

COURSE NAME: Business Finance II

COURSE NUMBER: 11:373:451

SEMESTER: Spring 2020

MEETING DAYS, TIMES, AND PLACE: T, F 12:35pm – 1:55pm, FS 109

PREREQUISITE: 01:640:135 *OR* 11:373:211 *AND* 11:373:351

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 (IBIN 978-1-260-56609-3)
- Business Calculator

COURSE DESCRIPTION:

The course provides a more advanced understanding of business finance, including debt and equity decisions, currencies and exchange rates, and other advanced subjects.

LEARNING GOALS:

1. To understand the basic structure of corporate finance, especially dividend and buy-back decisions facing corporations, mergers and acquisitions and working capital management.
2. To understand how and why payout decisions are made, especially capital expenditures, dividends and stock repurchases.
3. To understand foreign currency markets and the basic forces impacting currencies, such as inflation, interest rates and general economic activity, and how these forces effect changes in exchange rates.
4. To understand how risk is measured and in particular, how options and futures are used to control business risk.

ASSIGNMENTS/RESPONSIBILITIES, GRADING & ASSESSMENT:

Goals 1 to 4 will be assessed via two interim exams (25% each), periodic quizzes (15%), research project (25%), and class participation (10%).

The project will require that students (assigned in groups) select a publically traded company, and identify a real or hypothetical investment opportunity or a merger or acquisition candidate. Project will also include the optimization of capital financing for the chosen activity. Students will have 15-20 minutes to present their research to the class and submit a 5-page written report plus the attachment of 1 original spreadsheet of the company 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:

Chapters 14 - 25 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 (in many cases take-home) will be given and cover the previous week's material.

Chapter 14: Introduction to Corporate Financing

Chapter 15: How Corporations Raise Venture Capital and Issue Securities

Chapter 16: Debt Policy

Chapter 17: Payout Policy

Chapter 18: Long-Term Financial Planning

Chapter 19: Short-Term Financial Planning

-- Exam 1 --

Chapter 20: Working Capital Management

Chapter 21: Mergers, Acquisitions, and Corporate Control

Chapter 22: International Financial Management

Chapter 23: Options

Chapter 24: Risk Management

Chapter 25: What We Do and Do Not Know about Finance

-- 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.