

Course Code & No. - Section:	BFIN 351
Course Title (Credits):	Principles of Corporate Finance (3)
Term & Year:	Spring / 2016
Course Ref. No. (CRN):	10003
Instructor:	Rick Winfield, MBA
Phone(s):	x7582 (email to schedule a call)
Email:	rwinfield@sierranevada.edu
Office:	TCES 2 nd Floor
Office Hours:	TR 4:00 - 5:00 p.m. (open), and by appointment
Class Meeting Time:	TR 2:30 - 3:45 p.m.
Location:	PL 214
Prerequisites (from Catalog):	ACCT 204 and ACCT 205
Corequisites (from Catalog):	None

Course Description

This course provides a comprehensive introduction to financial management in the organization. The course covers topics such as risk and return, cost of capital, working capital management, capital budgeting, securities valuation, and dividend policy. The lectures, homework, exams and individual presentations are designed to teach the financial concepts requisite to financially analyze and manage a business.

Student Outcomes

Upon successful completion of this course, a student will be able to:

1. Understand the relationship between risk and return.
2. Evaluate a publicly traded company's financial performance utilizing ratio analysis.
3. Articulate the difference between operating and financial leverage.
4. Deliver a professional financial analysis presentation using advanced spreadsheet techniques.
5. Calculate present values and future values of single amounts and annuities.
6. Evaluate multiple real-life scenarios involving the time value of money.
7. Value stocks and bonds and calculate the cost of a firm's capital.
8. Calculate the net present value and internal rate of return of competing investment alternatives.
9. Understand the sources of short-term and long-term financing options.

Methods of Assessing Student Outcomes

Student performance will be assessed using the following:

1. Problem sets and case study analysis;
2. Individual company financial report;
3. Group case study presentations;
4. Closed book midterm exam; and
5. Open book final exam. The final examination date is **not** negotiable; students need to plan their Winter break accordingly.

Instructional Strategies

This class will make extensive use of the "flipped classroom" format. Students will be required to watch video lectures (~20 minutes) before class. Class time will be spent on Q&A and reviews of the video lectures and readings (15 to 30 minutes) followed by working on problem sets, real world case studies, and spreadsheet exercises (45 to 60 minutes). The course makes use of the *Moodle* course management system.

Required Texts and Materials

1. *Applied Corporate Finance*; Fourth Edition, Aswath Damodaran; Wiley; (c) 2014; ISBN: 1118808932

Attendance

In order to maximize your learning, you are expected to attend class. Most of the learning will occur working through real world problems in small groups during class. You are expected to be a part of the learning community and participate fully in each class session. Participation points can only be earned if you are present. Use of electronic devices is limited to using a laptop or tablet to take notes and using Excel to solve problems. Other uses such as texting, surfing the internet, or making calls are disrespectful to the learning community. If you are engaged in these activities, you will be asked to leave the classroom

SNC Tahoe Athletics – The Athletic Director notifies faculty members of student athletes with excused absences for training and competition. This email excuses the student athlete from class attendance, but not from doing the assigned work. It is the student athlete's responsibility to meet with me **prior** to the excused absence for missed work and/or alternate assignments. If a student athlete fails to meet with me prior to the absence, make-up work is not available.

Class Requirements

All students are required to bring a laptop computer to each class meeting with Microsoft Excel installed. Cell phones and pagers must be turned off or set to 'silent mode.'

Prim Library Resources

Using the library's resources effectively (not just Internet resources) contributes to developing each of SNC's core themes by exposing students to high quality academic resources, diverse opinions, new ideas, and a future that includes building on a liberal arts education. In this course, you will be expected to utilize the library's resources (either on-site or remotely) as you complete your assignments.

Prim Library Resources for BFIN351 include, but are not limited to:

1. Standard & Poor's NetAdvantage
2. Plunket Research Online
3. LexisNexis

Sanctions for Cheating and/or Plagiarism**The Honor Code**

The faculty of SNC believes students must be held to high standards of integrity in all aspects of college life in order to promote the educational mission of the College and to encourage respect for the rights of others. Each student brings to the SNC community unique skills, talents, values and experiences which, when expressed within the community, contribute to the quality of the educational environment and the growth and development of the individual. Students share with members of the faculty, administration and staff the responsibility for creating and maintaining an environment conducive to learning and personal development, where actions are guided by mutual respect, integrity, responsibility and trust. The faculty and students alike must make diligent efforts to ensure high standards are upheld by their colleagues and peers as well as themselves. Therefore faculty and students accept responsibility for maintaining these standards at Sierra Nevada College and are obligated to comply with its regulations and procedures, which they are expected to read and understand.

Consequences of Violating the Student Honor Code

SNC students and faculty share the responsibility for maintaining an environment of academic honesty. Thus, all are responsible for knowing and abiding by the SNC Faculty/Student Honor Code published in the current SNC Catalog. Faculty are responsible for presenting the Honor Code and the consequences of violating it to students at the start of their classes AND for reporting all incidences of academic dishonesty to the Provost. Students are

responsible for knowing what constitutes CHEATING, PLAGIARISM and FABRICATION and for refraining from these and other forms of academic dishonesty. Violations of the Honor Code become part of a student's academic record.

1st Offense: Student receives a zero for assignment/exam and counseling with faculty on the honor code, consequences for violating the honor code, and the value of academic honesty in learning.

2nd Offense: Student fails course and receives counseling with faculty on the honor code, consequences for violating the honor code, and the value of academic honesty in learning.

3rd Offense: Student is expelled.

Grading Policy

Handing in Assignments and Feedback – All assignments must be uploaded to Moodle as either .doc or .pdf files. Email and hard copies are not permitted. Feedback and assignment grades will be posted to Moodle.

Late Assignments – It is the professor's belief that it is better to hand in an assignment late than not hand it in at all. However, whether credit is given for the assignment and how much is at the sole discretion of the professor.

Course Grades will be calculated as follows (1000 total points):

1. Class Participation – 100 points
2. Weekly Problem Sets (12 x 10 points each) – 120 points
3. Group Case Study Presentations (2 X 100 points each) – 200 points
4. Company Report – 80 points
5. Closed Book Midterm Exam – 200 points
6. Open Book Final Exam – 300 points

ADA Accommodations

In accordance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, students with a documented disability are eligible for support services and accommodations. If a student wishes to request an accommodation, please contact the Director of Academic Support Services, Henry Conover, at (775) 831-1314 x7534, hconover@sierranevada.edu, office in Prim Library: PL-304.

The SNC Email System

The SNC email system is the official communication vehicle among students, faculty members and administrative staff and is designed to protect the confidentiality of student information as required by the Family Educational Rights and Privacy Act of 1974 Act (FERPA). Students should check their college email accounts daily during the school year.

Students have a right to forward their SNC e-mail to another e-mail account (for example, @hotmail or @gmail). However, confidentiality of student information protected by FERPA cannot be guaranteed for SNC e-mail forwarded to an outside vendor. Having email redirected does not absolve a student from the responsibilities associated with official communication sent to his or her SNC email account.

The Sierra Nevada College Mission Statement:

Sierra Nevada College graduates will be educated to be scholars of and contributors to a sustainable world. Sierra Nevada College combines the liberal arts and professional preparedness through an interdisciplinary curriculum that emphasizes entrepreneurial thinking and environmental, social, economic and educational sustainability.

The Core Themes:

Liberal Arts	Professional Preparedness
Sustainability	Entrepreneurial Thinking

Class Schedule

Reading assignments, videos to be watched, & changes to the schedule and adjustments to the syllabus will be posted on Moodle. Moodle is the key communication tool for this class and you will want to check it frequently. You are expected to log-in to the class and post a clear picture of your face by January 25 at 8 pm (10 points).

Class	Topic
1/19	Course Overview
1/21	The Objective of Corporate Finance
1/26	Accounting Review
1/28	Ratio Analysis
2/2	"Case Study #1 – Ration Analysis"
2/4	Time Value of Money
2/9	"Case Study #2 – Time Value of Money Exercises"
2/11	Defining and Measuring Risk
2/16	Risk Free Rate & Equity Risk Premium
2/18	"Case Study #3 – Risk Free Rate & ERP" & Intro to Beta
2/23	Beta
2/25	"Case Study #4 – Bottom Up Beta" & Cost of Equity
3/1	"Case Study #5 – Cost of Equity" & Cost of Debt
3/3	Weighted Average Cost of Capital
3/8	"Case Study #6 – WACC" & Midterm Review
3/10	Midterm Exam
3/15	SPRING BREAK
3/17	SPRING BREAK
3/22	Investment Returns
3/24	Depreciation
3/29	"Case Study #7 – Depreciation" & Terminal Value and Salvage Value
3/31	"Case Study #8 – Terminal Value" & Net Present Value and Internal Rate of Return
4/5	"Case Study #9 & Case Study #10 – Should my company do this project?"
4/7	What to do if there are no good projects? - Dividends
4/12	Valuation I
4/14	Valuation II
4/19	"Case Study #11 – Valuation"
4/21	Practice Problems
4/26	Practice Problems
4/28	"Case Study #12 – Last Semester's Final"
5/3	Wrap-Up & Final Exam Review
5/10	FINAL EXAM 11:30-2:30 (ABSOLUTELY NO RESCHEDULE)