Course Overview

This course is an overview of the theory and practice of corporate finance. Major topics covered include: valuation, capital budgeting, portfolio theory and capital structure of the firm. In addition to text assignments, current events and discussion will be used to examine the practical application of theory to financial decisions.

Course Objectives and Learning Outcomes

Students will learn how to use time value of money concepts to determine valuation of investment projects and financial assets; learn concepts of portfolio risk and cost of capital.

Required Materials

Course Requirements and Grading Criteria

Grades: The final course grade will be based on:

- Quizzes 15%
- Project 10%
- Mid-term exam 30%
- Final exam 45%

There will be two quizzes worth 8% and 7% at the beginning of class on September 21 and November 16.

The project will be due on December 5.

The Mid-term exam will be on October 5.

<table>
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<tr>
<th>Course Grading Scale</th>
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<tbody>
<tr>
<td>A        100-93%</td>
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<tr>
<td>A-       92-90</td>
</tr>
<tr>
<td>B+       89-87</td>
</tr>
<tr>
<td>B        86-83</td>
</tr>
<tr>
<td>B-       82-80</td>
</tr>
<tr>
<td>C+       79-77</td>
</tr>
<tr>
<td>C        76-73</td>
</tr>
<tr>
<td>C-       72-70</td>
</tr>
<tr>
<td>D+       69-67</td>
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<tr>
<td>D        66-60</td>
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<tr>
<td>F        59 and below</td>
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Quinlan School of Business Policies:

Attendance

Class attendance and participation are fundamental components of learning, so punctual attendance at all classes, for the full class meeting period, is expected of Quinlan students. Faculty may set participation policies unique to their courses and use class participation as a component of the final grade. The student is responsible for any assignments or requirements missed during an absence.

Make-Up Examinations

Loyola University academic policy provides that tests or examinations may be given during the semester or summer sessions as often as deemed advisable by the instructor. Because Quinlan faculty believe examinations represent a critical component of student learning, required examinations should be taken during the regularly scheduled class period. Make-up examinations are discouraged. Exceptions may be granted only by the faculty member or department chair, and only for unavoidable circumstances (illness verified by a signed physician’s note, participation in intercollegiate athletic events, subpoenas, jury duty, military service, bereavement, or religious observance). A make-up final examination may be scheduled only with the permission of the appropriate Quinlan Assistant or Associate Dean.

If a make-up examination must be given, it is the responsibility of the faculty member to prepare, schedule, and proctor the exam. The only regular exception is for a student athlete, who may use the testing services of the Athletics Department to complete a make-up examination. For a student with a documented special testing need, please consult University policy concerning use of the testing center in Sullivan Center at Lake Shore Campus.
**Academic Integrity**

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood... Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of “F” for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

# Class by Class/Week by Week Course Outline

<table>
<thead>
<tr>
<th>Class Number &amp; Date</th>
<th>Topic &amp; Assignment/Readings</th>
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</table>
                       Read Chapters 1, 2, 5 |
| 9/7 – 9/14          | Time Value of Money, Risk and Rates of Return  
                       Read Chapters 5, 8  
                       Problems: 5-1 to 6, 11, 18, 19, 31 |
| 9/19 – 9/28         | Bond Valuation  
                       Read Chapter 7  
                       Problems: 8-2, 3, 4, 7, 9, 21 |
| 10/3 -10/5          | Stock Valuation  
                       Read Chapter 9  
                       Problems: 7-1, 2, 5, 9, 13 |
| 10/5                | Mid term exam |
| 10/12-10/19         | Capital Budgeting  
                       Read Chapter 11  
                       Problems: 9-1, 2, 3, 6, 12, 14 19 |
| 10/24-10/26         | Cash Flow Estimation  
                       Read Chapter 12 |
Problems: 11-1, 2, 4, 10, 17

10/31 - 11/7  Capital Structure and Leverage
Read Chapter 13
Problems: 12-1, 2, 3, 6

11/9 – 11/16 Cost of Capital, Distributions to Shareholders
Read Chapters 10, 14
Problems: 13-1, 5, 6, 7, 10

Skim Chapter 15
Problems: 10 – 1, 4, 5, 8, 9. 14 – 1, 5, 6, 9.

12/5 -12/7 Working Capital Management, Course Review

Final Exam Month/Day            Tuesday December 12
                                      1:00 – 3:00 PM

Please note: This class may occasionally deviate from the course outline above. The instructor reserves the right to make changes as needed to the course syllabus.