

University of Wisconsin Oshkosh  
College of Business Administration

**Financial Management 731**  
Spring 2019

Professor: Bruce Niendorf  
Office Location: Sage 1477  
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**Required Materials.**

Ross, Westerfield, Jaffe, *Corporate Finance*, 10<sup>th</sup> edition, McGraw-Hill Irwin, ISBN 0078034779  
Harvard Business School cases, we'll discuss these the first week of class

**Evaluation of Your Performance.**

Written Case Analysis (The Super Project)	20%
Class Participation	20%
Analysis Summary	10%
Exams (2 total, 25% each)	50% (please see Bonus section, page 2)

**Written Case Analysis.**

You are required to write a complete solution for The Super Project Case. Papers may be a maximum of two double-spaced pages, not including data presented in the paper for substantiation of points that are made in the text portion of the paper. You are required to submit a copy of your paper in MS Word format via the Dropbox in D2L.

Written cases will be graded as follows:

Statement of problem	20%
Analysis, solution, implementation	60%
Organization, grammar, spelling, etc.	20%

Late papers, if accepted, will receive a minimum of ten point reduction in score. Extremely late or missing papers will be assigned a failing grade. Please see the Case Information handout for further details.

**Class Participation.**

Grades for participation will be assigned on the basis of the class member's ability to raise and/or respond to relevant issues which arise in course discussions and class case sessions.

**Analysis Summary.**

You are required to write an executive summary of your analysis and your answer to the key question identified in the Course Schedule for the Analysis Summary. One page, double-space maximum. You are required to submit a copy of your paper in MS Word format via the Dropbox in D2L. See Course Schedule for topics and due dates. Be prepared to give a brief summary to the class of your results. Grades are based on thoroughness of analysis and the clarity of your executive summary.

**Exams.**

There will be two exams given during this course. The exam date windows are shown in the course schedule, please arrange your schedule accordingly. All arrangements for special consideration to take exams before the scheduled time must be made at least 48 hours before

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the scheduled exam period begins. A failing grade will be earned for a missed exam; there are no make-up exams.

#### Bonus.

In addition to earning exam points on the two exams, you may also earn bonus points to be added to your exam scores by creating an analogy that demonstrates one or more of the finance principles we'll discuss in class. Presenting an analogy earns you between 0 and 7 percentage points to be added to your exam score. The number of points awarded are based on the clarity with which your analogy demonstrates the intended finance principles and the insight it provides into those principles. Contact me to discuss your presentation, which is intended to be informal and less than 5 minutes in length. You are required to provide a one page written, sketched, drawn, photographed, or finger-painted description of your analogy.

#### Problems and Questions.

Assigned problems and questions will be used as a basis for discussion to illustrate important points in the chapter and to demonstrate the application of financial analysis in the decision making process. I will recommend specific problems for each chapter as we proceed through the semester.

#### Contact With Me.

As we proceed through the course, you may have questions about some of the assigned course material. If you don't understand the material after it has been covered in class, I encourage you to contact me as these questions arise. We can also arrange to meet in my office or talk at a mutually convenient time.

#### Other (unpleasant).

Incompletes are not given for failing grades; please refer to the 2018-2019 Graduate Bulletin for the conditions under which an incomplete may be given. This course will follow requirements for academic integrity specified in the UW Oshkosh Student Discipline Code. Students who fail to follow these requirements will receive a failing grade for this class. This syllabus is subject to change during the semester.

#### Learning Goals.

In this course you'll have the opportunity to practice the following skills:

- Communicating Organizational Issues– verbal skills through being called on to articulate and defend the results of your analyses and your recommendations on cases, written skills through two required papers
- Solving Organizational Problems – substantial data utilization and analysis skills involving the use of numerous analysis and statistical methods
- Managing Organizational Resources – class focuses on financial decision making involving the acquisition, allocation, and utilization of business capital
- Ethical understanding – frequent opportunities to consider the ethical issues in the finance cases we do

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Course Schedule

In the outline that follows, RWJ refers to your class textbook, Case refers to cases in your case pack, and REC refers to recommended 10<sup>th</sup> edition problems for the chapter.

- Feb 5            Topic: Introduction, time value of money  
RWJ: Chapter 4 problems as needed for review, discuss the BARF's  
REC: #15, 32, 48, 54
- Feb 12 & 19    Topic: Financial analysis  
RWJ: Chapter 3, Financial Statements Analysis and Long-Term Planning  
REC: none  
RWJ: Chapter 30, pp. 929-931, Predicting Corp. Bank.: The Z-Score Model  
**Analysis Summary due in D2L Dropbox by 6:00 pm on Feb 19**  
Case: Assessing...Health (see Unidentified Balance Sheets at end of case)
- Feb 26            Topic: Valuation  
RWJ: Chapter 8, Bond Valuation, sections 8.1 - 8.3  
REC: #3, 14, 17, 18, 21, 27  
RWJ: Chapter 9, Stock Valuation, sections 9.1, 9.2, 9.5  
REC: #1, 2, 4, 6, 11, 12, 14, 17, 19, 36  
Case: Valuation and Discounted Cash Flows
- Mar 5            Topic: Working capital policy and finish Valuation  
RWJ: Chapter 26, Short-term finance and planning  
REC: none
- Mar 12            Case: Polar Sports and Jones Electrical
- Mar 19            **Exam 1**
- Apr 2            Topic: Capital Budgeting  
RWJ: Chapter 6, chapter 7.1 Net present value  
REC: #1-3, 6-9, 11-15, 18, 19, 23, 24, 34
- Apr 9            complete capital budgeting  
Case: Pressco, Inc
- Apr 16            Case: The Super Project (**Written Case Analysis due by 6:00 pm on Apr 16**)
- Apr 23            Weighted Average Cost of Capital  
RWJ: Chapter 13, Risk, Cost of Capital, and Val., sections 13.1-13.3, 13.6-13.10  
REC: none  
Case: Hong Kong Dragon Airlines (A)
- Apr 30 &  
May 7            Topic: Long-Term Financing and Capital Structure  
RWJ: Chapter 15, Long-term financing: an introduction  
REC: none  
RWJ: Chapter 16, Capital Structure: basic concepts  
REC: none  
Case: Mountain Springs, Inc. (I will provide this case via D2L)
- May 14            **Exam 2**