

**Georgia State University
J. Mack Robinson College of Business
Department of Finance**

**MBA 8130
Foundations in Corporate Finance
Course Syllabus
Fall Semester 2007**

NOTE: *It is your responsibility to read, understand and abide by all of the course information and policies listed below. Failure to do so could result in your failing of this course or of your being administratively withdrawn from the course by your instructor, by the Department of Finance, or by the Robinson College of Business. This course syllabus provides a general plan for the course; deviations may be necessary.*

COURSE SECTIONS

The following table lists all sections of MBA 8130 for this semester. Each section has a unique Course Number and WebCT section. Be sure to check your registration record on the GOSOLAR online system to locate the correct time and location for your specific class and Instructor.

SESSION DATES (08/20-10/12):

<u>Course/WebCT Number-Section</u>	<u>Class Days</u>	<u>Class Times</u>	<u>Instructor</u>	<u>Classroom / Location</u>
83680 - 010	W	4:30 - 7:00 pm	Alfred Mettler	Aderhold 225

SESSION DATES (10/15-12/14):

<u>Course/WebCT Number-Section</u>	<u>Class Days</u>	<u>Class Times</u>	<u>Instructor</u>	<u>Classroom / Location</u>
83708 - 015	W	4:30 - 7:00 pm	Charles W. Hodges	Online Course
84504 - 05	M	7:15 - 9:45 pm	Richard J. Fendler	Brookhaven Ctr

The course coordinator is Dr. Richard J. Fendler. Dr. Fendler oversees all sections of the course. If you have general questions concerning the course or the course syllabus, you can contact Dr. Fendler via e-mail at fnrj@gsu.edu. For all questions specific to your section of the course, contact your instructor. Your instructor will inform you of his/her office hours and provide you with specific contact information on the first day of class.

Purpose of the course:

This course focuses on the practical and conceptual problems associated with financial management of the non-financial corporation. The treatment of all areas involves theoretical concepts and the application of these concepts to contemporary business situations for the purpose of corporate decision-making. All topics reflect the impact on the overall value and risk of the company. Topics covered include, but are not limited to: Accounting statements and cash flow, time value of money, valuation of debt and equity, capital budgeting and project evaluation techniques.

Course Prerequisites/Corequisites:

a. New catalogue students:

Prerequisites : CSP 1, 2, 3, 6, 7, 8; MBA 8000

Corequisites: MBA 8010, MBA 8020, MBA 8030

b. Old catalogue students:

Prerequisites: MBA 8011 (or Math 1070), MBA 8121 (or ACCT 2101-2102 and FI 3300), MBA 8231 (or ECON 2106); or their equivalents.

Old catalogue students in the transition phase may wish to refer to the MBA curriculum crosswalk at <http://robinson.gsu.edu/academic/mba/curriculum/crosswalk.html#old>**A. COURSE MATERIAL****Required Text:**

Corporate Finance: A Focused Approach, by Michael C. Ehrhardt / Eugene F. Brigham, Thomson South-Western, 2nd ed. 2006. Additional **student resource material** can be found on the publisher's website at: <http://ehrhardt.swlearning.com>.

Financial Calculator:

It is necessary that you have a **financial calculator** to use throughout the course and that you **bring it to class each Week**. Many end-of-chapter problems require complex arithmetic operations, and a financial calculator is necessary to solve these problems efficiently. Recommended financial calculators are the Texas Instruments BA II Plus, the Hewlett Packard 10B or 12C, the Sharp EL 733, and similar models. Approximate price: \$30.

B. ATTENDANCE POLICY / ACADEMIC HONESTY**Attendance Policy:**

Each student is expected to attend *ALL* scheduled class meetings for the *entire duration* of the class meeting. An attendance sign-up sheet will be circulated each class period. ***It is your responsibility to sign the attendance sheet. If you do not sign the list, you will be considered absent*** (see the note on academic honesty below). Students arriving late may be permitted to sign the sheet only at the discretion of the instructor.

Any student who is absent from more than the equivalent of two classes will be dropped from the

course. Absences include the first week of class regardless of when a student registered for the course. *If a student is withdrawn for excessive absences after the midpoint of the grading period, a final grade of WF will be assigned.* There will be no exceptions to this policy!

An absence from class for any reason (job conflict, illness, appearance in court, transportation problems, etc.), even if permitted and/or excused by your instructor, will count **as one of the class absences** against the two class cumulative limit specified in the previous paragraph.

Academic Honesty:

The Department of Finance **adheres strictly** to the University's policy on academic honesty as contained in the *Academic Regulations* section of the University catalog. Any student found copying during exams or quizzes, signing someone else's name to the attendance list, using stored formulas in programmable calculators, using non-authorized formula sheets or other notes during exams, collaborating on and/or copying the time value of money take-home problem set or other take-home assignments, or the like will receive an F for the course and possibly be subject to additional University disciplinary action.

No other electronic devices are allowed during quizzes and exams besides a financial calculator (see page 2). Such prohibited items include laptops, personal digital assistants (PDA's), text messaging systems and similar devices. If you have any questions about the legality of your calculator, check with your instructor.

C. IMPORTANT COURSE INFORMATION AND POLICIES

Grade Weights:

Final Exam	50%
Quizzes, Homework, Mini-Exam, Takehome Problem Set, etc.	50%

Final Exam:

The final exam is cumulative and will be given one week after the last day of class at the same time and in the same classroom as a regular class meeting, unless otherwise announced by your instructor. Your instructor will provide you with specific information about the exam date, time, location and format during the term.

You **must** attend the final exam on the scheduled date. No variance exams will be given in this. If you miss the final exam, you will receive a grade of 0, resulting in a course grade of F.

Quizzes, Homework, Mini-Exam, Takehome Problem Set, etc:

This component of your grade is instructor specific. Your instructor will choose at least 2 component items from the list above and will provide specific details concerning the composition of this part of your grade, along with specific weights, number of quizzes, homework assignment and/or problem sets due dates, exam date or any other evaluation item details on the first day of class. If you have any questions concerning the specifics of this component of your grade, ask your instructor for additional detail. If, after speaking with your instructor, you are still confused about the specifics of this component of your grade, please contact the course coordinator.

Grading Policy - Department of Finance:

The finance department employs the +/- grading system. A C- is considered a passing grade for this course and a C- is considered passing for prerequisite purposes for this course, as well as for all finance electives.

In accordance with Departmental policy, for masters level courses (MBA and FI prefixed), it is expected that no more than 35 percent of the students in a given class section will receive a grade of A. The majority of the remaining students are expected to receive grades of B. Those students demonstrating significantly lagging performance shall earn grades of C or lower as appropriate. This policy is amended to incorporate +/- grades as mentioned in the paragraph above.

D. TENTATIVE COURSE OUTLINE

Daily assignments, which should be completed before that topic is covered in class, are listed in the third column. Students are responsible to know and understand the subject matter covered in each textbook chapter, regardless of whether the chapter is listed as a “**prepare**” chapter/item or a “**read**” chapter/item and regardless of whether that material has been covered in class. Students are also responsible to know how to solve all end-of-chapter problems for each textbook chapter listed as a “Prepare” chapter.

<u>Class #</u>	<u>Topics to be covered</u>	<u>Textbook Chapter</u>
1	An Overview of Finance Goal of Financial Management Financial Markets and the Cost of Money	Read Course Syllabus Prepare Text Chapter 1
2	Time Value of Money - Part I FV/PV of Single-Period Cash Flows FV/PV of Multi-Period Cash Flows	Read Calculator Handbook Prepare Text Chapter 2
3	Time Value of Money – Part II Multiple Compounding and Discounting Amortized Loans	Chapter 2 continued
4	Financial Statements and Cash Flows Analysis of Financial Statements	Prepare Text Chapter 3 Prepare Text Chapter 4
5	Risk and Return Risk in a Portfolio Context Beta and the CAPM	Prepare Text Chapter 5
6	Bonds and Their Valuation Key Characteristics of Bonds Bond Valuation and Bond Yields	Prepare Text Chapter 6
7	Stocks and Their Valuation Common Stock Characteristics Stock Valuation and Stock Market Equilibrium	Prepare Text Chapter 7