

**MARYVILLE UNIVERSITY**  
**COURSE SYLLABUS INFORMATION**

SEMESTER/YEAR: Spring 2010

COURSE INFORMATION:

CLASS: FIN 630-01

TITLE: Corporate Financial Policies

MEETINGS: Tuesday 6:00 – 9:50 PM

DATES: 1/12, 1/19, 1/26, 2/2, 2/9, 2/16, 2/23, 3/2

LOCATION: ABAC 2245

PREREQUISITE: ACCT 610 – Managerial Accounting

TEXT: Fundamentals of Corporate Finance, **9<sup>th</sup> Edition**

By S. Ross, R. Westerfield & B. Jordan, McGraw-Hill

INSTRUCTOR INFORMATION:

INSTRUCTOR: Robert E. Mohrmann  
Board Director  
Chief Financial Officer  
Certified Public Accountant

Office Location: Main Campus  
Office Hours: Monday and Friday  
(by appointment)  
Phone: 314-269-6045  
rmohrmann@maryville.edu

## **COURSE DESCRIPTION**

The course covers breakthrough financial strategies, techniques and ideas combined with critical concepts, tools and knowledge to generate financial sophistication with an imaginative strategic approach to business where creative cash flow management is the value-added driver. The Chief Financial Officer is viewed as a business strategist with a finance background. Maintaining balance among operations, marketing and finance is crucial to a great company the same way Super Bowl Champions are generally well-balanced.

## **OBJECTIVES OF THE COURSE**

Our goal is to take an interactive, rigorous and dynamic look at what is truly important and useful in Corporate Finance. In doing so, topics of dubious relevance, purely theoretical issues, and extensively elaborate calculations to illustrate points that are either intuitively obvious or of limited practical use were eliminated. Comprehension of critical concepts with real life relevance for Corporate Finance is emphasized with a focus on the role of the Chief Financial Officer as a strategist, manager and decision maker to optimize cash flow and maximize shareholder value in the rough-and-ready world of international business, where the only thing permanent in the global economy is change.

## **ATTENDANCE**

Because of the concentrated nature of the MBA program, students are **REQUIRED** to attend each class period. Students who miss more than 6 hours (including arriving late or leaving early) will be required to withdraw from the course.

**NOTE: Attendance is REQUIRED for a high Participator grade and attendance for the first class session is mandatory.**

**Students may not register for class unless they can attend the first session.** Important information about the course and the instructor's expectations are given during the first session and it is imperative that all students attend. If you know that you will have to be absent for one session, please contact your instructor to ensure that absence from a particular session is acceptable.

## **ACADEMIC ACCOMODATIONS**

Maryville University provides accommodations and supports for students with disabilities as defined by The Americans with Disability Act. If you have a documented disability and wish to discuss academic accommodations, please contact the course instructor and/or the Director of the Academic Success Center located in the University Library (314) 529 – 6850.

## GRADING POLICY

A final grade will be based upon the following factors:

<b><u>Participator</u></b> - Attendance, Assignments, Professional Preparation, Presentation, Participation & Discussion -	40% (1)
Mid-term Examination	30 %
Final Examination	30%

Grading Scale:

A	93-100
A-	90-92
B+	87-89
B	83-86
B-	80-82
C	70-79
F	Below 70

(1) **Participator** - **Attendance** together with outstanding professional preparation, presentation, **ACTIVE** participation and discussion is **REQUIRED** for a high Participator grade.

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Any **MATERIAL DEFICIENCY** in student and/or team weekly written assignments will be communicated to the individual student and/or team before the next class.

### Spreadsheet Applications

Because of the widespread usage of computer-based spreadsheets by modern financial professionals in the typical office environment, it is imperative that each student have access to a computer with spreadsheet applications, e.g., Excel or some other spreadsheet application.

### Calculator

All students must bring financial calculators to each class meeting. Each student must also be able to use his/her calculator proficiently. Those students currently unfamiliar with financial calculators should also read the manuals for their calculators and be knowledgeable about using the calculator before class. A financial calculator must be able to calculate net present value (NPV), internal rates of return (IRR), etc.

### Participation and Preparation for Class

Students are expected to be prepared for each class session. Assigned textbook chapters, cases, problems and exam papers are to be prepared and presented in writing at each designated class. All written assignments must be typed and turned in at the prescribed time. Students will be graded on the quality of their participation, as well as quantity. Students should be prepared to discuss all textbook chapters, cases, problems and papers in a professionally informed and constructive manner.

### Written Student Assignments

All papers must be typed, using a 12-point font size, be double-spaced with one-inch margins on all four sides.

### Professional Team Presentations

Power Point slide presentations are required for Team assignments.

### Text Book

Students must bring text book to all classes.

### Place Card – Will be distributed in 1<sup>st</sup> Class

Each student must bring place card with name and team number, properly displayed to all classes.

CLASS SCHEDULE  
PRE-ASSIGNMENTS TO CLASS #1 – JANUARY 12, 2010

**“Be a Participator and Not a Spectator”**

1. Introduction – Each student prepare, present and submit at the first class a one page written personal biography (Bio) and introduce yourself to:

The Corporate Financial Management  
“TEAM”  
“Together Everyone Achieves More”  
WITH  
“Total Effort Among Management”

2. Each student prepare, present and submit a minimum one page written response to the following question:

What is the Golden Rule of Finance??

3. Each student prepare, present and submit a minimum of 3 written pages answering the following question:

What are the 3 most important decisions made by a Board of Directors??

4. Each student bring a most current copy of each of the following to the first class

- CFO Magazine – Subscribe at [www.CFO.com](http://www.CFO.com)
- Financial Times Newspaper

5. Read Chapter 1 – Introduction to Corporate Finance. Each student prepare, present and submit written responses to questions number 1 through 16 on pages 17 & 18.
6. Each student prepare, present and submit a written response to questions number 1 through 3 - Mini Case – McGee Cake Company on page 18.

## Class Schedule and Assignments

<u>Class</u>	<u>Chapters</u>	<u>Topics/Assignments</u>
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1 Jan 12	1	Introduction to Corporate Finance
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Video Presentation –  
The Role of the Chief Financial Officer

Professor Presentation  
The Anatomy of a Leader

**See Pre-Assignments to Class #1**

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2 Jan 19	2	Financial Statements, Taxes and Cash Flow
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Video Presentation –

Guest Speaker

Assignments

Chapter 2 – Each team prepare, present and submit written responses to items 1 – 6 and questions 1 and 2 - Mini Case – Cash Flows and Financial Statements at Sunset Boards, Inc. on page 45

## Class Schedule and Assignments

<u>Class</u>	<u>Chapters</u>	<u>Topics/Assignments</u>
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3 Jan 26		Working with Financial Statements
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Video Presentation

Professor Presentation  
Doing Business in China

Assignments

Chapter 3 – Each team prepare, present and submit written responses to questions number 1 through 3 - Mini Case – Ratio Analysis at S & S Air, Inc. on page 85 and 86.

## Class Schedule and Assignments

<u>Class</u>	<u>Chapters</u>	<u>Topics/Assignments</u>
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4 Feb 2	7	Interest Rates and Bond Valuations
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	8	Stock Valuation
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Each Student - Mid-Term Exam Paper

A) The Income Statement is More Important than the Balance Sheet – Why?

OR

B) The Balance Sheet is More Important than the Income Statement – Why?

Pick A or B and prepare, present and submit a minimum of 5 written pages.

Video Presentation –  
Financial Markets

Guest Speaker

Assignments

Chapter 7 - Each team prepare, present and submit written responses to questions number 1 through 10 - Mini Case – Financing S&S Air's Expansion Plans with a Bond Issue on page 230.

Chapter 8 - Each team prepare, present and submit written responses to questions numbers 1 through 6 - Mini Case - Stock Valuation at Ragan, Inc. on pages 258 and 259.

## Class Schedule and Assignments

<u>Class</u>	<u>Chapters</u>	<u>Topics/Assignments</u>
5 Feb 9	16	<p>Financial Leverage and Capital Structure Policy</p> <p>Mergers and Acquisitions – Pass out</p> <p>Video Presentation –</p> <p>Guest Speaker</p> <p>Assignments Chapter 16 - Each team prepare, present and submit written responses to the questions and problems 1 through 10 – on pages 541; 542 and 543.</p> <p>Mergers and Acquisitions - Each student prepare, present and submit written response to questions 1 through 10</p> <p>Pass out take home Mini-Case to be presented by each student in Class 6 – Bill Skates and Warren Tuffet</p>
6 Feb 16	17	<p>Dividends and Dividend Policy</p> <p>Video Presentation</p> <p>Guest Speaker</p> <p>Assignments Chapter 17 - Each team prepare, present and submit written response to questions 1 through 6 - Mini Case - Electronic Timing, Inc. on pages 577 and 578.</p> <p>Mini-Case – Bill Skates and Warren Tuffet</p>

Each student prepare, present and submit written responses

### Class Schedule and Assignments

<u>Class</u>	<u>Chapters</u>	<u>Topics/Assignments</u>
7 Feb 23	19	Cash and Liquidity Management  Video Presentation  Guest Speaker  Professor Presentation Attitude – Your Internal Compass  Assignments Chapter 19 - Each team prepare, present and submit written response to questions 1 through 3 - Mini Case - Cash Management at Webb Corporation on page 634
8 March 2		Each Student - Final Exam Paper Minimum of 5 written pages What are the 7 Habits of a Highly Effective CFO?  Leasing – Pass out Each team prepare, present and submit written responses to questions 1 through 4 - Mini Case – The Decision to Lease or Buy at Warf Computers  Professor Presentations - Self-sustaining growth model - Debt to Total Capitalization - Risk Adjusted Cash Flow - Book, Tax and Cash Flow - Cash Flow per Share  7 Habits of Highly Effective CFO

**This syllabus and assignment schedule are subject to change at the discretion of the instructor. It is the student's responsibility to stay informed of such changes.**

### **GUEST SPEAKER LIST**

#### **SPEAKER**

#### **FIRM**

**Jay Nathanson	Greensfelder Partner Top 50 Tax Lawyers in America Top 50 Corporate Lawyers in America Professor – Washington University Law School
Tom Podlesny	Cortland & Associates Chief Operating Officer Professor – Washington University Business School
Jeff Lee	Wells Fargo Managing Director – Bond Investments Professor – Lindenwood University
Larry Hays	Maryville University Chief Financial Officer
Juanita Hinshaw	H & H Advisors Maryville University Trustee
Josh Reichman	Merrill Lynch Senior Vice President Equity Investments
Ralph Clermont	KPMG Managing Partner

\*\*Only lawyer in America to be in the top 50 for **both** tax and corporate law

## **GUEST SPEAKER LIST**

Lou Holtz	Former Football Coach – Notre Dame
John Phillips	Stiefel Bancorp Senior Vice President
Gian Cavallini	Private Equity Investor Mergers & Acquisitions
Joe Wiley	Quest Management President Human Resource Consultants
Marty Wilson	Armstrong Coal President
Connie Ochs	Triad Advisory Group President
Bill Carey	Cortland & Associates President
Audrey Hatcher	Rubin Brown Partner
Greg Porto	Ion Partners, LLC Managing Director
Jayne Corley	The Corley Law Firm Managing Partner Estate Planning

## **GUEST SPEAKER LIST**

Tom Hartley	Monsanto Vice President and Treasurer
Mark Melville	Anheuser Busch InBev Director Corporate Finance
Lori Mills	Asset Consulting Group Inc. Vice President
Steven Jones	Hammond Group, Inc. Senior Wealth Advisor
Richard Hargadine	Wells Fargo Senior Vice President
Tammy Burton	Pricewaterhouse Coopers Managing Director
John Rice	Esse Health Chief Medical Officer Board Director BJC
Michele Smith	President-Elect Missouri Society of CPA's St. Louis Chapter