



Corporate Finance – BusFin 4211 Syllabus (Spring 2024)

Instructor and Office Hours:

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Course Description:

The course introduces students to key concepts in financial management, including capital budgeting, the valuation of projects and companies, methods for determining the cost of capital, capital structure and payout policies, securities issuance, mergers and acquisitions, and corporate governance. The course covers financial economics theory as well as empirical evidence on corporate financial policies and practices. It is intended for students aspiring to careers in corporate finance, strategy and general management. *Prerequisites:* BusFin 3220.

Course Materials / Software:

Required Texts/Materials:

Title: Fundamentals of Financial Management, 16th Edition, plus content from Intermediate Financial Management, 14th Edition. (*Custom e-text, available through CarmenBooks*).

Author(s): Brigham and Houston; Brigham and Daves.

Publisher: Cengage.

Recommended: Wall Street Journal. Access monthly WSJ subscription for \$4 a month (cancel anytime). Here is referral link to access this price: <https://r.wsj.com/PROFwjqu>.

Course technology:

For help with your password, university email, Carmen, or any other technology issues, questions, or requests, contact the Ohio State IT Service Desk. Standard support hours are available at ocio.osu.edu/help/hours, and support for urgent issues is available 24/7.

- **Self-Service and Chat support:** ocio.osu.edu/help.
- **Phone:** 614-688-4357(HELP).
- **Email:** servicedesk@osu.edu.
- **TDD:** 614-688-8743.

Baseline technical skills for online courses

- Basic computer and web-browsing skills.
- Navigating Carmen: for questions about specific functionality, see the [Canvas Student Guide](#).

Required Technology skills specific to this course

- [CarmenZoom virtual meetings](#).
- [Recording a slide presentation with audio narration](#)
- [Recording, editing, and uploading video](#)

Required equipment

- Computer: current Mac (OS X) or PC (Windows 7+) with high-speed internet connection
- Webcam: built-in or external webcam, fully installed and tested
- Microphone: built-in laptop or tablet mic or external microphone
- Other: a mobile device (smartphone or tablet) or landline to use for BuckeyePass authentication

Required software

- [Microsoft Office 365](#): All Ohio State students are now eligible for free Microsoft Office 365 ProPlus through Microsoft's Student Advantage program. Full instructions for downloading and installation can be found [at go.osu.edu/office365help](https://go.osu.edu/office365help).

Carmen access

You will need to use [BuckeyePass](#) multi-factor authentication to access your courses in Carmen. To ensure that you are able to connect to Carmen at all times, it is recommended that you take the following steps:

- Register multiple devices in case something happens to your primary device. Visit the [BuckeyePass - Adding a Device](#) help article for step-by-step instructions.
- Request passcodes to keep as a backup authentication option. When you see the Duo login screen on your computer, click **Enter a Passcode** and then click the **Text me new codes** button that appears. This will text you ten passcodes good for 365 days that can each be used once.

- Download the [Duo Mobile application](#) to all of your registered devices for the ability to generate one-time codes in the event that you lose cell, data, or Wi-Fi service.

If none of these options will meet the needs of your situation, you can contact the IT Service Desk at 614-688-4357 (HELP) and IT support staff will work out a solution with you.

Grading and Evaluation:

Graded assignments may come in three forms, and students should note the expectations for each in the descriptions of our class assignments below.

- **Independent Work (👤):** Strictly non-collaborative, original-individual work. You may discuss this assignment only with your instructor. Discussions with other individuals, either in person or electronically, are strictly prohibited.
- **Collaboration Required (👥):** An explicit expectation for collaboration among students either in-class or outside (i.e. group work).
- **Optional-Collaboration (💬):** Students are permitted, but not required, to discuss the assignment or ideas with each other. However, all submitted work must be one's original and individual creation.

Assignment Name	Points / Weight	Assignment Type
Quiz (6 in total)	90	👤
Midterm Exam	35	👤
Team Current Event Presentation	30	👥
Guest Speaker Reflection	15	💬
Participation	30	👤
Final Exam	35	👤
TOTAL COURSE POINTS	235	

Course Assignments:

Quizzes

There are 6 graded quizzes in Carmen over the course of the semester. You will take these quizzes “live” during class time with your laptop. You must be in person. Not attending class to take a quiz in person without a valid medical reason or emergency excuse will result in a score of 0 for that quiz. Questions/answers will be randomized, and the quiz is only open during a short window of class time. Students complete the quizzes individually, adhering to OSU’s Academic Integrity standards (see further below in the syllabus). You may *not* use ChatGPT or related AI tools during the quizzes.

Current Event Presentation

Your group will be assigned a relevant topic covered in the semester. You then need to find an article(s) in the WSJ, Bloomberg News, or other financial literature about the topic.

Presentation should be no more than 10 minutes in length, and then allow for 2-3 minutes of Q&A from the class. The goal is to connect the class to relevant news based on what we learned (or will learn) in lecture. Groups should succinctly summarize the topic; offer their analysis of the issue, problem, or opportunity; and provide their point of view or recommendation. Not everyone needs to present, but it is expected that everyone contributes (i.e., does work behind the scenes). Please have slides uploaded to Carmen prior to your scheduled class.

At the end of the semester, you will be required to complete a simple peer feedback assessment (shared only with the Professor). You will grade your group mates as “above”, “meeting”, or “below” expectations for all the group work this semester.

Other materials that are “fair game” You should be prepared to answer reasonable questions from in class discussions and current event presentations on quizzes and exams.

Participation Scoring

Participation scoring will be comprised of:

- Regularly attending class.
- Peer evaluation: above or below expectations on group assignments.
- Subjective measure: did student have quality engagement during the semester, by asking good questions and/or providing quality responses to questions.

Midterm Exam

The midterm will take place in class and via Carmen with your laptop. It will consist of 35 multiple choice problems testing material from the first half of the course. You may *not* use ChatGPT or related AI tools during the midterm exam.

Final Exam

The final exam is cumulative and places more weight on the second half of the course, which

builds on material from the first half. It will consist of 35 multiple choice problems. The window to complete it will be during our standard Final time for our class section which can be found at the registrar's website and will also be posted on Carmen. You may *not* use ChatGPT or related AI tools during the final exam.

Grading Scale:

There is no rounding. These points below are the absolute cut-offs for letter grade.

<u>Grade</u>	<u>Points</u>	<u>%</u>
A	218	92.8%
A-	212	90.2%
B+	204	86.8%
B	197	83.8%
B-	188	80.0%
C+	181	77.0%
C	174	74.0%
C-	164	69.8%
D	141	60.0%

Additional grading details

- The requirements of the course are identical for everyone. This means it is not possible to make up for poor performance through extra credit work.
- There is no rounding. The points listed above are cut-offs for letter grades.
- It is possible to earn any of the official OSU grades, from A to E, in this course.
- Grades are intended to reflect the overall quality of performance of the student(s). If you think your grade on an exam or assignment does not reflect the quality of your performance, submit a clear written explanation of your reasoning within one week after the return of your assignment or test. The written document need not be long but must clearly identify the problem or issue of concern. The entire exam or assignment will be checked for grading errors, and correcting these could either raise or lower the overall score. There will be no grading appeals or changes in marks after the one-week deadline has passed.

Absence and Makeup Policy:

There are no make-ups for graded assignments in Carmen or “live” quizzes/exams, except via permission within 2 days of the exam via evidence of a clear emergency (e.g., admitted to doctor for illness). We recognize a post-COVID world creates more stress and that unforeseen circumstances will hit us. We will adapt and give our best efforts. Communication is critical. If you are going to miss class, please send me a short note so I know you are ok.

Instructor Feedback and Response Expectations:

- Email Response Times: within 48 hours. Please email again if you do not receive a response. We have many students this semester, so I will not take offense or seem “bothered” if you reach out multiple times.
- Graded Materials Return Times: within one week.
- SEIs: These are a crucial feedback tool for Fisher and for us personally. We read every single comment from every student every semester. If you are really enjoying class content/delivery, then please let your instructor know before the end of semester. And conversely, if you are struggling or not feeling like the course is delivering on expectations, then please reach out to your instructor as soon as issues pop up. In this class, it is critical that you not “sit” on feedback/questions. We want to help you but need to know if you have issues/questions.

Academic integrity:

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct (<https://trustees.osu.edu/bylaws-and-rules/code>) and this syllabus may constitute Academic Misconduct (<https://oaa.osu.edu/academic-integrity-and-misconduct>). The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: Any activity that tends to compromise the academic integrity of the University, or subvert the educational process. Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an excuse for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct.

If we suspect that a student has committed academic misconduct in this course, we are obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If

COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact your instructor.

Student COVID-related Accommodation Process:

The university strives to maintain a healthy and accessible environment to support student learning in and out of the classroom. If you anticipate or experience academic barriers based on your disability (including mental health, chronic, or temporary medical conditions), please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, I may request that you register with Student Life Disability Services. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion.

If you are isolating while waiting for a COVID-19 test result, please let me know immediately. Those testing positive for COVID-19 should refer to the [Safe and Healthy Buckeyes site](#) for resources. Beyond five days of the required COVID-19 isolation period, I may rely on Student Life Disability Services to establish further reasonable accommodations. You can connect with them at slds@osu.edu; 614-292-3307; or slds.osu.edu.

Disability Services:

The university strives to make all learning experiences as accessible as possible. In light of the current pandemic, students seeking to request COVID-related accommodations may do so through the university's [request process](#), managed by Student Life Disability Services. If you anticipate or experience academic barriers based on your disability (including mental health, chronic, or temporary medical conditions), please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, you should register with Student Life Disability Services. After registration, make arrangements with your instructor as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion.

SLDS contact information: slds@osu.edu; 614-292-3307; slds.osu.edu; 098 Baker Hall, 113 W. 12th Avenue.

Accommodated Exams - COVID-19 Operational Adjustments:

In order to promote the health and safety of students, Student Life Disability Services will only proctor exams for students with accommodations that necessitate in-person testing.

Students with the following exam accommodations may schedule to take their exams at SLDS:

- Accessible formats (e.g., braille, large print, screen-free)

- Assistive technology (e.g., JAWS, CCTV)
- Private testing room accommodation
- Test assistant (reader or scribe)

Students requesting exam accommodations not listed above, such as extended time or a small-group testing space, will need to take their exam off-site utilizing Carmen or other virtual assessment method. For more information on operational changes, visit the [SLDS website](#).

Course Schedule:

The schedule for your section will be posted on Carmen in pdf format and also reflected in the structure of the Carmen site for the course. The schedule is subject to change depending upon circumstances and how long it takes to cover each topic, so please check Carmen regularly for updates (which will also be clearly announced on Carmen, when they take place).

Tentative lecture schedule:

Date	Topic	Graded Work
Lecture 1: January 9	Time Value of Money I: Introduction and Interest Rates	
Lecture 2: January 11	Time Value of Money II: Bonds	
Lecture 3: January 16	Financial Decision Making I: Net Present Value	Quiz on Time Value of Money
Lecture 4: January 18	Financial Decision Making II: Alternative Decision Rules	
Lecture 5: January 23	Capital Budgeting I: Definitions	Quiz on Project Valuation
Lecture 6: January 25	Capital Budgeting II: Free Cash Flows	
Lecture 7: January 30	Capital Budgeting III: Complexities, NPV, Sensitivity Analysis	
Lecture 8: February 1	Debt and Equity: Definitions, Payoff Diagrams, Seniority, Claimants, Types of Instruments	Quiz on Capital Budgeting
Lecture 9: February 6	Risk and Return: Systematic vs. Unsystematic Risk, CAPM	
Lecture 10: February 8	Capital Structure I: MM, Capital Markets, Leverage Myth	
Lecture 11: February 13	Capital Structure II: WACC without Taxes	
Lecture 12: February 15	Midterm Prep: Review and Problem-Solving	
Lecture 13: February 20	Midterm Exam	Midterm exam
Lecture 14: February 22	Capital Structure III: WACC with Taxes	Quiz on Risk and Return and Capital Structure
Lecture 15: February 27	Payout Policy and Review of Dividend Discount Model	
Lecture 16: February 29	Valuing Equity: DCF and Comparables Valuation	
Lecture 17: March 5	Student Current Events Presentation I	Group Presentations
Lecture 18: March 7	Student Current Events Presentation II	Group Presentations
SPRING BREAK		
Lecture 19: March 19	Equity Financing I: Private Equity and VCs	
Lecture 20: March 21	Equity Financing II: IPOs	
Lecture 21: March 26	Guest Speaker	
Lecture 22: March 28	Quiz Prep: Review and Problem-Solving	Quiz on Payout policy, Equity Valuation, and IPOs
Lecture 23: April 2	Deviations from MM I: Issuance Costs, Pecking Order Theory, Agency Benefits	
Lecture 24: April 4	Deviations from MM II: Financial Distress, Tradeoff Theory, Agency Costs	

Lecture 25: April 9	Mergers & Acquisitions I	
Lecture 26: April 11	Mergers & Acquisitions II	
Lecture 27: April 16	Quiz Prep: Review and Problem-Solving	Quiz on MM Deviations, M&A
Lecture 28: April 18	Concluding Lecture	

Reading assignments (in green, Fundamentals textbook; in red, Intermediate textbook):

- Before semester start:
 - o Chapter 3: Financial Statements, Cash Flow, and Taxes.
 - o Chapter 4: Analysis of Financial Statements.
- Before 1st and 2nd class (Time value of money):
 - o Chapter 5: Time Value of Money.
 - o Chapter 6: Interest Rates.
 - o Chapter 7: Bonds and Their Valuation
- Before 3rd-7th class (Financial decision making, capital budgeting):
 - o Chapter 11: The Basics of Capital Budgeting.
 - o Chapter 12: Cash Flow Estimation and Risk Analysis.
- Before 8th class (Debt and Equity):
 - o Chapter 14: Capital Structure and Leverage.
- Before 9th class (Risk and return):
 - o Chapter 8: Risk and Rates of Return.
- Before 10th-14th class (Capital Structure I, II, and III):
 - o Chapter 16: Capital Structure Decisions.
 - o Chapter 17: Dynamic Capital Structure and Corporate Valuation.
- Before 15th-16th class (Payout policy + DDM and Equity Valuation):
 - o Chapter 15: Distributions to Shareholders: Dividends and share repurchases.
 - o Chapter 9: Stocks and Their Valuation.
 - o Chapter 8: Corporate Valuation and Stock Valuation.
- Before 19th-20th class (Equity financing I and II):
 - o Chapter 18: Initial Public Offerings, Investment Banking, Financial Restructuring.
- Before 22nd-24th class (MM deviations I-II).
 - o Chapter 10: Corporate Governance.
- Before 25th class (Mergers & acquisitions I-II):
 - o Chapter 21: Mergers and Acquisitions.

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