



# Advanced Corporate Finance FINC-5880

S2 2021 Section 46 3 Credits 03/15/2021 to 05/14/2021 Modified 03/03/2021

## Meeting Times

Spring 2, 2021, Thursdays, March 18 to May 13, 2021

6:00pm to 10:00pm ET

The course will be taught via Zoom - please go to WorldClassroom FINC 5880 module. The Zoom link is posted in there.

## Contact Information

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## Description

This advanced study of corporate financial analysis and planning includes capital budgeting, cost of funds, and capital structure and valuation. Selected topics that may be covered are leasing, mergers, takeovers, business failure, reorganization, and liquidation. A combination of problem-solving and case study methodologies is used to illustrate theories and techniques helpful in financial analysis and planning.

### Requisites

FINC 5000

## Outcomes

Outcome	Expectation
1. Students can determine the value of fixed income securities	Students can calculate the implied value of convertible securities as well as the value of bonds-with-warrants.
2. Students can analyze capital budgeting decisions using standard methodologies	Students can make capital budgeting decisions using cash flow estimates and incorporating other sources of cash, such as taxes and depreciation. Students can explain the impact of profit margin and overall firm profitability on capital budgeting decisions, particularly when outside financing may be required to be able to complete projects.
3. Students can explain the impact of capital structure decisions on financial performance and cost of capital	Students can determine the impact of changes in cost of equity, cost of debt, the risk-free rate of interest, the tax rate, and the levels of debt and equity on the firm's balance sheet on the overall cost of capital and the effect on both project and firm profitability.
4. Students can utilize financial analysis to assess an organization's financial condition	Students can apply ratio and financial statement analysis skills to solve unstructured problems.
5. Students can construct strategies to reduce risk utilizing derivatives	Students can compute payoffs to put and call contracts and value corporate projects using the real option approach.
6. Students demonstrate integration of more than one area of finance when using case studies.	Students can solve cases requiring integration across various finance areas.

7. Students will demonstrate knowledge of lease analysis.

Students can compare the value of leasing to that of purchasing.

## Required Textbook

### Financial Management: Theory & Practice in Loose Leaf Version

**Author:** Brigham

**Publisher:** ITP

**Edition:** 16th

**ISBN:** 978-1337902601

## Materials

Textbook title and ISBN posted here:

<http://www.bkstr.com/websteronlinestore/home>

Start here - follow drop down menus

## Deliverables

Weekly Homework Assignments on Current Events in the world of Finance

Mid Term Exam

Final Exam

Financial Analysis (paper and presentation)

## Evaluation

Mid Term Exam	30%
Final Exam	30%
Homework (Current Events)	10%
Case Study Project	<u>30%</u>
	100%

## Schedule

Week	Topic
Beginning	
<b><i>Before Class Begins</i></b>	Obtain the textbook; <b>read</b> chapters 13, 14, and 15, stay ahead of the course schedule by reading chapters before they are covered in class
1 <sup>st</sup> Week – March 18	Chapter 13 Corporate Governance Chapter 14 Distributions to Shareholders
2 <sup>nd</sup> Week – March 25	Chapter 15 Capital Structure Decisions Chapter 16 Supply Chains and Working Capital Management

3 <sup>rd</sup> Week – April 1	Chapter 17 Multinational Financial Management Chapter 18 Public and Private Financing: Initial Offerings
4 <sup>th</sup> Week – April 8	<b>Exam #1(Chapters 13 - 18)</b>
5 <sup>th</sup> Week – April 15	Chapter 19 Lease Financing Chapter 20 Hybrid Financing
6 <sup>th</sup> Week - April 22	Chapter 21 Dynamic Capital Structures in a Dynamic Environment Chapter 22 Mergers and Corporate Control
7 <sup>th</sup> Week – April 29	Chapter 23 Enterprise Risk Management Chapter 24 Bankruptcy, Reorganization and Liquidation <b>Project Presentations</b>
8 <sup>th</sup> Week– May 6	<i>Topics of Current Interest</i> <b>Project Presentations</b>
9 <sup>th</sup> Week – May 13	<b>Final Exam (Chapters 19 - 24);</b> <b>Written Report Due</b> <b>ONLINE EVALUATION:</b> <a href="https://evaluation.webster.edu">https://evaluation.webster.edu</a> - <i>available weeks 8 &amp; 9, posted in WorldClassroom as well</i>

## \* Course Policies

*Please silence all cell phones during class (set to vibrate for emergency calls is acceptable). Even while meeting remotely a ringing phone can be distracting.*

## Institutional Policies

### Academic Policies

Academic policies provide students with important rights and responsibilities. Students are expected to familiarize themselves with all academic policies that apply to them. Academic policies for undergraduate students can be found in the Undergraduate Studies Catalog; graduate students should review the Graduate Studies Catalog.

#### Undergraduate Studies Catalog

The Undergraduate Studies Catalog contains academic policies that apply to all undergraduate students. The *academic policies and information* section of the catalog contains important information related to **attendance, conduct, academic honesty, grades, and more**. If you are an undergraduate student, please review the catalog each academic year. The current Undergraduate Studies Catalog is at:

<http://www.webster.edu/catalog/current/undergraduate-catalog/> (<http://www.webster.edu/catalog/current/undergraduate-catalog/>).

#### Graduate Studies Catalog

The Graduate Studies Catalog contains academic policies that apply to all graduate students. The *academic policies* section of the catalog contains important information related to **conduct, academic honesty, grades, and more**. If you are a graduate student, please review the catalog each academic year. The current Graduate Studies Catalog is at:

<http://www.webster.edu/catalog/current/graduate-catalog/> (<http://www.webster.edu/catalog/current/graduate-catalog/>).

## Grading

The Grades section of the academic catalog outlines the various grading systems courses may use, including the information about the final grade reported for this class.

#### *Undergraduate*

<http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html#grading>  
(<http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html#grading>).

#### *Graduate*

<http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html#grades>  
(<http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html#grades>).

#### Incomplete

There are important policies that govern grades of Incomplete (I), including the circumstances under which Incomplete grades are granted, deadlines for completion, and consequences should the remaining course work not be completed. It is the responsibility of a student who requests an Incomplete to ensure that he/she understands and follows the policies.

#### Grade Appeals

Instructors are responsible for assigning grades, and student should discuss grade issues with the instructor. Policies and procedures for appealing grades are available in the appropriate catalog.

## Academic Honesty Policy

Webster University is committed to academic excellence. As part of our Statement of Ethics, we strive to preserve academic honor and integrity by repudiating all forms of academic and intellectual dishonesty, including cheating, plagiarism and all other forms of academic dishonesty. Academic dishonesty is unacceptable and is subject to a disciplinary response. Students are encouraged to talk to instructors about any questions they may have regarding how to properly credit others' work, including paraphrasing, quoting, and citation formatting. The university reserves the right to utilize electronic databases, such as Turnitin.com, to assist faculty and students with their academic work.

The University's Academic Honesty Policy is published in academic catalogs:

#### *Undergraduate*

<http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html>  
(<http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html>).

#### *Graduate*

<http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html>  
(<http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html>).

As a part of the University commitment to academic excellence, the Academic Resource Center provides student resources to become better acquainted with academic honesty and the tools to prevent plagiarism in its many forms:

[http://www.webster.edu/arc/plagiarism\\_prevention/](http://www.webster.edu/arc/plagiarism_prevention/) ([http://www.webster.edu/arc/plagiarism\\_prevention/](http://www.webster.edu/arc/plagiarism_prevention/)).

## Statement of Ethics

Webster University strives to be a center of academic excellence. The University makes every effort to ensure the following:

- The opportunity for students to learn and inquire freely
- The protection of intellectual freedom and the rights of professors to teach
- The advancement of knowledge through scholarly pursuits and relevant dialogue

To review Webster University's statement of ethics, see the Undergraduate Studies Catalog and the Graduate and Studies Catalog:

#### *Undergraduate*

<http://www.webster.edu/catalog/current/undergraduate-catalog/overview.html#ethics>  
(<http://www.webster.edu/catalog/current/undergraduate-catalog/overview.html#ethics>).

#### *Graduate*

<http://www.webster.edu/catalog/current/graduate-catalog/ethics.html> (<http://www.webster.edu/catalog/current/graduate-catalog/ethics.html>).

## Contact Hours for this Course

It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, the content must be covered at another time.

## Important Academic Resources

### Academic Accommodations

Webster University makes every effort to accommodate individuals with academic/learning, health, physical and psychological disabilities. To obtain accommodations, students must identify themselves and provide documentation from a qualified professional or agency to the appropriate campus designee or the Academic ADA Coordinator at the main campus. The Academic ADA Coordinator may be reached at 314-246-7700 or [disability@webster.edu](mailto:disability@webster.edu) (<mailto:disability@webster.edu>).

If you have already identified as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor of the accommodations you will require for this class at the beginning of the course.

### Academic Resource Center

Additional support and resources may be accessed through the Academic Resource Center (ARC). Support and resources include academic counseling, accommodations, assistive technology, peer tutoring, plagiarism prevention, testing center services, and writing coaching. Visit [www.webster.edu/arc](http://www.webster.edu/arc) (<http://www.webster.edu/arc>) or Loretto Hall 40 on the main campus for more information.

### Student Success Portal

Webster University's Student Success Portal, powered by Starfish, is a communications tool to connect students with faculty members and campus support services. It allows faculty and staff members to communicate with you regarding academic achievements as well as areas where support may be helpful. You may use the portal to contact faculty and staff members for assistance and to arrange meetings. Activity in the portal will be communicated to your Webster University email account. The Student Success Portal is available via your course home page in WorldClassRoom or via Connections. Learn more about the Student Success Portal at <http://www.webster.edu/success/students.html> (<http://www.webster.edu/success/students.html>).

### University Library

Webster University Library is dedicated to supporting the research needs and intellectual pursuits of students throughout the University's worldwide network. Resources include print and electronic books, journal articles, online databases, DVDs and streaming video, CDs and streaming music, datasets, and other specialized information. Services include providing materials at no cost and research help for basic questions to in-depth exploration of resources. The gateway to all of these resources and services is <http://library.webster.edu> (<http://library.webster.edu/>). For support navigating the library's resources, see <http://libanswers.webster.edu/> (<http://libanswers.webster.edu/>) for the many ways to contact library staff.

## Drops and Withdrawals

Drop and withdrawal policies dictate processes for students who wish to unenroll from a course. Students must take proactive steps to unenroll; informing the instructor is not sufficient, nor is failing to attend. In the early days of the term or semester, students may DROP a course with no notation on their student record. After the DROP deadline, students may WITHDRAW from a course; in the case of a WITHDRAW, a grade of W appears on the student record. After the WITHDRAW deadline, students may not unenroll from a course. Policies and a calendar of deadlines for DROP and WITHDRAW are at:

### *Undergraduate*

<http://www.webster.edu/catalog/current/undergraduate-catalog/enrollment.html>  
(<http://www.webster.edu/catalog/current/undergraduate-catalog/enrollment.html>).

### *Graduate*

<http://www.webster.edu/catalog/current/graduate-catalog/enrollment.html> (<http://www.webster.edu/catalog/current/graduate-catalog/enrollment.html>).

Academic Calendar - <http://www.webster.edu/academics/academic-calendar/> (<http://www.webster.edu/academics/academic-calendar/>).

Current tuition rates, policies, and procedures, including details of pro-rated tuition refunds, are available in the "Tuition, Fees, and Refunds" section of Webster's Academic Catalogs:

### *Undergraduate*

<http://www.webster.edu/catalog/current/undergraduate-catalog/tuition.html>  
(<http://www.webster.edu/catalog/current/undergraduate-catalog/tuition.html>).

### *Graduate*

<http://www.webster.edu/catalog/current/graduate-catalog/tuition.html> (<http://www.webster.edu/catalog/current/graduate-catalog/tuition.html>).

## Student Handbook and Other Important Policies

Student handbook and other non-academic policies may apply to you and may impact your experience in this class. Such policies include the student code of conduct, privacy, technology and communications, and more. Please review the handbook each year and be aware of policies that apply to you. The handbook is available at:

<http://www.webster.edu/student-handbook/> (<http://www.webster.edu/student-handbook/>).

#### Sexual Assault, Harassment, and Other Sexual Offenses

Webster University makes every effort to educate the community to prevent sexual assault, harassment, and other sexual offenses from occurring, and is committed to providing support to those affected when this behavior does occur. To access information and resources or to review the Policy on Sexual Assault, Harassment, and Other Sexual Offenses, visit:

<http://www.webster.edu/sexual-misconduct/> (<http://www.webster.edu/sexual-misconduct/>).

## Research on Human Subjects

The Webster University Institutional Review Committee (IRB) is responsible for the review of all research on human subjects. The IRB process applies to all Webster University faculty, staff, and students and must be completed prior to any contact with human subjects. For more information on the IRB, visit:

<http://www.webster.edu/irb/index.html> (<http://www.webster.edu/irb/index.html>).

## Course Evaluations

At the end of this course, you will have the opportunity to provide feedback about your experience. Your input is extremely valuable to the university, your instructor, and the department that offers this course. Please provide your honest and thoughtful evaluation, as it helps the university to provide the best experience possible for all of its students.

## Important Technology Information

#### Connections Accounts

Webster University provides all students, faculty, and staff with a University email account through Connections. Students are expected to activate their Connections account and regularly check incoming University email. Students may choose to have their University email forwarded to an alternate email address. Connections account holders can call the Help Desk (314-246-5995 or toll free at 1-866-435-7270) for assistance with this setup. Instructions are also provided on the Information Technology website at:

<http://www.webster.edu/technology/service-desk/> (<http://www.webster.edu/technology/service-desk/>).

#### WorldClassRoom

WorldClassRoom is Webster's Learning Content Management System (LMS). Your instructor may use WorldClassRoom to deliver important information, to hold class activities, to communicate grades and feedback, and more. WorldClassRoom is available using your Connections ID at:

<https://worldclassroom.webster.edu/> (<https://worldclassroom.webster.edu/>).

#### Webster Alerts

Webster Alerts is the University's preferred emergency mass notification service, available free to current students, faculty and staff at all US campuses. By registering a valid cell phone number and email address, you will receive urgent campus text, voice mail and email communications. Valuable information concerning a range of incidents affecting you - from weather-related campus closures, class delays and cancellations, to more serious or life-threatening events - are immediately and simultaneously delivered through multiple communication channels. To register for Webster Alerts, visit:

<http://www.webster.edu/technology/services/webster-alerts/> (<http://www.webster.edu/technology/services/webster-alerts/>).

## Campus Information

Due to the Education Centers not re-opening in the DC region for this term *please* meet via Zoom for the Spring 2 term.

**Instructors will post the meetings in WorldClassroom/Canvas for students to log in each week (added security measure). On the left side with all the hyperlinks there will be one for Zoom.**

**We recommend Chrome** for the browser and please mute yourself when not speaking, also only you are able to unmute yourselves in Zoom. If there are many participants it also might be wise to disengage video too (or if bad weather) if low band width messages continually appear.\

Webster University - Joint Base Andrews NAF:

Phone (301) 420-2256

[aafb@webster.edu](mailto:aafb@webster.edu)

## Additional Items

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Emerson Library: [library.webster.edu](http://library.webster.edu)

There is a live chat feature - home page, contact a librarian (middle of page, middle box): Chat with a librarian on left side (might have to scroll down a bit) - accessible 24 hours a day.

The WSBT subject librarian is:

Business & Management	<a href="#">Mary Anne Erwin</a>	800-985-4279	<a href="mailto:maerwin@webster.edu">maerwin@webster.edu</a>
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Please use these excellent resources - *if not for this course may need for another.*