

**Sul Ross University, Rio Grande Valley
Castroville, Campus
Syllabus for: FINA 3302 Corporate Finance Section C01
Fall Semester 2015**

Instructor: John M. Drabier, Visiting Professor of Finance
St. Mary's University

Career Experiences: VP Wealth Management: EF Hutton, Shearson Lehman Prudential Securities, Principle Financial Securities, Raymond James. USAA Mutual Funds, New England Financial Group, Catholic Life Insurance.

Phone: Class Room 108.
210-367-7996

HOURS: *6-9PM Monday Evenings*
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TEXT: Fundamentals of Corporate Finance ,
Brealey, Myers, Marcus. McGraw-Hill, 7'th
Edition
ISBN:9780078034640

**Grading: Quizzes 20% Exam#1: 20%Exam#2: 20%
Final Exam 40%**

Sul Ross State University School of Business Themes Supported by the Course:

Technical Excellence and Professional Orientation.

Ethical Leadership. Technical Excellence.

Global Leadership. Professional Orientation.

Learning Experiences include the following:

- **Communication abilities.**
- **Ethical understanding and reasoning abilities.**
- **Analytical skills.**
- **Use of information technologies.**
- **Reflective thinking skills.**
- **Financial theories, analysis, reporting, and financial markets.**
- **Statistical data analysis and how this supports the decision-making process.**

Course Prerequisites:

ACCT 2401

Description:

Introduction to analytical financial management. emphasis on the sources, uses, and costs of short, intermediate, and long-term funds; capital budgeting leverage; cost of capital; management of working capital; financial statement analysis; and their practical applications. The current banking crisis will also be discussed.

Methods of Instruction:

Lecture and video case studies will be used to demonstrate principles learned in the class.

Course Content and Outline of Material to Be Covered, Nature of the Course:

Summary:

This course is required of all business majors. That has some major implications for what we try to do in this course. I think it means that the guiding question should be: *What does every businessperson need to know about finance?* There is much we could spend time on in this course. I have no shortage of ideas about things that we could discuss related to corporate finance. However, we need to focus on what each student in every major should know about corporate finance.

Goal:

After successful completion of this course, you should be able to talk intelligently to "finance people." You should understand most of their "language," and understand their viewpoint regarding the goals of corporations. You should have a reasonable understanding of how your role in any organization contributes to and is affected by the finance-related activities of the organization.

Motivation

Some of you (not the majority) are here because this is your major and you are already interested in this subject. However, many of you may not see the relevance of this course to the future direction of your life as you now see it. Part of my task is to help you motivate yourself to learn about corporate finance. However, the ultimate responsibility lies with you. At some point, you will need to decide that you want to learn corporate finance. If you do not make this decision, then you will probably not enjoy this course.

Terminology

Finance, like any other discipline, has its own "language." As a business major you cannot meaningfully discuss the finance department if you have no idea what 'NPV' means. We will try to build your basic finance vocabulary so that you will be able to follow at least the main points in a finance conversation. This will also allow you to read and understand the finance section of the Wall Street Journal.

Information Sources

We live in the information age. Some information is good, some is not. We will work on our skills at being able to distinguish good information from bad. We will also become familiar with some of the major data sources in the world of finance..

Calculations

Part of the "language" of finance is numbers and formulas. We will focus on the major calculations that every businessperson needs to know. Many of these calculations will be applicable to your personal life, such as calculating a car payment. For those of you with a balance due on your credit card, do you know how long it will take you to pay it off if you pay the minimum payment every month? You may be shocked at the answer. If you don't let yourself become too math-phobic, if you can add, subtract, multiply, and divide, and if you can learn a few basic calculator/spreadsheet skills, then you should have no trouble in this course. I strongly recommend buying an HP10BII calculator for this course; it is the only calculator I will support. The good news is that this \$40 investment will payoff many times in time saved - it is far and away the best calculator (I have many who will attest to that). The bad news is that they are somewhat hard to find - Office Max is probably the best bet locally. You can also order it online through several sources.

To be employable in today's business world, I think. You need to be adept at word processing, presentation graphics, and spreadsheets. Ideally, you should also have some basic programming skills.

Concepts

Finance is not easy. We will cover much conceptual material. Finance professionals are highly paid. One reason is that finance is not an easy subject to fully grasp. However, part of my job is to condense the material into a limited number of basic principles. Once you grasp some of the basic concepts, you'll be able to apply them to some very complex problems.

Course Policies:

General

1. Lets all treat each other with respect and be in class 5-10 minutes PRIOR to class commencing. This is very important! DO NOT BE LATE!
2. I expect you to attend class. We have a business appointment. I intend to come to each class prepared to discuss the assignments. I expect you to do the same.
3. Attendance is important. You can and will be dropped for missing more than the guideline numbers per the university attendance policy (see the attached sheet).
4. Be prepared to participate. Class participation includes the following: coming to class, staying awake, paying attention, listening, participating in discussions, answering questions, and helping to keep us on track.
5. Avoid negative participation such as coming to class late, being noisy, letting your phone ring, or using laptops during a lecture.
6. I encourage you to express your own views and to challenge others when you disagree.
7. Avoid gender/ ethnic/ cultural/ racial stereotyping and comments that could be offensive on gender/ ethnic/ cultural/ racial dimensions.
8. Dishonesty will not be tolerated. This includes plagiarism, which is a violation of the CFA Code of Ethics. See the attached sheet describing university policy.

Evaluation and Grading:

I will take a daily attendance check.

Exams will be short essay word problems.

There will be NO make-up exams. You will receive an 'F' for that exam. So make sure you schedule and take the exam!

You will have quizzes (20%) and 3 exams: Exam#1: 20%. Exam#2: 20%. Final Exam: 40%.

Last day to drop with a "W":

Title IX Responsibilities

Sul Ross State University seeks to provide an environment that is free of bias, discrimination, and harassment. If you have been the victim of sexual harassment/misconduct/assault we encourage you to report this. If you report this to a faculty or staff member, she or he must notify the University's Title IX coordinator about the basic facts of the incident (you may choose whether you or anyone involved is identified by name). The Title IX coordinator will assist you in connecting with all possible resources both on and off campus.

Assignment Schedule:

Date	Day	Chapters Covered
August 24	All classes: Monday Evenings 6-9PM	Chapters#1-3
August 31		Chapters#4 and#5
September 7	No Classes: Labor Day	
September 14		Chapters#6 and#7
September 21		Review Chapters# 1-7 for Exam
September 28		First Midterm Exam

October 5	Review First Exam. Cover Chapters# 8 and# 9
October 12	Chapter#10
October 19	Chapter#11
October 26	Chapters#12 and #13
November 2	Review for 2'nd Midterm Exam and cover Chapter#14
November 9	Midterm Exam#2
November 16	Chapter#22
November 23	Review all chapters covered for Final Exam
November 30	Final Exam Time to be Announced