

BUSFIN 1311 CORPORATE FINANCE
Spring 2018
Course Outline

PROFESSOR: Dr. Shawn Thomas
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OFFICE HOURS: Tuesday and Thursday 2:00pm-3:00pm and by appointment

CLASS MATERIALS: The text for this course is *Corporate Finance*, by S. Ross, R. Westerfield, and D. Jaffee, 9th Edition, McGraw-Hill/Irwin, 2010 (ISBN 978-0-07-338233-3). You can use a newer or older edition of the text if you desire. It will be your responsibility to make the necessary, minor adjustments to follow the course using a different edition. A copy of the 9th edition is on reserve at Hillman Library. Also, you will need to obtain additional required materials for the course, i.e., copies of my lecture notes, articles from the business press, cases, and practice problem sets. These materials will be available from Courseweb.

GRADING: Your grade will be determined as follows:

Class Participation and Discussion	10%
Cases	25%
Midterm Exam	30%
Final Exam	35%

There will be two exams. The Final Exam is cumulative. Makeup exams will only be available in cases of significant illness or personal emergency. To qualify for a makeup, you must provide notice of your absence in advance of the scheduled exam and adequate documentation for the cause of your absence as soon after the exam as is practical. If you have a disability for which you are requesting an accommodation, you are encouraged to contact both me and the Office of Disability Resources and Services (216 William Pitt Union) as early as possible in the term. DRS will verify your disability and determine reasonable accommodations for this course.

The cases will be completed in groups and handed in on the dates indicated on the class schedule. You are free to choose your own groups subject to one constraint: each group must have at least 4 members and no more than 5 members. You may form groups with students in other sections of this class. However, case assignments must be turned in by the student(s) enrolled in the earliest section attended by a group member. Keep a copy of your cases for class discussion. The quality of exposition and presentation as well as the accuracy of the answers will be used in grading the cases. At the end of the semester you will be asked to anonymously evaluate the contributions of all group members. These evaluations will, in part, influence class participation grades.

This course is far more interesting (for the students and the professor) when students come to class **well prepared**. Thus, a class participation score will be determined in part on how well you respond when called upon in class. At a minimum, you should review the assigned readings prior to the corresponding lecture. Also, students should be prepared to discuss answers to cases with the rest of the class. Clearly, if you are not in class, then you cannot participate.

The final grade cutoffs will ultimately depend on the curves for the exams. Grading for the course will be in accordance with the College of Business grading policies. Note that the College of Business requires students to attain class grades in excess of stated minimums in order for a course to count towards satisfying major and/or graduation requirements. However, the grade you receive in this course will strictly reflect your performance in only this course and will in no way be influenced by your standing relative to the College's major or graduation requirements.

Tentative Class Schedule:

1/9	Lecture 1: Theory of the Firm, RWJ Chapter 1 and Lecture 1 Articles
1/11	Lecture 2: Analysis of the Firm, RWJ Chapters 2 and 3 and Lecture 2 Articles
1/16	Lecture 2: Continued
1/18	Lecture 3: Long- and Short-Term Financial Planning, RWJ Chapters 3 and 26 and Lecture 3 Articles
1/23	Lecture 4: Cash and Credit Management, RWJ Chapters 26, 27, and 28 and Lecture 4 Articles
1/25	Case 1: Jackson Industries , Lecture 5: NPV Defined, RWJ Chapters 4 and 6
1/30	Lecture 6: NPV Refined, RWJ Chapter 7 and Lecture 6 Articles
2/1	Lecture 6: Continued
2/6	Lecture 7: Options, RWJ Chapter 22
2/8	Case 2: Costington's Inc.
2/13	Lecture 8: Real Options, Lecture 8 Articles
2/15	Lecture 8: Continued
2/20	Exam Review
2/22	Midterm Exam
2/27	Exam Recap, Lecture 9: Management Compensation, Lecture 9 Articles
3/1	Lecture 10: Economic Value Added, Lecture 10 Articles
3/13	Lecture 11: Risk Management, Lecture 11 Articles
3/15	Lecture 11: Continued
3/20	Lecture 12: Capital Structure, RWJ Chapter 16
3/22	Case 3: McCallister Lobster Co.
3/27	Lecture 13: Limits to the Use of Debt and Some Examples, RWJ Chapters 17 and 30
3/29	Lecture 14: Dividend Policy and Signaling, RWJ Chapter 19 and Lecture 14 Article
4/3	Lecture 15: Capital Structure and Dividend Policy Recap, Lecture 15 Article
4/5	Case 4: Globex Corporation
4/10	Lecture 16: Mergers and Acquisitions, RWJ Chapter 29 and Lecture 16 Articles
4/12	Lecture 16: Continued
4/17	Lecture 16: Continued
4/19	Exam Review
TBA	Final Exam