

Spring 2024

FIN 315-454: Fundamentals of Corporate Finance

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Fundamentals of Corporate Finance

FIN-315 454

Spring 2024

Instructor: Elliot DeSanto

Office: Virtual

Email: Elliot.DeSanto@njit.edu

Class Time & Location: Asynchronous online

Prerequisites: ACCT 115 or 117, ECON 201 or 265, MATH 105 or equivalent (statistics).

Office Hours: Monday 6-9pm by Appointment Only

Course Overview

This course focuses on how companies invest in real assets and how they raise the money to pay for those investments. Topics covered include the firm and the financial manager, time value of money, bonds, stocks, and net present value. International finance, risk management, capital structure strategy and case studies of technology-based companies will be introduced.

Required Course Materials

Textbook, computer, calculator, and financial news awareness. Textbook: Ross, Westerfield, and Jordan, Essentials of Corporate Finance, 11th Ed., McGraw--Hill Irwin (the NJIT Bookstore should have bundled books with and without Connect). You may use previous editions of the textbook.

Course Website

Please go to CANVAS. The Canvas site is where most course materials are posted. Make sure you have an NJIT UCID and password so that you can access Canvas. I will use Canvas to post announcements and supplemental materials throughout the semester. So, please be sure to check the site (canvas.njit.edu) frequently. Please contact the helpdesk (973-596-2900) for problems associated with Canvas.

Expected Learning Outcomes

In addition to content specific course objectives, the course intends to help students develop a wide range of analytical, communication, interpersonal, and technology skills, namely:

Competencies	Outcome
LC 1 Analytical and Problem-Solving Skills	LO 1.1 Students will display an ability to apply knowledge of financial concepts to solve business problems
	LO 1.2 Students will be able to use quantitative methodologies, such as Time Value of Money, Net Present Value, the Capital Asset Pricing Model, and the Modigliani and Miller Propositions, as tools to help solve business problems.
LC 2 Communication and Information Literacy Skills	LO 2.1 Students will be able to explain basic concepts of financial theory in writing.
	LO 2.2 Students will know important sources that can be used to obtain relevant data for solving financial problems and how to collect data from them
LC 3 Ethical Reasoning	LO 3.1 Students will be able to recognize ethical dilemmas that may occur in a financial management context and determine correct responses to these situations.
	LO 3.2 Students will learn why interpersonal trust is more important than simply relying on written regulations and laws.
LG 4 - Global Context of Business	LO 4.1 - Students will show the ability to apply knowledge of international business practices and relationships to making corporate decisions.

Course Deliverables/ Final Grade Components

Your grade for this course will be based on the following components:

<u>Component</u>	<u>Total</u>
Discussions in Canvas	210
Weekly Chapter questions	202
Test 1	100
Test 2	100
Final Exam	200
TOTAL	= 812

Discussions in Canvas

Discussion postings are required of all students. Actively participating in all discussions is one of the best ways to help build a sense of community and collaboration. There will be a weekly topic that will be related to the course content or something that extends the course information to current business and/or social issues. You must participate in these weekly online discussions. Each week you will respond to the posted discussion question(s). Your responses should be a minimum of 100 words and must be posted by Thursday at 11:55 pm (maximum 5 points each). You will also respond to at least two posts from other students, my reply to your post, or posts in the open discussion thread. These responses must be a minimum of 75 words. The first post must be posted by Saturday at 11:55 pm and the second post must be posted by Sunday at 11:55 pm (maximum 2.5 points each). So, you need to have four posts each week. Late posts are not accepted. Your postings will be evaluated with respect to content, innovation, creativity, and structure.

Please use proper grammar and writing skills, and do not use “texting” techniques. Assume that your statements are documents that would be used in a business environment. Keep in mind that your final grade will depend upon your ability to contribute to the online discussions with meaningful posts. There will be weekly discussion questions about the concepts being covered each week.

Weekly Chapter Questions

There will also be questions or problems from the textbook to answer for each chapter in Canvas.

Test 1 and 2

There will be two tests during the semester on the material covered in class and in the text.

Final Exam

There will be a final exam during final exam week on the material covered in class and in the text.

Final Grades

Grades reflect the level of understanding of course content. Therefore, to achieve the grade of A or B in this class expect to:

- Be prepared. This means actively participating in discussions, exercises, and activities to further understanding.
- Turn in all course deliverables in a timely and professional manner.

With less preparation and participation expect a grade of C or lower.

I have had students be very casual in taking a class for the first part of a term. Then, as the class nears the end,

the student realizes a bad grade may be in the future and asks for an extra-credit opportunity or extensions to due dates. This is usually done with a **sad face, a soft voice, and a remorseful heart**. Please know now that such opportunities are not fair to the other students. So, the grading system established in this syllabus is final and no other opportunities exist. This means that each student should take this class seriously from the first week.

Final course grades will be based on the following scale (there will be NO curve):

Grading Scale

A	B+	B	C+	C	D	F
90%	85%	80%	75%	70%	60%	<60%

Late Assignments

Late assignments will not be accepted for grading unless there is a severe illness or an emergency situation. In these cases, legitimate documentation of the emergency must be presented and approved by the office of the Dean of Students before extensions will be granted.

Email Etiquette

This is a business course, and the expectation is that you will conform to appropriate business letter writing practice in all your emails to me. The following are the basics.

Put the course name (e.g., course name or course number) in the subject line. Identify the subject of the e-mail with a brief but descriptive summary of the topic: include a proper salutation and the assignment details such as the title, homework, or test. Proofread your e-mail for proper sentence structure, capitalization, spelling and punctuation. Conclude the e-mail message with a proper closing (e.g., Regards, Sincerely) and your full name.

(Note: Do not e-mail requests for additional grade points unless there is an error in the grading. Please note that any grade discrepancies must be addressed within 2 weeks of the assignment due date. Grades are not ‘given out’ by the professor; they are ‘earned’ by the student. So, make sure that you ‘earn’ a grade that you can live with.)

Academic Integrity

Learning is both an individual and a cooperative experience. Asking for and giving help freely in appropriate settings helps you learn. However, you should present only YOUR work as your own. University rules and standards define and prohibit “academic misconduct” by all members of the academic community including students. You are asked and expected to be familiar with these standards and abide by them.

Academic Integrity is the cornerstone of higher education and is central to the ideals of this course and the university. Cheating is strictly prohibited and devalues the degree that you are working on. As a member of the NJIT community, it is your responsibility to protect your educational investment by knowing and following the academic code of integrity policy that is found at: <http://www5.njit.edu/policies/sites/policies/files/academic-integrity-code.pdf>.

I will submit your assignments to Turnitin to check for plagiarism.

Please note that it is my professional obligation and responsibility to report any academic misconduct to the Dean of Students Office. **Any student found in violation of the code by cheating, plagiarizing or using any online software inappropriately will result in disciplinary action. This may include a failing grade of F, and/or suspension or dismissal from the university.** If you have any questions about the code of Academic Integrity, please contact the Dean of Students Office at dos@njit.edu.

Accommodations

Educational access is the provision of classroom accommodations, auxiliary aids, and services to ensure equal educational opportunities for all students regardless of their disability. If you need accommodation due to a disability, please contact Scott Janz (oars@njit.edu), Associate Director of the Office of Accessibility Resources & Services (OARS), Kupfrian Hall 201, to discuss your specific needs. A Letter of Accommodation Eligibility from the OARS authorizing your accommodation will be required. Accommodation needs to be requested in advance and will not be granted retroactively.

Classroom Policies – Office Hours

Office hours are by appointment only on a first come first serve basis. Please email the Friday prior to office hours to schedule an appointment and please include in your email the topic you wish to discuss. This will allow me to allocate the appropriate time during office hours and accommodate multiple students.

Final Comments

I reserve the right to change any aspect of this syllabus or the course schedule at any time, as the need arises. Students registered for this course assume full responsibility for reading and understanding the course policies as stated above. *The topics listed below are tentative. Updates will be provided*

#	Week of:	Course Topics	Due
1	Jan 15	Intro to Financial Management	Chapter 1 Questions Discussion Question Responses
2	Jan 22	Financial Statements, Taxes, and Cash Flow	Ch 2 and 3 Questions Discussion Question Responses
3	Jan 29	Time Value of Money	Chapter 4 Questions Discussion Question Responses
4	Feb 5	Discounted Cash Flow Valuation	Chapter 5 Questions Discussion Question Responses
5	Feb 12	Interest Rates and Bond Valuation; Equity Markets and Stock Valuation	Ch 6 and 7 Questions Discussion Question Responses Test 1
6	Feb 19	Net Present Value and Investment Criteria. Capital Investment Decisions	Ch 8 and 9 Questions Discussion Question Responses
7	Feb 26	Capital Markets; Risk and Return	Ch 10 and 11 Questions Discussion Question Responses
8	Mar 4	Cost of Capital; Leverage and Capital Structure	Ch 12 and 13 Questions Discussion Question Responses
	Mar 11	Spring Break	
9	Mar 18	Dividends and Dividend Policy	Ch 14 Questions Discussion Question Responses Test 2
10	Mar 25	Raising Capital	Ch 15 Questions Discussion Question Responses
11	Apr 1	Short Term Financial Planning	Ch 16 Questions Discussion Question Responses
12	Apr 8	Working Capital Management	Ch 17 Questions Discussion Question Responses
13	Apr 15	International Aspects of Financial Management	Ch 18 Questions Discussion Question Responses
14	Apr 22	Catch Up and Exam Study	Discussion Question Responses
	Apr 29	Final Exam TBD	