

	Course	FIN 4660-103 Advanced Financial Management
	Professor	Alex Holcomb
	Term	Spring 2020
	Meetings	Tuesday/Thursday 3:30pm – 4:45pm Peacock 1011

Professor's Contact Information

Office	Peacock Hall 3085
Email Address	holcombaj2@appstate.edu
Office Hours	Wednesday 10am – 12pm and 1pm – 3pm and by appointment
Other	Please email me at AppState email address

General Course Information

Pre-requisites	ACC 1100 or ACC 2100 and MAT 1030 or MAT 1035 or MAT 1100, and FIN 3680, FIN 3690, FIN 3990, each with a grade of "C" or better.
Course Description	<p>This course focuses on concepts and analytical techniques of financial analysis in order to value companies. It is an in-depth discussion of the foundation for modern corporate valuation, as well as the purposes of valuation in different contexts and for different stakeholders.</p> <p>Masters Students: Masters students taking this course will be required to complete an additional semester long project as well as all the normal coursework. The project will involve a complete DCF analysis of a company of my choosing. The students will collect financial statements from the SEC, and then use their Excel skills to build a DCF model from scratch.</p>
Learning Outcomes	<p>You will learn to understand how and when to apply the basic concepts of financial analysis in a business setting, demonstrated through your ability to:</p> <ul style="list-style-type: none"> • Be able to identify the primary drivers of corporate value, and how they are incorporated into a valuation model. • Be able to analyze a standard financial statement and be able to use, and discuss, the insights and data contained in these reports. • Be able to incorporate the data found within a financial statement in an integrated discounted cash flow valuation model.
Required Text	<p><i>Valuation (6th Ed)</i> by Koller, Goedhart, and Wessels, 2015, John Wiley & Sons : ISBN : 978-1-118-87373-1</p> <p>[Required] Available at bookstore.</p>
Required Calculator	For the exams for this course, you are allowed to use any calculator that you prefer except for (i) programmable calculators, (ii)

	<p>calculators that reside on smart phones, or (iii) any calculator that has wireless access to the internet. An exam proctor will check your calculator before (or during) each exam to be sure that it complies with this rule; if the calculator is not in compliance, the proctor has the authority to remove your calculator for further use on that exam. Please do not risk having to incur the consequences. If you plan to use an unfamiliar, obscure type of calculator, you should check with your instructor any time before the actual exam date to avoid any potential complications during the actual exam.</p> <p>SUGGESTION: If you use a TI BA II Plus (or Plus Professional), you will be wise to change the order of operations on your calculator, so that the keystrokes “2 + 3 x 4” yield 14 (and not 20). Also, you also almost certainly want to re-program your calculator so that it reports results to five or six decimals (as opposed to two).</p>
Web Link & Practice Problems	Practice problems from the end-of-chapter problems sets are assigned as Homework Sets. We will go over some of these in class.
Readings	You will be responsible for any reading articles posted on Blackboard.
Class Schedule / Academic Calendar	The material covered in each session is subject to change and may be updated throughout the semester. Students should continually check Blackboard for updates to the Schedule shown below.

SCHEDULE OF CLASSES
Version 1.0*

Date	Topic	Assignment Due **	Comment
14-Jan	Intro	See AsuLearn	
16-Jan	Ch 2 – Principles of Value	See AsuLearn	
21-Jan	Ch 2	See AsuLearn	
23-Jan	Ch 6 - Return on Invested Capital	See AsuLearn	Hw 1 Due
28-Jan	Ch 6	See AsuLearn	
30-Jan	Ch 7 - Growth	See AsuLearn	
4-Feb	Ch 7	See AsuLearn	
6-Feb	Ch 8 – Frameworks of Valuation	See AsuLearn	
11-Feb	Ch 8	See AsuLearn	
13-Feb	Ch 8	See AsuLearn	
18-Feb	Ch 8	See AsuLearn	Hw 2 Due
20-Feb	Exam 1	See AsuLearn	
25-Feb	Ch 9 – Financial Statements	See AsuLearn	
27-Feb	Ch 10 – Analyzing Performance	See AsuLearn	
3-Mar	Ch 10	See AsuLearn	
5-Mar	Ch 18 – Firm Taxes Ch 18	See AsuLearn	
10-Mar	Spring Break		
12-Mar	Spring Break		
17-Mar	Ch 11 – Forecasting Performance	See AsuLearn	Hw 3 Due
19-Mar	Ch 11	See AsuLearn	
24-Mar	Ch 11	See AsuLearn	
26-Mar	Exam 2	See AsuLearn	
31-Mar	Ch 13 – Valuing Debt	See AsuLearn	
2-Apr	Ch 13 – Valuing Equity	See AsuLearn	Hw 4 Due
7-Apr	Ch 13 – Estimate Cost of Capital	See AsuLearn	
9-Apr	Ch 14 – Share Valuation	See AsuLearn	
14-Apr	Ch 15 – Analysis Critique	See AsuLearn	
16-Apr	Ch 16 – Multiple Analysis	See AsuLearn	
21-Apr	Ch 16	See AsuLearn	Hw 5 Due
23-Apr	Exam 3	See AsuLearn	
28-Apr			

* Updates, if any, will be accompanied by an “Announcement” in Blackboard

** Homework and due dates are shown online in “Connect” system and Blackboard

Course Policies

<p>Course Grade</p>	<p>Course grade will be weighted as follows:</p> <table border="0"> <tr> <td>Exam 1:</td> <td>20%</td> </tr> <tr> <td>Exam 2:</td> <td>20%</td> </tr> <tr> <td>Exam 3:</td> <td>20%</td> </tr> <tr> <td>Homework Assignments:</td> <td>40%</td> </tr> </table>	Exam 1:	20%	Exam 2:	20%	Exam 3:	20%	Homework Assignments:	40%		
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Exam 2:	20%										
Exam 3:	20%										
Homework Assignments:	40%										
<p>Grading</p>	<p>Course grades are: A, B, C, D and F. Corresponding grade ranges and grade points are shown below. + grades will be assigned for scores in the top 2 points of each decile, no – grades will be assigned.</p> <table border="0"> <tr> <td>A :</td> <td>90-100%</td> </tr> <tr> <td>B :</td> <td>80-90%</td> </tr> <tr> <td>C:</td> <td>70-79%</td> </tr> <tr> <td>D:</td> <td>60-69%</td> </tr> <tr> <td>F:</td> <td>Below 60%</td> </tr> </table>	A :	90-100%	B :	80-90%	C:	70-79%	D:	60-69%	F:	Below 60%
A :	90-100%										
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<p>Class Procedure</p>	<p>Students should review assigned chapter material <u>prior</u> to the class session and are expected to participate in class.</p>										
<p>EXAMS</p>	<p>No make-up exams allowed. Laptops are NOT allowed during exams. Financial calculators are required. If Scantron forms are used, they supersede handwritten responses on the exam. All students are REQUIRED to take all exams.</p>										
<p>Disability Resources</p>	<p>Appalachian State University is committed to providing an inclusive experience, accessible learning environments and equal opportunity to individuals with disabilities in accordance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. Individuals needing reasonable accommodations should contact the Office of Disability Resources (828.262.3056 or odr.appstate.edu).</p>										
<p>Department Email Policy</p>	<p>It is the policy of the finance department that all e-mails sent to professors or teaching assistants be of a professional nature and format. A formal greeting and salutation are required. Proper grammar, spelling, and format are required. You must clearly state the problem or question that will be addressed. You must identify the class, section, time, and location where the class meets. We reserve the right to not reply to any e-mail that does not meet these requirements and is not of a professional nature.</p>										
<p>Academic Integrity</p>	<p>Appalachian State University prides itself on its standards of academic excellence. In all matters of intellectual pursuit, Appalachian faculty and students must strive to achieve excellence based on the quality of work produced by the individual. In the classroom and in all other academic activities, students are expected to uphold the highest standards of academic integrity. Any form of scholastic dishonesty is an affront to the pursuit of knowledge and jeopardizes the quality of the degree awarded to all graduates of Appalachian. It is imperative, therefore, that the members of this academic community understand the regulations pertaining to academic integrity and that all faculty members insist on adherence to these standards. Any student who</p>										

	<p>commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts. Proven violations of the detailed regulations may result in sanctions ranging from disciplinary probation, to failing grade on the work in question, to a failing grade in the course, to suspension or dismissal, among others. Proven violations of the detailed regulations, as printed in the Handbook of Operating Procedures (HOP), and available in the Office of the Dean of Students, and the homepage of The Dean of Students (DOS) at www.utep.edu, may result in sanctions ranging from disciplinary probation, to failing grade on the work in question, to a failing grade in the course, to suspension or dismissal, among others.</p>
<p>Withdrawal from Class</p>	<p>The administration of this institution has set deadlines for withdrawal of any college-level courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. <u>It is the student's responsibility</u> to handle withdrawal requirements from any class. In other words, I cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled. I will NOT announce withdrawal deadlines or any other enrollment related dates.</p>
<p>Student Engagement</p>	<p>In its mission statement, Appalachian State University aims at "providing undergraduate students a rigorous liberal education that emphasizes transferable skills and preparation for professional careers" as well as "maintaining a faculty whose members serve as excellent teachers and scholarly mentors for their students." Such rigor means that the foremost activity of Appalachian students is an intense engagement with their courses. In practical terms, students should expect to spend two to three hours of studying for every hour of class time. Hence, a fifteen-hour academic load might reasonably require between 30 and 45 hours per week of out-of-class work.</p>