

FIN4414-3043 Corporate Finance: Fall 2023
Course Dates: October 9 – December 8

My Professor

Instructor Dr. Aaron DeSpain
Title Finance Professor
Office Address EpiCenter 2-419, 13805 58th St. N, Clearwater, FL 33760
Phone 727-341-3252
E-mail despain.aaron@spcollege.edu
Homepage <https://web.spcollege.edu/instructors/id/despain.aaron/COR/>
Course Credits 3
Notes Students should anticipate a response to MyCourses email within 24 hours. But I typically respond very quickly. If MyCourses is down or you are unable to upload your assignments, or if you have questions not related to this class, please send correspondence to the SPC email account above. Course grading, except for cases, is normally complete within 2 days from submission due date. Email availability 7 days/week.

Textbook & Lab (required)



Instant Access to Pearson lab and e-Text only (no physical textbook): ISBN 8220123480516. Once temporary or permanent lab access to the course is established, a **loose-leaf** version of the text can be purchased for \$29.99 via the **Purchase Options** module inside the lab course. See lab setup instructions and **Course ID** in **MyCourses**. **Note that the lab access itself will include an eText also, so a physical book is optional. The chapter reading is not optional.**

Computer Requirements

Reliable computer and internet access are needed for the course. Below are the additional software tools required.

Pearson Finance Lab: See registration instructions in MyCourses. Access is available via 'Instant Access' described in the previous section. This is where homework, quizzes and the final exam will be completed. Log in to the website at www.pearsonmylabandmastering.com or www.myfinancelab.com .

Excel will be utilized for financial analysis and case studies. Excel 2016, and other Microsoft Office software, is free for SPC students: <https://go.spcollege.edu/microsoft/>

Course Description

This is an advanced course in financial analysis and decision-making from a corporate management perspective. Topics include capital budgeting, leverage and capital structure, payout policy, working capital, derivatives, mergers and other special topics in finance. 47 contact hours.

Prerequisites: FIN3403 and Admission to: BUS-BS

Course Learning Objectives

1. The student will demonstrate foundational time value of money and cost of capital concepts by:
 - a. *calculating the present value and future value of lump sums, annuities and mixed streams.*
 - b. *interpreting the results of time value of money problems.*
 - c. *applying the weighted average cost of capital to the firm's capital decisions.*
 - d. *calculating the components of the weighted average cost of capital.*

2. The student will demonstrate the key elements of the capital budgeting process by:
 - a. *calculating payback period, net present value and internal rate of return for projects.*
 - b. *calculating a project's initial investment, incremental annual cash flows and terminal cash flows.*
 - c. *assessing the results of the capital budgeting process to determine if a project should be undertaken.*
 - d. *using capital budgeting techniques to select the best project alternative under consideration.*

3. The student will apply leverage to the firm's capital structure by:
 - a. *relating net operating profit and earnings per share to its degree of financial leverage under different capital structures.*
 - b. *evaluating the effects of financial leverage.*

4. The student will examine the impacts of dividend payout policies to shareholders and the firm by:
 - a. *explaining dividend payment procedures.*
 - b. *differentiating dividends from accounting, shareholder and company points of view.*
 - c. *modeling different dividend policies and their constraints.*

5. The student will differentiate between hybrid and derivative securities and their benefits to the firm by:
 - a. *explaining the benefits of convertible bonds, stock warrants and options.*
 - b. *determining between lease and purchase alternatives.*
 - c. *calculating the present value of straight versus convertible bonds.*
 - d. *calculating the potential profit or loss on stock warrants and options.*

6. The student will interpret the financial effects and risks associated with multinational firms by:
 - a. *identifying the regulatory, economic, political and other risks associated with operating in a foreign country.*
 - b. *converting foreign currency into dollars and vice-versa.*
 - c. *preparing dollar-translated financial statements based on foreign account balances.*

7. The student will evaluate merger and acquisition strategies available to the firm by:
 - a. *describing the different types of mergers and acquisitions.*
 - b. *calculating the potential tax benefits of acquiring another company.*
 - c. *calculating earnings per share for both the acquiring and target companies.*
 - d. *assessing a merger scenario to make an acquisition recommendation.*

Course Structure

The course will review topics presented in Financial Management (FIN3403) and quickly move on to additional corporate finance topics in the text, such as a leverage, payout policies, and mergers. Heavy emphasis is placed on weekly textbook readings, which are followed up with a variety of practical application homework questions via the Pearson Finance Lab. Review the **Assignment Schedule & Due Dates** document in MyCourses for a weekly breakdown of covered textbook chapters and related assignments.

Additional learning resources are available in the lab, such as **Sample Tests and Quizzes** (in Assignments menu); **Study Plan** for additional practice with select chapter questions, **eText** and the **Multimedia Library**. These resources, available in the menus on the left

side of the lab page, are optional (not graded) but students are encouraged to take full advantage of them to enhance their understanding of the material.

The weekly modules in **MyCourses** also provide a number of resources for students. These include PowerPoint presentations and homework examples and videos.

Grading

Standard grading scale will be used (see below). Total points will be accumulated from chapter homework assignments, videos, quizzes, one project and a final exam.

90 – 100% = A

80 – 89% = B

70 – 79% = C

60 – 69% = D

<60% = F

Assignments

Weekly assignments are detailed for students in the **Assignment Schedule and Due Dates** module. It is recommended that the document be printed and used as a *Quick Reference Guide* for the course. It should be referenced frequently to avoid missing any due dates. All assignments, with the exception of case studies, will be completed in the Pearson lab. The assignments and their grading weights include the following:

40% Homework* (11 assigned, 110 points total)

35% Cases (2 assigned - completed using Excel, 200 points total)

25% Final Exam (100 points total)

**Dynamic Study Modules (DSM) are pre-requisites, except for chapter 13.*

Note that the respective weights are applied to the points based on assignment category. See the Course Content in MyCourses for more details about these assignment types.

Late Assignment Policy

Exceptions to meeting assignment deadlines require an official documented excuse (i.e. family death, doctor's note, etc.). Please note that computer problems, minor sickness, travel, and lack of planning do not constitute an excuse for missing a deadline. This may mean you have to use computers on campus or somewhere other than your home or submit an assignment to the instructor's college email account if MyCourses is down (should the need arise). Again, there are no exceptions to this rule, so be sure to view all of the content and expectations within each weekly module ahead of time to confirm you can meet them for proper completion of this course.

Time Commitment

This is a 3-credit course conducted over 8 weeks. In order to meet accreditation standards, on average, students should expect to spend between 15 to 18 hours per week on course activities and assignments. Spending less time would be insufficient for success in this course.

Attendance/Participation Policy

Participation in the course is essential to avoid being withdrawn for non-attendance. Participation is defined as reading and preparing for weekly lessons (especially prior to blended class meetings). It also includes completing and submitting ALL assignments on time and taking part in all other course communications in a timely manner. The **Assignment Schedule and Due Dates** sheet provides an overview of all assignments and due dates for the course, which are required for active participation.

Excused absences, of course, will not count against students. However, students must contact the professor to make appropriate arrangements, and provide supporting documentation accordingly. Advance notice should be given to the instructor whenever possible to arrange for alternatives.

This course will adhere to an **80-70 rule for participation**. This means that at least 80% of the lab *homework* assignments (not quizzes) need to have been *attempted* and at least 70% of the questions/problems within those assignments also *attempted* in order to be marked 'attended' when attendance is required. *Attempted* means there is a graded result (correct or incorrect). Attendance is reported to the college after Week 1, Week 2 and the 60% point of the course (typically Week 5). Note that the 80-70 rule is applied to all previous lab assignments up to that date, not just that particular week.

The assigned cases are also included in the application of the 80-70 rule for participation. The first case must be at least 80% complete and submitted on time to avoid being withdrawn from the course at the 60% point of the class.

Lack of attendance (participation) can result in students being administratively withdrawn. Students are given a W in a course for insufficient participation in Weeks 1 and 2. A grade of WF is given for insufficient overall participation through the 60% point of the course (see last date to withdraw in the academic calendar to avoid this issue as it can result in serious financial aid and GPA consequences). Students in their third attempt at completing the course will be given a WF grade at any point in the term if failing to meet attendance requirements.

Academic Integrity

Academic honesty and plagiarism fall under the Academic Honesty Policy of the college. The College of Business has always had a "0" tolerance policy for academic dishonesty and if the student is in violation, an "F" in the course can be applied.

Understand that not properly giving credit to the sources used in work, even when paraphrasing, is considered plagiarism and can result in not only a "0" for that assignment, but an "F" in the course. Also applicable is copying and/or submitting **Excel** work that is not the original work of the current student.**

Please note that utilizing so-called tutor sites like Course Hero, Chegg, Bartleby and Quizlet is strictly prohibited in this course. Students may not post documents, screenshots or other questions for help to these websites or similar ones. These sites do nothing more than facilitate cheating. Students should seek out additional help from their professor, the lab study resources and/or SPC tutors. Use of these sites will result in a zero for the applicable assignment(s) and may also result in an automatic 'F' grade in the course, particularly when assessment, Excel or case information is shared.

[Click here for the SPC Academic Honesty policy.](#)

Learner Support

View the [Accessibility Services](#) site.

View the [Academic Support and Student Success](#) site for additional learning resources.

Additional Resources

As an SPC student it's vital that you know Titans Care. You can access resources through SPC's Student Assistance Program (SAP) (<https://mycoursesupport.spcollege.edu/student-assistance-program>), a collaborative resource for students with mental health or general life issues. SAP provides help and education in suicide prevention, mental health, substance abuse awareness and more. It is SPC's belief that supporting mental wellness is everyone's charge and that one loss as a result of substance abuse, mental illness, or suicide is one too many. If you or a loved one are considering suicide, please call the National Suicide Prevention Lifeline at 1-800-273-8255.

See additional support and other resources in the SPC Resources section of your *Course Home* page.

Syllabus Addendum

Syllabus addendum information can be found [Here](#). Once on the page, click the Additional Addendum link above the "How to be a Successful Student" title. The link will enable a PDF document download. General attendance information and Covid-19 guidelines are included in the document.