university-sponsored events. If you expect to miss an exam for an approved reason, let me know as soon as possible prior to the exam. You must provide me with a formal written note regarding the situation – preferably before the exam – plus a phone call or note from a physician or other relevant person within one week following the missed exam.

Contact Information:

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Communication and Website

Students are welcome to stop by my office during office hours or by appointment. I also respond to e-mail questions as quickly as possible. We have an eLC website for the course. The website will include the powerpoint slides that accompany the lectures, important notices, answers to problems discussed in class, and identification of materials of interest to the class. You are responsible for all information announced in class or posted on the website, including changes to the course syllabus and schedule.