



## **Business & Public Leadership Department of Business**

**FINANCE 4310**

**Summer, 2016**

**This Course is 100% Online**

**Course Objectives:** This course is designed to introduce students to the financial management of a corporation. Students will learn how firms decide whether to invest in a new project; how firms select a financing method for their projects, and how much debt and equity a firm should use to finance its activities; the effect of taxes on a firm's investment and financing decisions; Firm valuation.

### **COURSE DESCRIPTION**

This course covers intermediate and advance issues in corporate finance. The course will include issues in capital budgeting, cost of capital, dividend policy, capital structure long term financing, mergers and acquisitions, and international financial management.

### **Learning Outcomes**

At the end of this course, students will be:

- 1) Knowledgeable about how a firm evaluates and decides whether to invest in a new project or not
- 2) Knowledgeable about how a firm decide on the level of debt and equity they should use to finance its activities
- 3) Knowledgeable about how a firm pays its investors
- 4) Knowledgeable about the impact of taxes on a firm's investment and financing decisions
- 5) Able to determine the value of a firm

**Instructor:** Dr. Mostafa Malki,  
**Office:** 239, Founder's Hall  
**Office Phone:** (972) 338-1870  
**Email:** [Mostafa.Malki@unt.edu](mailto:Mostafa.Malki@unt.edu)  
**Office Hours:** Monday to Friday: by appointment

### **REQUIRED TEXTBOOK**

Fundamentals of Corporate Finance, 2nd Edition. By Jonathan Berk, Peter DeMarzo, Jarrad Harford. Published by Prentice Hall  
ISBN-10: 0-13-214823-4 ISBN-13: 978-0-13-214823-8  
**Students are required to purchase a MyFinanceLab Access Card and a financial calculator.**

### **COURSE POLICIES AND INSTRUCTIONS**

**Assessment: All students' assessment will be done through myfinancelab.**  
**Students are required to purchase an access code to myfinancelab.**

**Assessment Plan:** The Course is divided into 5 weekly modules. Each module consists of 3 to 6 chapters. Student's learning in the course will be assessed using quizzes, a weekly test, and a comprehensive final exam. Since this is a web course, quizzes, tests, and final exam will be administered online using Myfinancelab. A discussions board is available for the students to interact and discuss finance topics. Powerpoint presentations are posted in the "Course module" tab on the menu. Students will have to complete a quiz after each chapter and a test in each module. Students will not be able to access the test unless the quizzes for that module have been completed. **You are required to purchase an access code to my finance lab.**

A detailed discussion of how you will be assessed is given below.

#### Graded Assignments:

1. Quizzes and 1 Weekly test will be given during the summer semester.
2. Students must complete all the quizzes within each module before they can take the test for that module.
3. A comprehensive exam will be given on the last class of the summer 2 session.
4. The assessments will consist of A) multiple-choice type questions. Students will be required to pick the best alternative. B) Problem solving questions. There will be partial credit for partial work in this section of the test.
5. This is an intensive course. Students should organize and allocate enough time to be able to study the course materials, complete and submit the assignments by deadline.

Make-up exams will be given only under valid reasons (only university valid excuses are considered). If you know you will miss an exam in advance, please contact the instructor.

**Exams and Grading:** Grades will be based upon performance on 21 quizzes, 5 weekly tests, and comprehensive final exam.

Quizzes	210 points
Exam 1:	250 Points
<u>Final exam:</u>	<u>140 points</u>
<b>Total</b>	<b>600 points</b>

**Grading scale:**

A=	(540 points - 600 points)
B=	(480 points - 539 points)
C=	(420 points - 479 points)
D=	(360 points - 419 points)
F=	(359 points and below)

In the case of make-up exams, students will need a university-approved excuse for the absence. It is the student's obligation to provide the university excuse and to arrange a make-up exam time and date no later than 1 week after the excused absence with the instructor. Any missed exam without an excused absence will be assigned zero percent. More than three unexcused absences will make it extremely difficult to effectively learn the material and to pass the exams.

Turn cell phones off before coming to class. Do not leave the class before the time is up unless it is an emergency.

Academic Honesty and Student Discipline: Please review the relevant section of the UNT System Regents' Rules and Regulations outlining the Academic Honesty Code and the Code of Student Discipline. Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts.

The Department of Business expects students to pursue their academic work with honesty and integrity, and violations of the academic honesty and discipline codes will be dealt within the appropriate manner. It is a practice of the Department of Economics to investigate medical and other excuses for missing exams or assignments to verify their legitimacy.

[http://policy.unt.edu/sites/default/files/untpolicy/pdf/7-Student\\_Affairs-Academic\\_Integrity.pdf](http://policy.unt.edu/sites/default/files/untpolicy/pdf/7-Student_Affairs-Academic_Integrity.pdf)

Special Accommodations: Students with disabilities can register for services with the Student Life Office after being accepted to UNT and registering for classes. Students must provide documentation of their disability according to the documentation guidelines noted below. In order to register, students must contact the Student Life Office to set up an intake appointment.

The following adaptive equipment is available at UNT Dallas for student use:

- Zoom Text (Screen magnification software)
- JAWS (Screen reader software)
- CCTV Magnifier (Enlarges books and other documents)
- Naturally Speaking Software
- Megadots (Translates alpha and numeric characters to Braille)
- Juliet Braille Printer

Americans with Disabilities Act: UNT does not discriminate on the basis of disability in the recruitment and admission of students, the recruitment and employment of faculty and staff, and the operation of any of its programs and activities, as specified by federal laws and regulations. Copies of this document may be obtained in the Office for Students with Disabilities. The student has the responsibility of informing the course instructor (at the beginning of the course) of any disabling condition which will require modification to avoid discrimination. As a faculty member, I am required by law to provide "reasonable accommodation" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty at the beginning of the semester and in providing authorized documentation through designated administrative channels.

\*Note: I reserve the right to make changes to the syllabus.

## Outline

### Review

#### **Part I: Introduction**

Chapter 1: Corporate Finance and the Financial Manager

Chapter 2: Introduction to Financial Statement Analysis

### Week 1 – July 11 to July 17

#### **Part II: Interest Rates and Valuing Cash Flows**

Chapter 3: Time Value of Money: An Introduction

Chapter 4: Time Value of Money: Valuing Cash Flow Streams

Chapter 5: Interest Rates

Chapter 6: Bond Valuation

Chapter 7: Stock Valuation

### Week 2 – July 18 to July 24

#### **Part III: Valuation and the Firm**

Chapter 8: Investment Decision Rules

Chapter 9: Fundamentals of Capital Budgeting

Chapter 10: Stock Valuation: A Second Look

#### **Part IV: Risk and Return**

Chapter 11: Risk and Return in Capital Markets

Chapter 12: Systematic Risk and the Equity Risk Premium

### Week 3 – July 25 to July 31

Chapter 13: The Cost of Capital

#### **Part V: Long-Term Financing**

Chapter 14: Raising Capital

Chapter 15: Debt Financing

### Week 4 – August 1 to August 7

#### **Part VI: Capital Structure and Valuation**

Chapter 16: Capital Structure

Chapter 17: Payout Policy

#### **Part VII: Financial Planning**

Chapter 18: Financial Modeling and Pro Forma Analysis

Chapter 19: Working Capital Management

Chapter 20: Short-Term Financial Planning

### Week 5 – August 8 to August 12

#### **Part VIII: Special Topics**

Chapter 21: Option Applications and Corporate Finance

Chapter 22: Mergers and Acquisitions

Chapter 23: International Corporate Finance