

Fall 2019

FIN 600-851: Corporate Finance I

Michael Ehrlich

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Course Syllabus

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Course Information

Course Number: FIN600

Course Title: Corporate Finance

Faculty Contact Information

Instructor: Dr. Michael Ehrlich

Email: ehrich@njit.edu

Office Hours: Monday's 6-7pm via Webex (Monday 9-11am in person)

Course Description

Finance 600 introduces concepts and analytical tools to identify and solve financial management problems. It serves as the basis or prerequisite for other courses in the area of finance and provides techniques that anyone can use to be successful in his or her chosen career. This course focuses on how companies invest in real assets and how they raise the money to pay for those assets. During the course, we will discuss pricing theory and capital structure.

Textbook and Materials

Textbook

- Ross, S., Westerfield, R., & Jaffe, J. *Corporate Finance*. McGraw-Hill, 10th (or 11th edition), 2012, ISBN 978-0078034770.

Additional Materials

- Financial Calculator (HP 10BII or HP 12C recommended) – This is a required purchase and will be used for later finance courses.

- Regular reading of *New York Times*, *Financial Times*, *Wall Street Journal*, *Business Week*, *Fortune Magazine*, or the *Economist*. Either print or online. You may also peruse the latest headlines from the *New York Times Business Day* section using the RSS feed located on the home page of this course (the feed is located on the right-hand side of the course home page under the "New York Times Business Day" heading).
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Course Outcomes

- Summarize finance concepts and apply concepts to solve business problems.
 - Analyze and use quantitative methods as tools to solve finance problems.
 - Write clear and concise prose explaining finance concepts.
 - Identify ethical dilemmas and make financial decisions grounded in ethical principles.
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Course Policies

This class has three components that are designed to help you gain a solid understanding of financial markets and institutions. The first is, of course, the lectures that will help to guide you through the material and focus your studies. The second is your textbook. Specific chapters are assigned for each lecture; please make sure to read the chapter before listening to the lecture. The third is the Moodle/Instructure site where course materials are posted and where you will find updated information. Moodle/Instructure will be used to post all assignments, announcements, and supplemental materials throughout the semester. **So, please be sure to check the site frequently.**

In preparing for the course, it is necessary that you complete the following tasks on or before the first week of the semester:

1. Purchase the textbook and a calculator from the bookstore (or internet).
2. Make sure you have an NJIT UCID and password so that you are able to access Moodle/Instructure.
3. Familiarize yourself with the Moodle/Instructure site.

Please note the syllabus is subject to change. Changes will be announced in class and will be posted on Moodle/Instructure.

In order to be successful in class, it is necessary to take an active role in learning. This means following the course reading schedule, listening to the lectures, and keeping up to date with your assignments. It is required to be an active participant on Moodle/Instructure.

IMPORTANT NOTE REGARDING MIDTERM AND FINAL EXAMS

Your exams will be proctored online through **ProctorU**; this means a proctor will watch (and listen to) you **live**, via webcam, while you take your exam. ProctorU is a live online proctoring service that allows you to take your exam from the comfort of your home. ProctorU is available 24/7, however, you will need to **schedule your proctoring sessions at least 72 hours in advance** to avoid any on-demand scheduling fees.

Creating a ProctorU account is simple. You can do so by visiting go.proctoru.com ([Links to an external site.](#)).

In order to use ProctorU, you will need the following:

- High-speed internet connection
- Webcam (internal or external)
- Microphone and Audio (internal or external)
- Windows or Apple Operating System
- NJIT ID or Photo Issues ID
- Reflective surface such as a small mirror

For more information on preparing for a proctored exam using ProctorU, please click [here](#).

Be sure to review the full, step-by-step instructions on creating an account, scheduling an exam, connecting to the proctor, and how you will take your exam using ProctorU. Please click [here](#).

Important: ProctorU recommends that you visit <https://test-it-out.proctoru.com/> ([Links to an external site.](#)) to test your equipment prior to your proctoring session. We recommend you click on the button that says "Connect to a Live Person" to **fully** test out your equipment.

You should expect the startup process with the proctor to take about 10-15 minutes. However, this time will **not** affect your exam time.

Please feel free to direct any questions to the student support team via the **live chat** within your account. ProctorU Student Support can be contacted via the **LiveChat** feature location with any ProctorU account, at the Help Center at ProctorU.com, by email (help@proctoru.com), or by calling 855-772-8678. Additionally, please review the test-taker resource center [here \(Links to an external site.\)](#).

IST Service Desk

Students may also contact the IST Service Desk with any questions. Questions or problems can be submitted via web form by going to: <https://servicedesk.njit.edu> and clicking on the "Report your issue online" link. You may also call the Service Desk with any questions at (973) 596-2900.

Grading Scale

Grade	Percentile	Percentage
A	4.0	88 - 100
B+	3.5	83 - 87.9
B	3.0	78 - 82.9
C+	2.5	73 - 77.9
C	2.0	63- 72.9
F	N/A	0 - 62.9

Grading Categories

Categories	Percentage
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Quizzes (and Module 07 Assessment Exercise)	30
Midterm Exam	30
Final Exam	30
Participation (including forums)	10

Note: The Midterm Exam covers topics from Module 1 through Module 6, Stock Valuation. The Final Exam covers Module 7 and the remaining topics to the end of the course.

Course Structure

Due dates for assignments and assessments are stated below under Course Summary.

Module Number	Dates
1) Introduction to Corporate Finance I	9/2 - 9/6
2) Financial Statement Analysis	9/9 - 9/13
3) Net Present Value	9/16 - 9/20
4) Capital Investment, Risk Analysis, and Budgeting	9/23 - 9/27
5) Bond Valuation	9/30 - 10/4
6) Stock Valuation	10/7 - 10/11
7) Risk and Return	10/14 - 10/18
8) Midterm Review and Exam	10/21 - 10/25
9) Capital Asset Pricing Model	10/28 - 11/1
10) Arbitrage Pricing Theory	11/4 - 11/8
11) Capital Structure	11/11 - 11/15
12) Capital Structure & Debt	11/18 - 11/22

13) Leverage and Valuation	11/25 - 11/29
14) Dividends and Payouts	12/2 - 12/6

Discussion Board Criteria

Discussion forums contribute to your participation grade. Make sure to respond to any comments received by your peers and make at least one comment on another classmate's post. Discussions will remain open until the last Module of the course, but part of your participation grade will be calculated halfway through (Module 8) to determine your progress.

Note: Discussions are set up in a Q&A format. You will need to submit a response before seeing comments from your peers. Post your initial response to each of the question threads. There may be a time delay in seeing responses from peers. Please allow up to 30 minutes to 1 hour for hidden posts to display.

Late Work and Make-Up Exams

No late work will be accepted. In case of missing an exam, a make-up may be taken only after providing written documentation to the Dean of Students. The Dean of Students will then inform the instructor about their decision.

Sharing Information

Students are free to discuss assignments with their colleagues. However, they should not take any written (electronic or otherwise) record away from the discussion. This applies when the assignment is supposed to be an individual effort.

Student Conduct

You are expected to be honest in all of your academic work. Students should review and study the honor code at: <http://www5.njit.edu/policies/sites/policies/files/academic-integrity-code.pdf> (Links to an external site.)

Instances of alleged dishonesty will be forwarded to the Dean of Students for appropriate action. Potential sanctions include failure in the course and suspension from the University.

Student with Disabilities Codes

NJIT adheres to section 504 of the Rehabilitation Act (ADA) of 1990. Appropriate accommodations are provided at no cost to the student. If you have any questions or would like additional information, please contact Dr. Phyllis Bolling, Center for Counseling and Psychological Services (C-CAPS), Campbell Hall, (entry level), room 205, (973) 596-3420. For further information, visit the [Student Disability Services \(Links to an external site.\)](#) website.

Technical Support

For assistance with the following items, please contact NJIT IST Helpdesk at: 1-973-596-2900 or <http://ist.njit.edu/support/helpdesk.php> (Links to an external site.)

- UCID
- Library database access
- Webmail by Google email system
- Sessions
- Password assistance*

For assistance with the following items, please contact your professor or NJIT IST Helpdesk at: 1-973-596-2900 or <http://ist.njit.edu/support/helpdesk.php> (Links to an external site.)

- Content within this course
- Assignments
- Discussion Forums
- Quizzes
- Exams
- All other items related to the running of this course

*NJIT passwords may be changed using the [Global Password Change mechanism \(Links to an external site.\)](#). You will need to know your current UCID and UCID password. Questions can be referred to 1-973-596-2900.

Periodic changing of passwords and strategies for managing them are best practice for anyone using a computer. All members of the university community are encouraged to review [tips for password management \(Links to an external site.\)](#) and to change passwords regularly.

Software and Hardware Requirements

Sometimes, you will be required to use Word processing and presentation software, such as MS Word and PowerPoint found in Microsoft Office. You will also need to be comfortable with various aspects of using the Internet such as:

- Search engines
- Newsgroups
- E-mail
- Ability to download files

To view certain media elements in this course, you will need to have several browser plug-ins such as Shockwave, Flash, and Adobe Acrobat on your computer. Use the links in the course to download and install the appropriate software application.

Important: With regards to plug-ins, ensure you are using the most recent version of each plug-in you require.

Browser Check

To test your web browser for compatibility in the Moodle environment, go to the [Online Support Center \(Links to an external site.\)](#) page and select the 'Check My Browser' link located on the right side.

Student Services and Support

Heather Minton

h.minton@onlineprograms.njit.edu

877-615-8696, press 2

Schedule a phone appointment with Heather: <https://www.vcita.com/v/hminton> (Links to an external site.)

Contact the program coordinator for:

- Change of address, phone, or email
- If you have not received your course materials
- If you are having difficulty contacting a faculty member
- If you have difficulty completing your course work due to personal issues
- To drop/withdraw from a course
- General program information

Course Summary:

Date	Details	
Fri Sep 13, 2019	Assignment	Module 02 Quiz 01 due by 11:59pm
Fri Sep 20, 2019	Assignment	Module 03 Quiz 01 due by 11:59pm
Fri Sep 27, 2019	Assignment	Module 04 Quiz 01 due by 11:59pm
Fri Oct 4, 2019	Assignment	Module 05 Quiz 01 due by 11:59pm
Fri Oct 11, 2019	Assignment	Module 06 Discussion 01: Stock Valuation due by 11:59pm
Fri Oct 18, 2019	Assignment	Module 07 Assignment 01: Assessment Exercise due by 11:59pm
Fri Oct 25, 2019	Assignment	Midterm Exam due by 11:59pm
Fri Nov 1, 2019	Assignment	Module 09 Quiz 01 due by 11:59pm
Fri Nov 8, 2019	Assignment	Module 10 Quiz 01 due by 11:59pm
Fri Nov 15, 2019	Assignment	Module 11 Discussion 01: Capital Structure due by 11:59pm

Date	Details		
Fri Nov 22, 2019	Assignment	Module 12 Quiz 01	due by 11:59pm
Fri Nov 29, 2019	Assignment	Module 13 Quiz 01	due by 11:59pm
Fri Dec 6, 2019	Assignment	Module 14 Discussion 01: Dividends and Payouts	due by 11:59pm
Fri Dec 13, 2019	Assignment	Module 14 Final Exam	due by 11:59pm
	Assignment	Syllabus Quiz	