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 Failure to do so could result in your failing of this course or of your being administratively withdrawn from the course by your instructor, by the Department of Finance, or by the Robinson College of Business.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.

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, 1st ed. 2003. Additional student resource material can be found on and downloaded from the textbook’s website (click on student resources):
http://www.swcollege.com/finance/ehrhardt/focused/focused.html

Course Website:

An extensive web page will be available and it is highly recommended that students check it out as soon as possible. The website includes, among other things,

a) administrative information (syllabus, e-mail addresses of instructors, final exam schedule)

b) supplemental course material (solutions to end of chapter-problems, practice take home assignments (THA), practice final exams)

c) lecture segments (using PowerPoint slides with audio and/or video)

The current web site address is: http://www.gsu.edu/~fnccwh/mba8130.html

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 week equivalent 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%
- Take-Home Assignment: 20%
- Quizzes: 20%
- Instructor-Specific Component: 10%

Final Exam:
The final exam is cumulative and will be given on the day listed in the course outline. The memorandum on pages 6-7 of this syllabus outlines the policy concerning attendance for scheduled examinations.

Take Home Assignment (THA):
A take-home assignment will be due on the date assigned by your instructor. Prior take-home problem sets (including some solutions) are posted on the course webpage.

Quizzes, Homework and/or Project:
There will be at least two quizzes given during the course, consisting of problems that are similar to questions and problems in the textbook from any of the chapters covered to date in that section. If you keep up with the daily assignments listed in the course outline and/or announced by your instructor, your chances of solving these problems correctly will be greatly enhanced. Note well that failure to take a quiz due to absence from class (regardless of cause or reason) will result in a grade on that specific quiz of zero - NO EXCEPTIONS!
Your instructor may require you to turn in homework and/or course projects. Specific assignments and due dates will be announced in class.

Instructor-specific component:
These points are allocated at the discretion of the instructor and will vary by class section and semester. This component may be a group project, presentation and/or paper, another quiz, a spreadsheet-solution, a case study and/or a grade for class participation. Your instructor will explain this component of your grade in detail during the first week of class.

Grading Policy - Department of Finance:
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.
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 or a “read” chapter and regardless of whether that material has been covered in class. Students are also responsible to know how to solve all assigned end-of-chapter problems for each textbook chapter listed as a “Prepare” chapter.

<table>
<thead>
<tr>
<th>Class #</th>
<th>Topics to be covered</th>
<th>Preparation</th>
</tr>
</thead>
</table>
| Class 1 | An Overview of Corporate Finance and the Financial Environment  
- Goals of Financial Management  
- Financial Markets and Institutions  
- Cost of Money  
- Term Structure of Interest Rates | Read Entire Course Syllabus  
Prepare Text Chapter 1 |
| Class 2 | Financial Planning and Forecasting Financial Statements  
- Overview of Financial Planning  
- Financial Statement Forecasting | Prepare Text Chapter 11 |
|         | Financial Statements, Cash Flows and Taxes Analysis of Financial Statements (Self-study chapters) | Prepare Text Chapters 9 and 10  
Lecture segments on course website |
| Class 3 | Time Value of Money  
- FV/PV of Single-Period Cash Flows  
- FV/PV of Multi-Period Cash Flows | Read Handbook of your Calculator  
Prepare Text Chapter 2 |
| Class 4 | Time Value of Money  
- Multiple Compounding and Discounting  
- Amortized Loans | Prepare Text Chapter 2 |
| Class 5 | Bond and Stock Valuation  
- Characteristics of Bonds and Stocks  
- Valuation Techniques  
Efficient Markets Hypothesis | Prepare Text Chapter 4  
Prepare Text Chapter 5 |
| Class 6 | The Basics of Capital Budgeting  
- Capital Budgeting Decision Rules  
- Independent and Mutually Exclusive Projects | Prepare Text Chapter 7 |
| Class 7 | Cash Flow Estimation and Risk Analysis  
- Cash Flow Estimation  
- Identifying Relevant Cash Flows  
- Evaluating Capital Budgeting Projects | Prepare Text Chapter 8 |
| Minisession | The remaining 75 minutes will be used for a separately scheduled session during which the THA will be discussed |
| Final Exam | |
MEMORANDUM

To: Students Enrolled in MBA 8130
From: Chairman - Department of Finance
Semester: Fall 2004
Subject: MBA 8130 course policies

a) Attendance for Final Exam

The Department of Finance schedules common, Department-wide final examinations in MBA 8130. The Final Exam is scheduled for ......................

Variances granted from the common final examination date are undesirable for obvious reasons. Intrinsically, early examination exposes any student to question, even if innocent, when cheating is discovered. The penalties for cheating are severe; consult GSU’s Graduate Bulletin for specific university regulations. Core courses are offered each semester. Therefore, if you foresee a personal conflict with the examination date please register for the course in a later semester. Only the Department Chairman grants variances for the final examination date, permission granted by others will not be honored.

Guidelines for requested variance

1. Requests for variance must be received in the Department's office by September 30, 2004. This lead-time will allow for course withdrawal in the event of the denial of a variance request. The last day to withdraw and possibly receive a "W" is Sept 17th, 2004.

2. A letter must be written to the Chairman and must be supported by additional documentation regarding the student's conflicting obligation. Job conflicts are to be supported by a letter from the student's supervisor on company stationary. Variances for students involved in the wedding of an immediate family member will be considered. Others will not. Copies of a wedding invitation and statement of kinship must support those considered.

3. The letter to the Chairman should include your social security number, telephone number, address, name of instructor, and course section. It should be mailed or faxed to the Chairman of the Department of Finance, Robinson College of Business, MSC 4A1264 33 Gilmer Street SE Unit 4, Atlanta GA 30303-3084 (Fax: 404 651 2630).

4. If a variance request is approved, the Department will determine the date and site of an alternate examination. It is Departmental policy that an alternate examination will be scheduled at an earlier rather than a later date.
b) **Attendance for Scheduled Examinations:**

The GSU Graduate Catalog states: "...Students must be present for announced quizzes, laboratory periods, or final examinations unless the reasons for the absences are acceptable to the professors concerned...". A student who cannot take the scheduled mid-term examination must comply with the following guidelines:

1. A formal request for permission to be absent from the mid-term examination should be submitted to the instructor in advance of the examination, if possible. If circumstances preclude an advance request, a formal request for an excused absence must be submitted to the instructor within seven (7) days of the date of the missed examination.

2. A formal request for advance permission to be absent or to excuse an absence that has already occurred must take the form of a letter to the instructor supported by additional written documentation of the conflicting situation that interferes with attendance at the examination. For example, job conflicts are to be documented by a supervisor's letter on company stationery; military reserve conflicts are to be documented by a copy of orders to duty; health conflicts are to be documented by the written statements of a health professional; conflicts because of attendance to funerals or weddings are to be documented by copies of obituaries or wedding invitations.

3. No "makeup" examinations during the semester will be given in this course. If any examination is not taken as scheduled and if the absence is excused, then the grade weight of the missed examination will be transferred to the final examination.

4. An examination score of 0 will be given if the instructor does not permit or excuse an absence from the exam discussed above. Absence from any examination, even when permitted or excused will count as one of the class absences against the limit specified in the previous section on "Class Attendance."

c) **Withdrawal:**

Grades at withdrawal are determined in strict compliance with policies stated in the Graduate Catalog. A grade of "W" indicates that a student, doing passing work, was permitted to withdraw from the course. A grade of "WF" indicates that the student

1. voluntarily withdrew from a course before the midpoint for the grade period while doing failing work,
2. was involuntarily withdrawn from a course before the midpoint of the grading period while doing failing work,
3. voluntarily withdrew from a course after the midpoint of the grading period and was not awarded a hardship withdrawal, or
4. was involuntarily withdrawn from a course after the midpoint of the grading period and was not awarded a hardship withdrawal.

d) **Examinations:**

Material from the text chapters (both preparation chapters and reading chapters), end-of-chapter problems, supplemental problems, cases, and the prerequisites may be covered on the exams, whether
or not specific coverage in class has occurred.
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.

Purpose of the course:
The course focuses on selected practical applications of major corporate finance topics. 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. Topics covered include, but are not limited to: Risk and return analysis, real options and capital budgeting, cost of capital, and capital structure decisions. These topics help the corporate manager understand how the market values the sources of capital and how these values impact corporate decisions.

Course Prerequisite: MBA 8130
A. COURSE MATERIAL

Required Text:

Corporate Finance: A Focused Approach, by Michael C. Ehrhardt / Eugene F. Brigham, Thomson South-Western, 1st ed. 2003. Additional student resource material can be found on and downloaded from the textbook’s website (click on student resources):

http://www.swcollege.com/finance/ehrhardt/focused/focused.html

Course Website:

An extensive web page will be available and it is highly recommended that students check it out as soon as possible. The website includes, among other things,

d) administrative information (syllabus, e-mail addresses of instructors, final exam schedule)
e) supplemental course material (solutions to end of chapter-problems, practice take home assignments (THA), practice final exams)
f) lecture segments (using PowerPoint slides with audio and/or video)

The current web site address is: http://www. 

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 week equivalent 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%
Take-Home Assignment 20%
Quizzes 20%
Instructor-Specific Component 10%

Final Exam:
The final exam is cumulative and will be given on the day listed in the course outline. The memorandum on pages 6-7 of this syllabus outlines the policy concerning attendance for scheduled examinations.

Take Home Assignment (THA):
A take-home assignment will be due on the date assigned by your instructor. Prior take-home problem sets (including some solutions) are posted on the course webpage.

Quizzes, Homework and/or Project:
There will be at least two quizzes given during the course, consisting of problems that are similar to questions and problems in the textbook from any of the chapters covered to date in that section. If you keep up with the daily assignments listed in the course outline and/or announced by your instructor, your chances of solving these problems correctly will be greatly enhanced. Note well that failure to take a quiz due to absence from class (regardless of cause or reason) will result in a grade on that specific quiz of zero - NO EXCEPTIONS!
Your instructor may require you to turn in homework and/or course projects. Specific assignments and due dates will be announced in class.

Instructor-specific component:
These points are allocated at the discretion of the instructor and will vary by class section and semester. This component may be a group project, presentation and/or paper, another quiz, a spreadsheet-solution, a case study and/or a grade for class participation. Your instructor will explain this component of your grade in detail during the first week of class.

Grading Policy - Department of Finance:
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.
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 or a “read” chapter and regardless of whether that material has been covered in class. Students are also responsible to know how to solve all assigned end-of-chapter problems for each textbook chapter listed as a “Prepare” chapter.

<table>
<thead>
<tr>
<th>Class #</th>
<th>Topics to be covered</th>
<th>Preparation</th>
</tr>
</thead>
</table>
| Class 1 | Risk Analysis, Real Options and Capital Budgeting | - Prepare Text Chapter 8  
- Prepare Text Chapter 17 |
| Class 2 | Risk and Return  
- Expected Rate of Return  
- Standard Deviation of Returns  
- Relationship between Risk and Return  
- The Concept of Beta | - Prepare Text Chapter 3 |
| Class 3 | Risk and Return  
- Measuring Portfolio Risk  
- The Capital Asset Pricing Model (CAPM) | - Prepare Text Chapter 3 |
| Class 4 | The Cost of Capital  
- Cost of Debt  
- Cost of Equity  
- Weighted Average Cost of Capital | - Prepare Text Chapter 6 |
| Class 5 | Capital Structure Decisions  
- Business Risk and Financial Risk  
- Estimating the Optimal Capital Structure  
- Capital Structure Theory | - Prepare Text Chapter 13 |
| Class 6 | Capital Structure Decisions  
- Business Risk and Financial Risk  
- Estimating the Optimal Capital Structure  
- Capital Structure Theory | - Prepare Text Chapter 13 |
| Class 7 | Integrative Case Discussion and Analysis | Valuation Case Study |
| Minisession | The remaining 75 minutes will be used for a separately scheduled session during which the THA will be discussed | - |
| Final Exam | | - |
MEMORANDUM

To: Students Enrolled in MBA 8230
From: Chairman - Department of Finance
Semester: Fall 2004
Subject: MBA 8230 course policies

a) Attendance for Final Exam

The Department of Finance schedules common, Department-wide final examinations in MBA 8230. The Final Exam is scheduled for Saturday, Dec 11, 2004, 2.45-4.45 pm

Variances granted from the common final examination date are undesirable for obvious reasons. Intrinsically, early examination exposes any student to question, even if innocent, when cheating is discovered. The penalties for cheating are severe; consult GSU’s Graduate Bulletin for specific university regulations. Core courses are offered each semester. Therefore, if you foresee a personal conflict with the examination date please register for the course in a later semester. Only the Department Chairman grants variances for the final examination date, permission granted by others will not be honored.

Guidelines for requested variance

5. Requests for variance must be received in the Department's office by ......................... This lead-time will allow for course withdrawal in the event of the denial of a variance request. The last day to withdraw and possibly receive a "W" is Nov 12th, 2004.

6. A letter must be written to the Chairman and must be supported by additional documentation regarding the student's conflicting obligation. Job conflicts are to be supported by a letter from the student's supervisor on company stationary. Variances for students involved in the wedding of an immediate family member will be considered. Others will not. Copies of a wedding invitation and statement of kinship must support those considered.

7. The letter to the Chairman should include your social security number, telephone number, address, name of instructor, and course section. It should be mailed or faxed to the Chairman of the Department of Finance, Robinson College of Business, MSC 4A1264 33 Gilmer Street SE Unit 4, Atlanta GA 30303-3084 (Fax: 404 651 2630).

8. If a variance request is approved, the Department will determine the date and site of an alternate examination. It is Departmental policy that an alternate examination will be scheduled at an earlier rather than a later date.
b) Attendance for Scheduled Examinations:

The GSU Graduate Catalog states: "...Students must be present for announced quizzes, laboratory periods, or final examinations unless the reasons for the absences are acceptable to the professors concerned...". A student who cannot take the scheduled mid-term examination must comply with the following guidelines:

5. A formal request for permission to be absent from the mid-term examination should be submitted to the instructor in advance of the examination, if possible. If circumstances preclude an advance request, a formal request for an excused absence must be submitted to the instructor within seven (7) days of the date of the missed examination.

6. A formal request for advance permission to be absent or to excuse an absence that has already occurred must take the form of a letter to the instructor supported by additional written documentation of the conflicting situation that interferes with attendance at the examination. For example, job conflicts are to be documented by a supervisor’s letter on company stationary; military reserve conflicts are to be documented by a copy of orders to duty; health conflicts are to be documented by the written statements of a health professional; conflicts because of attendance to funerals or weddings are to be documented by copies of obituaries or wedding invitations.

7. No "makeup" examinations during the semester will be given in this course. If any examination is not taken as scheduled and if the absence is excused, then the grade weight of the missed examination will be transferred to the final examination.

8. An examination score of 0 will be given if the instructor does not permit or excuse an absence from the exam discussed above. Absence from any examination, even when permitted or excused will count as one of the class absences against the limit specified in the previous section on "Class Attendance."

c) Withdrawal:

Grades at withdrawal are determined in strict compliance with policies stated in the Graduate Catalog. A grade of "W" indicates that a student, doing passing work, was permitted to withdraw from the course. A grade of "WF" indicates that the student

1. voluntarily withdrew from a course before the midpoint for the grade period while doing failing work,
2. was involuntarily withdrawn from a course before the midpoint of the grading period while doing failing work,
3. voluntarily withdrew from a course after the midpoint of the grading period and was not awarded a hardship withdrawal, or
4. was involuntarily withdrawn from a course after the midpoint of the grading period and was not awarded a hardship withdrawal.

d) Examinations:

Material from the text chapters (both preparation chapters and reading chapters), end-of-chapter problems, supplemental problems, cases, and the prerequisites may be covered on the exams, whether
or not specific coverage in class has occurred.
Waiver Policies:

Waiver policy for MBA 8130:
1) If students are eligible for waiving 8130, they must take an exemption exam and earn at least a B.
2) (eligibility criteria to be defined, including undergraduate finance majors)

Waiver policy for MBA 8230:
1) If students are eligible for waiving 8230, they have to take an exemption exam and have at least a B
2) (eligibility criteria to be defined, should include something like “have completed MBA 8130 …”)