

Dear All:

I would like to welcome you to BUS 421 (Corporate Finance) which will be offered in Summer 2023 Term by Marist College School of Management.

Below this page, please find a copy of the course syllabus.

At all times, please let me know if I can be of any help at any time.

To learn about my background, please visit my webpage on Marist College website at:
<https://www.marist.edu/management/faculty/kavous-ardalan>

With best wishes,
Kavous Ardalan, Ph.D.
Professor of Finance
School of Management
Marist College

SCHOOL OF MANAGEMENT
MARIST COLLEGE

Corporate Finance
BUS 421N 721
Summer 2023

Dr. Kavous Ardalan

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This is a three-credit course; and its pre-requisites are: BUS 320, and either MATH 115 or MATH 241.

Course Description: A further study of the major topics in corporate finance with emphasis on risk, capital budgeting, capital structure, dividend policy, derivatives, and international finance. Students employ computer spreadsheets to integrate corporate financial theory.

Goals: This course is a continuation of Financial Management, BUS 320. It is intended to further introduce class participants to major topics in corporate finance. It focuses on the cost of capital, advanced topics on capital budgeting, capital structure and leverage, dividend policy, derivatives and risk management, and multinational financial management.

Objectives: Upon completion of this course, class participants would be able to:

1. Understand the relationship between risk and return,
2. Estimate/calculate the cost of capital,
3. Estimate the relevant cash flows of projects and the risk associated with them,
4. Apply the techniques of capital budgeting to managerial decision making,
5. Comprehend the benefits and risks associated with financial leverage,
6. Explain the effect of alternative dividend policies,
7. Recognize derivative securities and use them in risk management,
8. Understand foreign exchange rate and parity conditions, and
9. Employ the algebraic and statistical skills expected of a finance student.

These objectives will be met by covering eight chapters in the textbook. These objectives will be assessed through Assignments, Blueprint Problems, End-of-Chapter Problems, and Excel On-Line Activities. There will be one Assignment, one Blueprint Problems, and one End-of-Chapter Problems on each chapter. In addition, there will be two Excel On-Line Activities on Chapter 11, Basics of Capital Budgeting.

Grade Allocation:

Assignments	32%
Blueprint Problems	32%
End-of-Chapter Problems	34%
Excel On-Line Activities	2%
Total	100%

Grading: Letter grades will be based on the following scheme:

94 - 100	A	87 - 89	B+	77 - 79	C+	64 - 69	D+
90 - 93	A-	83 - 86	B	73 - 76	C	60 - 63	D
		80 - 82	B-	70 - 72	C-	00 - 59	F

Textbook: The textbook for this course is Brigham and Houston, *Fundamentals of Financial Management*, sixteenth edition, 2022, published by Cengage, ISBN: 978-0-357-51757-4.

You need to obtain MindTap either with or without the printed textbook. MindTap is a digital product supplied by the textbook publisher and contains, among other things, the digital version of the textbook. For your purchasing convenience, the textbook publisher has provided the following URL: https://www.cengage.com/coursepages/Marist_BUS_421
Please select “Cengage Unlimited”, then choose the option that includes MindTap, which costs \$124.99.

Students located outside the U.S. should use the following link to pay for MindTap:
<https://www.cengage.com/purchase-abroad/>

This course covers eight chapters in the textbook (Chapters 5, 11, 10, 12, 14, 15, 19, and 18). For each of the eight chapters, it is recommended that you read the textbook chapter (either the hard copy or in MindTap, which includes videos and animations), watch the lecture videos (in Brightspace), and do the practice exercises (in Brightspace). Then, do the Assignment (in MindTap), the Blueprint Problems (in MindTap), and End-of-Chapter Problems (in MindTap). In addition, for Chapter 11, Basics of Capital Budgeting, do the Excel On-Line Activities (in MindTap). Please be reminded that only Assignments, Blueprint Problems, End-of-Chapter Problems, and Excel On-Line Activities, which are in MindTap, count toward and determine your course grade.

Please note the following:

- There will be no make-up for the Assignments, Blueprint Problems, and Excel On-Line Activities.
- There will be no “extra-credit” activity.
- There will be no mid-term exam, no final exam, no cumulative exam.
- There will be only one Assignment, one Blueprint Problems, and one End-of-Chapter Problems per chapter, which are in MindTap. In addition, there will be Excel On-Line Activities for Chapter 11, Basics of Capital Budgeting, which are in MindTap.
- There will be no extension of any deadline.

Assignment for Each Chapter: To access the Assignment for each chapter, please go to MindTap, then click on the title for the relevant chapter, as a result of which it expands, then click on “Apply It”, as a result of which it expands, then you see the Assignment that has a red bullet-point, next to which it says: “COUNTS TOWARDS GRADE”. When you click on the Assignment, it will open for you.

Please note that Assignments are not “timed”. So, you can spend as much time on each Assignment as you want, as long as you submit it by its deadline.

Please also note that you can make up to 3 attempts on each question of the Assignment, but you can submit the Assignment only once. So, once you submit the Assignment you cannot make any more attempts at it.

More specifically, when you start doing the Assignment, at the bottom of each question, there are two buttons, on one of which is written “Grade It Now”. When you press this button, your attempted question will be graded/corrected, and that button turns to “Try Another Version”. If you press this button, then another version of the question appears on the screen at which you can make your second attempt. You can go through another iteration and have your third attempt on the third version of this question, at which time you can press on the button on which it is written “Save and Continue” or “Continue” so that you can move on to the next question, at which you can make up to three attempts.

Please note that you do not need to make three attempts at each question, but it is your option to make up to three attempts at each question. So, for instance, you can make two attempts at question 1, three attempts at question 2, and one attempt at question 3, and so on.

You can answer the questions in any order you want. There is a link at the top-left-hand corner of each question that says: “Back to Assignment”, when you click on this link, you will be directed to the list of questions on the Assignment, from which you can choose your desired question for you to answer.

You have the option of making up to three attempts at each question on the assignment. However, the attempts on any one question should not necessarily take place consecutively. That is, you can make the first attempt at question 2, then make three attempts at question 1, and then (if you decide) you can go back to question 2 and make a second attempt at question 2, and so on. That is, you can move back and forth between questions between your attempts at different questions.

The grade for each question is calculated by calculating the average grade for that question. The average for each question is calculated based on the number of attempts you have made on that question, not the number of available attempts (which is 3). The grade for the whole assignment is equal to the sum total of the average grade for each question.

Please keep in mind that you should submit the Assignment only when you are completely done with the Assignment. Once you submit the Assignment, you cannot make any more attempt at it. When you decide to submit the Assignment, then, and only then, click on “I’m Done, Grade Assignment Now”, which appears at the top-right-hand corner of the assignment screen.

Number of Points for Each Assignment: As we go through the course, there is one Assignment for each Chapter. The Assignment for each chapter carries a different number of Grade Points with it, as follows:

- Chapter 5: 49 points

- Chapter 11: 21 points
- Chapter 10: 22 points
- Chapter 12: 21 points
- Chapter 14: 20 points
- Chapter 15: 16 points
- Chapter 19: 28 points
- Chapter 18: 18 points

As you note, each chapter carries its own relative weight, which is different from others.

Blueprint Problems for Each Chapter: To access the Blueprint Problems for each chapter, please go to MindTap, then click on the title for the relevant chapter, as a result of which it expands, then click on “Study It”, as a result of which it expands, then you see the Blueprint Problems that has a red bullet-point, next to which it says: “COUNTS TOWARDS GRADE”. When you click on Blueprint Problems, it will open for you.

The structure of Blueprint Problems is almost identical to the structure of Assignments, except that some questions allow for one attempt only.

Number of Points for Each Blueprint Problems: As we go through the course, there is one Blueprint Problems for each Chapter. The Blueprint Problems for each chapter carries a different number of Grade Points with it, as follows:

- Chapter 5: 43 points
- Chapter 11: 63 points
- Chapter 10: 42 points
- Chapter 12: 23 points
- Chapter 14: 42 points
- Chapter 15: 32 points
- Chapter 19: 20 points
- Chapter 18: 22 points

As you note, each chapter carries its own relative weight, which is different from others.

End-of-Chapter Problems for Each Chapter: To access the End-of-Chapter Problems for each chapter, please go to MindTap, then click on the title for the relevant chapter, as a result of which it expands, then click on “Study It”, as a result of which it expands, then you see the End-of-Chapter Problems that has a red bullet-point, next to which it says: “COUNTS TOWARDS GRADE”. When you click on the End-of-Chapter Problems, it will open for you.

The structure of End-of-Chapter Problems is identical to the structure of Blueprint Problems.

Number of Points for Each End-of-Chapter Problems: As we go through the course, there is one End-of-Chapter Problems for each Chapter. The End-of-Chapter Problems for each chapter carries a different number of Grade Points with it, as follows:

- Chapter 5: 130 points
- Chapter 11: 31 points
- Chapter 10: 73 points
- Chapter 12: 97 points

- Chapter 14: 70 points
- Chapter 15: 27 points
- Chapter 19: 49 points
- Chapter 18: 42 points

As you note, each chapter carries its own relative weight, which is different from others.

Excel On-Line Activities for Chapter 11, Basics of Capital Budgeting: To access the Excel On-Line Activities for Chapter 11, Basics of Capital Budgeting, please go to MindTap, then click on the title of Chapter 11, Basics of Capital Budgeting, as a result of which it expands, then click on “Learn It”, as a result of which it expands, then you see the two Excel On-Line Activities that each has a red bullet-point, next to which it says “COUNTS TOWARDS GRADE”. When you click on each Excel On-Line Activity, it will open for you.

Number of Points for Each Excel On-Line Activity: There are two Excel On-Line Activities for Chapter 11, Basics of Capital Budgeting, and each Excel On-Line Activity carries 10 Grade Points with it.

Course Management Systems: We use two digital course management systems in this course: Brightspace and MindTap. The course management system Brightspace is provided by Marist College; the course management system MindTap is provided by the textbook publisher, Cengage.

Brightspace: We use four of the navigation icons in Brightspace, as follows:

1. Announcements
2. Mail
3. Content
4. Discussions (Forums)

Contents of the course consist of eight chapters of general financial material from the textbook. Corresponding to these textbook chapters, there are materials in Brightspace, under “Content”. The chapter materials in Brightspace are provided to help a better understanding of the textbook chapter.

The chapter materials in Brightspace consist of Lecture Videos and Lecture PowerPoints. Lecture Videos are the narrated versions of the Lecture PowerPoints. However, the PowerPoints used in the Lecture Videos have fewer words on them than the Lecture PowerPoints because the narrations are used as substitutes for written words. The Lecture Videos and Lecture PowerPoints focus on certain concepts in each chapter.

You can contact me via Brightspace’s mail, Brightspace’s Discussions forums (there is one forum for each chapter, in case you have any questions/comments/concerns on any of the chapters), or via my Marist College e-mail account (kavous.ardalan@marist.edu). I will be available throughout the period of the course, I check the course Brightspace site and my e-mails very frequently, I usually respond to my received e-mails fairly quickly, and I guarantee that you will receive my e-mail response within 24 hours.

If you experience any problem with Brightspace, please contact the Marist College Help Desk at: (845) 575-HELP.

MindTap: This is a course management system intended to enhance learning through interactive videos, animations, and activities. It also includes the digital version of the textbook, the Assignments, the Blueprint Problems, the End-of-Chapter Problems, and the Excel On-Line Activities. Please note that MindTap has many useful capabilities.

To become acquainted with MindTap, please visit:

<https://www.cengage.com/services/product/mindtap/general/student>

You need to register with MindTap by taking the following two steps:

1. Connect to Course Link URL:

<https://student.cengage.com/course-link/MTPNMP8ZD70V>

2. Follow the prompts to register your MindTap course.

After registering for your MindTap course, you will need to pay for access to MindTap using a credit card, a debit card, or PayPal.

Free Trial: If you are unable to pay at the start of the semester you may choose to access MindTap during a free trial. After the free trial ends you will be required to pay for access.

Please note that at the end of the free trial period, your course access will be suspended until your payment has been made. All your scores and course activities will be saved and will be available to you after you pay for access to MindTap.

If you already registered an access code or bought MindTap online, the “course key” to register for this course is: **MTPNMP8ZD70V**

System Check: To check whether your computer meets the requirements for using MindTap, go to <http://ng.cengage.com/static/browsercheck/index.html>

Please note that the System Check is also accessible in the drop-down box next to your name located in the upper-right corner of your MindTap page.

If you need to contact someone for MindTap questions, please contact customer support at 800-842-3636 or go to the following website: <http://support.cengage.com/victoriaweb/primarypage>

Calculator: A calculator or a spreadsheet that performs financial functions is needed in this course. Most common graphing calculators and Excel perform financial functions which are required in this course.

You need to have a reliable Internet connection, either private or public.

Course Outline:

The following is the list of the eight chapters of the textbook which will be covered in this course. It also shows the deadlines by which the assigned works (Assignment, Blueprint Problems, End-of-Chapter Problems, and Excel On-Line Activities) for each chapter need to be submitted in MindTap.

<u>Topic</u>	<u>Reading</u>	<u>Due Date for Assigned Works</u>	
Time Value of Money	Chapter 5	Sunday June 11	@ 11:00 pm
Basics of Capital Budgeting	Chapter 11	Sunday June 18	@ 11:00 pm
Cost of Capital	Chapter 10	Sunday June 25	@ 11:00 pm
Cash Flow Estimation and Risk Analysis	Chapter 12	Sunday July 2	@ 11:00 pm
Capital Structure and Leverage	Chapter 14	Sunday July 9	@ 11:00 pm
Distribution to Shareholders: Dividends . . .	Chapter 15	Sunday July 16	@ 11:00 pm
Derivatives and Risk Management	Chapter 19	Sunday July 23	@ 11:00 pm
Multinational Financial Management	Chapter 18	Sunday July 30	@ 11:00 pm

The deadlines are expressed in terms of U.S. Eastern Daylight Time, i.e., Marist/Poughkeepsie Time.

Please plan in order to stay on schedule. This course covers 8 chapters, and each chapter has an Assignment, a Blueprint Problems, and an End-of-Chapter Problems which are available on MindTap. In addition, Chapter 11, Basics of Capital Budgeting, has two Excel On-Line Activities. The reading of each chapter as well as doing the assigned works for each chapter is time consuming and, therefore, planning, in order to stay on schedule, is crucial.

You need to plan to do and submit your assigned works (Assignments, Blueprint Problems, End-of-Chapter Problems and Excel On-Line Activities) well in advance of their deadlines, so that if something goes wrong you would still have enough time to straighten matters and perform and submit the assigned work (Assignments, Blueprint Problems, End-of-Chapter Problems, and Excel On-Line Activities) before the deadline. All assigned works (Assignments, Blueprint Problems, End-of-Chapter Problems, and Excel On-Line Activities) are available from the start of the term until their deadlines. Therefore, no deadline extension is allowed.

In order to provide students with some flexibility, all course materials as well as the assigned works (Assignments, Blueprint Problems, End-of-Chapter Problems, and Excel On-Line Activities) are made available at the start of the term, but there are deadlines for the submission of the assigned work in order to keep students on schedule. This is because it is not a good idea to fall behind at any point during this course.

When doing the Assigned Works, please use Excel in order to avoid the problem created in rounding numbers in intermediate steps when solving problems. This can be done by cell referencing.

Marist College Academic Integrity Statement:

“Marist College is a learning community dedicated to helping students develop the intellect, character, and skills required for enlightened, ethical, and productive lives in the global community of the 21st century. Students are expected to pursue excellence in their education while being honest about their work and fair to other members of the learning community. All work presented to instructors for evaluation must reflect their own ideas and effort, and must properly acknowledge any contributions of others. Students should expect this honesty and fairness in others as well. As members of the Marist learning community, all students should adhere to the principles of academic integrity as set forth in the Marist Academic Integrity Policy (2016).”

The TEACH Act:

“Materials used in connection with the course may be subject to copyright protection.”

Office of Accommodations and Accessibility (OAA):

Students with disabilities who believe they may need accommodations in this class are encouraged to contact the Office of Accommodations and Accessibility at (845) 575-3274, Donnelly Hall 226 or via email at specserv@marist.edu as soon as possible to better ensure that such accommodations are implemented in a timely manner.

Diversity and Inclusion Statement:

The college’s academic mission is immeasurably enriched by students with diverse experiences. Our finest efforts as intellectual beings heavily rely on the exchange of ideas. Interactions in our classrooms among persons and groups with diverse backgrounds, ideologies, and experiences facilitate these efforts by allowing us all to be more reflective about the varied historical and social contexts in which we work and learn. For faculty and students to continue being leaders inside and beyond academia, we must ensure that we consider the diversity of all who comprise our communities and foster a climate in which those diverse influences are respected and valued.

In this course, we will challenge each other’s thinking while working collaboratively to ensure that the classroom is a space of safety and bravery. Our classroom offers an environment where individuals of varying opinions, experiences, and backgrounds are able to be free to learn without fear of being silenced. Evidence of these efforts will manifest in readings, lectures/class discussion, seminars, and group projects. Aspects of diversity include, but are not limited to, race, ethnicity, color, nationality, sex, gender, gender identity, gender expression, class, sexual orientation, religion, age, ability, and veteran status.

Students who would like to be identified in a manner other than what is indicated on the course roster can contact me privately via phone, email, web conference or face-to-face meeting to indicate name, pronoun and any other preferences they may have.

Instructor’s Background Information:

To become familiar with my background, please go to the following URL which is located on Marist College website:

<https://www.marist.edu/management/faculty/kavous-ardalan>