

COURSE NAME: Business Finance I

COURSE NUMBER: 11:373:351

SEMESTER: Fall 2019

MEETING DAYS, TIMES, AND PLACE: T, TH 3:55PM – 5:15PM, CDL 109

PREREQUITES: 11:373:121 or 01:220:102 and 11:375:215

CONTACT INFORMATION:

Instructor(s): Joseph Tully

Office Location: Cook Office Building, Room 117

Phone: 848-932-9138 Email: joseph.tully@rutgers.edu

Office Hours: By Appointment

COURSE WEBSITE, RESOURCES AND MATERIALS:

Fundamentals of Corporate Finance 10th Edition by Brealey, Myers and Marcus.

COURSE DESCRIPTION:

This course provides a basic understanding of concepts and practices of financial management including the analysis of a firm's financial position, working capital management and budgeting, costs of funds and capital structure, and financial instruments.

LEARNING GOALS:

Students will need a business calculator that can perform FV, PV, NPV, IRR, PMT calculations. By the end of the students will be able to:

1. Understand and appreciate the basic financial decisions facing corporations and how these financial decisions are managed.
2. Analyze basic information contained in financial statements and understand how it is used to make financial decisions.
3. Perform, with the help of business calculator, various FV/PV calculations, including NPV and IRR, and apply the results to solve business problems that inform financial decisions.
4. Measure and evaluate the role of risk involved in business problem solving and decision-making.
5. Calculate the Weighted Average Cost of Capital for a company and understand the concept of "cost of capital."

ASSIGNMENTS/RESPONSIBILITIES, GRADING & ASSESSMENT:

Goals 1 to 5 will be assessed via two interim exams (25% each), periodic quizzes (10%), research project (20%), class presentation/discussion (10%), and class participation (10%).

The project will require that students (assigned in groups of 5-6) select, research and conduct financial analyses on firms of a similar nature; e.g. Verizon vs. AT&T; Exxon Mobil vs. Chevron, Google vs. Apple, using three common business software programs such as PowerPoint, Excel, and Word or their equivalents. Students must apply appropriate financial concepts in their analysis and communicate their findings clearly both orally and in writing. Students will have 15 minutes to present their research to the class and submit a 5-page written report plus the attachment of 1 original spreadsheet of the companies being researched. Each presentation will be followed by a 5-minute class discussion.

ACCOMODATIONS FOR STUDENTS WITH DISABILITIES

Please follow the procedures outlined at <https://ods.rutgers.edu/students/registration-form>. Full policies and procedures are at <https://ods.rutgers.edu/>

ABSENCE POLICY

Students are expected to attend all classes; if you expect to miss one or two classes, please use the University absence reporting website <https://sims.rutgers.edu/ssra/> to indicate the date and reason for your absence. An email is automatically sent to me.

COURSE SCHEDULE:

The first 13 chapters of the book will be covered in detail. It is anticipated that one chapter will be covered per week. Students are required to read the assigned chapter prior to lectures. Short quizzes will be given at the beginning of Tuesday's lecture and cover the previous week's material.

Chapter 1: Goals & Governance of the Corporation

Chapter 2: Financial Markets & Institutions

Chapter 3: Accounting and Finance

Chapter 4: Measuring Corporate Performance

Chapter 5: The Time Value of Money

Chapter 6: Valuing Bonds

Chapter 7: Valuing Stocks

-- Exam 1 --

Chapter 8: Net Present Value and Other Investment Criteria

Chapter 9: Using Discounted Cash-Flow Analysis to Make Investment Decisions

Chapter 10: Project Analysis

Chapter 11: Introduction to Risk, Return and the Opportunity Cost of Capital

Chapter 12: Risk, Return and Capital Budgeting

Chapter 13: The Weighted-Average Cost of Capital and Company Valuation

-- Exam 2 --

Group Presentations

FINAL EXAM/PAPER DATE AND TIME

Online Final exam Schedule: <http://finalexams.rutgers.edu/>

ACADEMIC INTEGRITY

The university's policy on Academic Integrity is available at <http://academicintegrity.rutgers.edu/academic-integrity-policy>. The principles of academic integrity require that a student:

- properly acknowledge and cite all use of the ideas, results, or words of others.
- properly acknowledge all contributors to a given piece of work.
- make sure that all work submitted as his or her own in a course or other academic activity is produced without the aid of impermissible materials or impermissible collaboration.
- obtain all data or results by ethical means and report them accurately without suppressing any results inconsistent with his or her interpretation or conclusions.
- treat all other students in an ethical manner, respecting their integrity and right to pursue their educational goals without interference. This requires that a student neither facilitate academic dishonesty by others nor obstruct their academic progress.
- uphold the canons of the ethical or professional code of the profession for which he or she is preparing.

Adherence to these principles is necessary in order to ensure that

- everyone is given proper credit for his or her ideas, words, results, and other scholarly accomplishments.
- all student work is fairly evaluated, and no student has an inappropriate advantage over others.
- the academic and ethical development of all students is fostered.
- the reputation of the University for integrity in its teaching, research, and scholarship is maintained and enhanced.

Failure to uphold these principles of academic integrity threatens both the reputation of the University and the value of the degrees awarded to its students. Every member of the University community therefore bears a responsibility for ensuring that the highest standards of academic integrity are upheld.

STUDENT WELLNESS SERVICES

Just In Case Web App <http://codu.co/cee05e>

Access helpful mental health information and resources for yourself or a friend in a mental health crisis on your smartphone or tablet and easily contact CAPS or RUPD.

Counseling, ADAP & Psychiatric Services (CAPS)

(848) 932-7884 / 17 Senior Street, New Brunswick, NJ 08901 / www.rhscaps.rutgers.edu/

CAPS is a University mental health support service that includes counseling, alcohol and other drug assistance, and psychiatric services staffed by a team of professional within Rutgers Health services to support students' efforts to succeed at Rutgers University. CAPS offers a variety of services that include: individual therapy, group therapy and workshops, crisis intervention, referral to specialists in the community and consultation and collaboration with campus partners.

Violence Prevention & Victim Assistance (VPVA)

(848) 932-1181 / 3 Bartlett Street, New Brunswick, NJ 08901 / www.vpva.rutgers.edu/

The Office for Violence Prevention and Victim Assistance provides confidential crisis intervention, counseling and advocacy for victims of sexual and relationship violence and stalking to students, staff and faculty. To reach staff during office hours when the university is open or to reach an advocate after hours, call 848-932-1181.

Disability Services

(848) 445-6800 / Lucy Stone Hall, Suite A145, Livingston Campus, 54 Joyce Kilmer Avenue, Piscataway, NJ 08854 / <https://ods.rutgers.edu/>

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation: <https://ods.rutgers.edu/students/documentation-guidelines>. If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Registration form on the ODS web site at: <https://ods.rutgers.edu/students/registration-form>.

Scarlet Listeners

(732) 247-5555 / <https://rutgers.campuslabs.com/engage/organization/scarletlisteners>

Free and confidential peer counseling and referral hotline, providing a comforting and supportive safe space.