Course Number: MGMT 577  
Course Title: Applications in Business Finance  
Semester & Year: Spring 2013  
Classroom: GSM 117  
Meeting Time/Days: 5:30-6:45pm/TTh  
Instructor: Mary Anne Majadillas  
Office: ASM 2168  
Phone: 505-277-6471  
Email: maj@unm.edu  
Office Hours: TTh 2-3pm, or by appointment  
CRN/Line #: 34087

Course Description
This course introduces you to the analysis of corporate financial policy using case studies. In this course, you will be applying concepts that you learned in financial management (MGMT 526) to real world problems faced by corporations. Your point of view will be that of managers employed in the company, or as consultants hired by the company.

Learning objectives:
At the end of the course, you must be able to:
- Demonstrate a working knowledge of corporate finance including, but not limited to, risk and return, capital budgeting, capital structure policy, and dividend policy
- Recognize and analyze ethical problems in corporate governance

Supplementary materials:
We will be using material from the following texts, which are on reserve at the Parish Library:

- Aswath Damodaran. Applied Corporate Finance, 3rd ed. Publisher: Wiley
- Clayman, Fridson, and Troughton. Corporate Finance, 2nd ed. Publisher: Wiley
- Berk and DeMarzo. Corporate Finance, 2nd ed. Publisher: Pearson
- Ross, Westerfield, and Jaffe. Corporate Finance, 10th ed. Publisher: McGraw-Hill/Irwin

Course webpage:
I will post all course materials on the course webpage: http://www.unm.edu/~maj/
Grading:
Your grade will be based on the following:

<table>
<thead>
<tr>
<th>Written case assignments</th>
<th>40%</th>
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<tbody>
<tr>
<td>Case presentation/s</td>
<td>10%</td>
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<tr>
<td>Peer rating</td>
<td>5%</td>
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<tr>
<td>Challenge questions</td>
<td>10%</td>
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<tr>
<td>Class participation</td>
<td>10%</td>
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<tr>
<td>Total</td>
<td>100%</td>
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Written case assignments. In this class, the focus will be on learning how to apply theory to real world problems. The cases will be the main tool for doing this. You will work in teams, with each team having 5 members. If you cannot find a team, I will assign you to one. Instructions for each case will be handed out in class. All teams are required to hand in a written case assignment for each case that we take up.

Case presentations. Every team will present at least one case. You will know in advance if your team will be presenting a case. If a team presents more than one case, the average score of all cases presented will be taken.

Peer rating. Working in teams can be a rewarding experience. Each member of a group brings a different set of skills, which ultimately contributes to the learning experience. It is therefore important that every member participate in the group. To this end, you will be given a chance to rate your team members. You will turn in a peer rating for every case that is assigned, as well as for every case that your team presents. Peer ratings will be kept confidential. You may know your overall rating at the end of the semester.

Challenge questions. After each case presentation, I will randomly call students to ask questions about the case that was just presented. If you are called, you will have to ask one question, and submit the question in writing at the end of the class. If you do not ask a question, you will get a grade of 0 for that particular turn. If you are absent, you will also get a grade of 0, unless it is an excused absence and you inform me in advance. Two absences is the maximum that you may be excused for challenge questions.

Class participation. I expect you to come to class and to read ahead and be familiar with the material prior to coming to class. Questions and active participation in discussions and cases are highly encouraged since these help reinforce what we think we know from reading and doing the cases. You may ask questions during case presentations anytime, even if you are not called upon to ask a challenge question. If you are not doing well in your challenge questions, class participation is a good way to make up for it. Additionally, I will call the roll periodically to check attendance. Frequent absences will impact your grade negatively through (lack of) class participation. If you do have to miss class, it is your responsibility to catch up on what you miss. I suggest asking a classmate what we have gone over on any day that you are absent. Finally, please be courteous and act professionally in class. Arriving late for class, getting up during class, or leaving early is disruptive to others. Thank you in advance for your cooperation.

Final exam. The exam may consist of multiple choice questions and/or essay and problem-solving questions covering material in the lectures and cases. You are allowed to use a calculator and a
cheat sheet during exams. The cheat sheet should be on a single 8” x 11” sheet (you may use both sides). Cheat sheets can be type-written. It is important to make sure that you understand what you put down on your cheat sheet. During the exam, I will not help you interpret what you wrote down on your cheat sheet – this includes verifying whether your formulas are correct.

You will get a grade of zero if you miss the final exam. You need to inform me in advance if you will not be able to take the test as scheduled. Excused absences are limited to documented (in writing) illnesses, university sponsored events and emergencies. If you miss the final exam you will get an incomplete or an F in the course, depending on the circumstances. The final exam will be on May 9, 5:30 -7:30pm.

**Grading scale:**

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<tr>
<th>Total points</th>
<th>Letter grade</th>
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<tbody>
<tr>
<td>97% - 100%</td>
<td>A+</td>
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<tr>
<td>93% - 96.99%</td>
<td>A</td>
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<tr>
<td>90% - 92.99%</td>
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<tr>
<td>0% - 59.99%</td>
<td>F</td>
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**ACADEMIC INTEGRITY**

Anderson School of Management faculty, staff and students commit to values of trust, honesty, integrity, and accountability. We will not tolerate academic dishonesty. By enrolling in any course at Anderson, the student accepts the Anderson Academic Honesty Code and affirms the following pledge:

*I will not lie, cheat, fabricate, plagiarize or use any other dishonest means to gain unfair academic advantage.*

Any violation of the code of conduct will be taken very seriously and appropriate sanctions will be applied. FOR FULL TEXT OF ANDERSON’S ACADEMIC HONESTY CODE, please visit [http://www.mgt.unm.edu/honesty](http://www.mgt.unm.edu/honesty). Please take a moment to read the academic honesty code. I will drop you from the class if you commit any act of academic dishonesty.

**ADA Statement**

Reasonable accommodation will be given to any individual with a legitimate disability. Please contact the instructor privately for arrangements. If you are a qualified person with disabilities who might need appropriate academic adjustments, please communicate with me as soon as possible so that we may make appropriate arrangements to meet your needs in a timely manner. Frequently, we will need to coordinate accommodating activities with other offices on campus. Course materials can be made available in alternative formats.
Topics Covered
Following is a tentative list of topics to be covered in class. Depending on our progress in class, we may be spending more/less time on the topics listed below. We may also spend time discussing other related topics as they come up in class. You will be informed ahead of time if there are any important changes.

- Corporate Governance
- Cost of Capital
- Capital Budgeting
- Capital Structure Policy
- Dividend Policy
- Working Capital Management
- Valuation
  - IPOs
  - Mergers and Acquisitions
  - Leveraged buyouts

Investment Management Program
The UNM Regents’ Endowment Fund Portfolio was set up in 2006 to be managed by students at the Anderson School of Management. This is a $2 million all equity portfolio managed by finance students under the supervision of faculty. An Investment Advisory Committee (IAC), consisting of 9 investment professionals, acts as the oversight body to the program and approves any purchase and sale recommendations made by the students.

Courses you can take under the program:

- 471 (Investment Analysis and Management)
- 472 (Securities Analysis)
- 479 (Applied Investment Management aka Portfolio Management)
- 571 (Investment Management)
- 572 (Securities Analysis)
- 578 (Fixed-Income Securities)
- 579 (Applied Investment Management aka Portfolio Management)
You are welcome to attend the IAC meetings and see what the students are doing in each of the classes. The meetings are held at the Jackson Center and are scheduled on the following dates:

- March 6 (6pm)
- April 29 (6pm)

Finance Concentration Advisor:
All of the above courses count for finance concentration credit. If you have any questions about any of the above courses or other finance classes that you need to take, please contact Prof. Leslie Boni at LBoni01.unm.edu.