“Finance is not merely about making money. It’s about achieving our deep goals and protecting the fruits of our labor. It’s about stewardship and, therefore, about achieving the good society.”

Robert J. Shiller

About This Course

**Course Objective:**
Students will further develop their managerial knowledge based on financial metrics and financial analysis.

Successful students will understand the following objectives:
- Corporate strategy
- The changing roles of CFOs in the formation of corporate strategy
- Financial accounting and reporting
- Estimating the cost of capital and ways to raise capital for business
- Advanced capital budgeting
- Valuation of enterprises

**School of Business Learning Objectives:**
Demonstration of these competencies will be made through completion of assignments.

- **Communication Skills:** Students will further advance their knowledge of corporate valuation and be able to communicate with financial professionals on more advanced topics and with clients in simple, easy to understand language.

- **Quantitative Fluency:** This course requires extensive application of mathematical theory and practice. Students will be required to use standard algebraic calculations to solve realistic financial questions. Students will recognize that a level of quantitative proficiency is necessary to successfully run the financial operations of a firm.

- **Synthesis:** This course requires knowledge from the associated disciplines of accounting, economics, and statistics. As such, students are expected to apply a level of proficiency in those subject areas to real life situations.
**Required Course Materials**


Financial Calculator and/or laptop with Microsoft Excel

**ADDITIONAL COURSE MATERIALS**

Additional articles are located on OAKS.

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**Student Responsibility**

The Maymester class is 10 days. Each day of class represents approximately 1-1/2 weeks of class in a traditional semester. There is a significant amount of material that will be covered. I expect the readings and homework to be completed each evening since the lectures will be a discussion format and we will have a quiz every day on material covered the prior day.  
**Attendance Policy:** Please plan on attending all classes and arriving on time to class.

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**Academic Integrity**

Students at the College of Charleston are expected to adhere to the *Honor System* as outlined in the *Student Handbook*:


In the business school you learn about the legal environment of business and about ethical situations that are found in the workplace. You should consider the *Honor Code* not only as mandates for academic honesty, but as a first lesson in appropriate conduct in the workplace.

Specifically “The Honor System of the College of Charleston” is intended to promote and protect an atmosphere of trust and fairness in the classroom and in the conduct of daily life.

**EMAIL Policy:**
I always answer emails. If you do not receive an answer within 24 hours during weekdays I did not receive your email. I rarely check email after 8 pm during the week and only check email sporadically during weekends. Please plan accordingly.

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**Accessibility and Disability Statement**

The College will make reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsibility for notifying me as soon as possible and for contacting me one week before accommodation is needed.

If there is a student in the class who has a documented disability and has been approved to receive accommodations through the Center for Disability Services / SNAP, please come and discuss this with me during my office hours.

Any student eligible for and needing accommodations because of a disability is requested to speak with

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“The supreme quality for leadership is unquestionably integrity. Without it, no real success is possible.”

Dwight D. Eisenhower, 34th President of the United States, 1890-1969
Grading Scale and Procedures

The following point scale will be used for the course:

<table>
<thead>
<tr>
<th>Percent of total points</th>
<th>A</th>
<th>A-</th>
<th>B+</th>
<th>B</th>
<th>B-</th>
<th>C+</th>
<th>C</th>
<th>C-</th>
<th>D+</th>
<th>D</th>
<th>D-</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>93-100</td>
<td>90-92</td>
<td>87-89</td>
<td>83-86</td>
<td>80-82</td>
<td>77-79</td>
<td>73-76</td>
<td>70-72</td>
<td>67-69</td>
<td>63-66</td>
<td>60-62</td>
<td>&lt; 60</td>
</tr>
</tbody>
</table>

Class participation/ discussion 20%
Homework 20%
Quizzes 20%
Final Case Project 40%

100%

You may work together on the homework and the case project.

Homework will be assigned on a daily basis and due the following day. Please submit written assignments to the OAKS drop box.

Short quizzes will be given at the beginning of the class period every day.

The case project will assess students' qualitative and quantitative understanding of the material. The case will be due Tuesday, May 29th.

The schedule of assignments and course topics below is tentative. Time will be taken to review homework and quizzes as well as work on the case project.

Please make sure to arrive on time, prepared for discussions on the assigned material.

Tentative Schedule of Course Topics and Assignments

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Reading and Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 14</td>
<td>Corporate Strategy</td>
<td>The DNA of the CFO: A Study of What Makes a Chief Financial Officer Empirically Derived Models of Strategic Decision-making Process</td>
</tr>
</tbody>
</table>
Reading 30: Financial Reporting Mechanics  
Text: Chapter 6 Understanding Financial Statements and Cash Flow |
| May 16 | Pro Forma Statements      | Reading 31: Financial Reporting Standards  
Reading: Performance Terms in CEO Compensation Contracts  
Text: Chapter 7 Earnings Dilution, Incentive Compensation, and Project Selection  
Text: Chapter 2 Forecasting and Valuing Cash Flows |
| May 17 | Pro Forma Statements      | Textbook- Chapter 3 Project Risk Analysis  
Simulation and Crystal Ball |
| May 18 | Valuation                 | Case 13: Best Practices in Estimating the Cost of Capital  
Text: Chapter 4 Estimating a Firm's Cost of Capital |
| May 21 | Valuation                 | Text: CH 5 Estimating Required Rates of Return for Projects  
Case 41: Methods of Valuation for Mergers and Acquisitions |
| May 22 | Enterprise Valuation      | Text: Chapter 8 Relative Valuation Using Market Comparables |
| May 23 | Enterprise Valuation      | Text: Chapter 9 Enterprise Valuation |
| May 24 | Enterprise Valuation      | Text: Chapter 9 Enterprise Valuation |
| May 25 | Private Equity Valuation  | Text: Chapter 9 Valuation in a Private Equity Setting |
| May 28 | Memorial Day - no class   |                                                                                       |
| May 29 | Final Project Due         | Discussion/presentation of project                                                      |