
FINANCE 470-101 (CRN 2381), FALL 2009
FINANCIAL POLICIES AND STRATEGIES
Classroom: CH 267, T 4:00-6:20

Dr. Dallas Brozik

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Office Hours: 3:00-4:00 M, 9:00-10:00 TR, 11:00-12:30 TR, or by appointment

Course Description: Financial planning, working capital management, capital budgeting, dividend policy, and comprehensive problems. (PR: FIN343, 3 credit hours)

Course Designation: This course meets the Marshall University Plan for Quality Undergraduate Education as a Capstone Course.

Learning Objectives: This is a capstone course which examines financial planning, working capital management, capital budgeting, dividend policy, and comprehensive problems. This course will be conducted in a case study format. All students will participate in case presentations and written analysis.

Policies: Policies concerning Prerequisites, Email, Academic Dishonesty, Computer Acceptable Use, Inclement Weather, and Students with Disabilities can be found at:
http://www.marshall.edu/lcob/dean/LCOB_Policies.pdf

Required Text: Robert Bruner, Case Studies in Finance, 6th edition, 2010.

WARNING: This is a senior level case course, and it will be taught as such. If you have a weak background in Finance, you are advised to complete other courses in Finance prior to taking this course. Should you come into this course unprepared, both your ego and your grade point could suffer damage. You are further advised that this course will require you to perform computerized financial analysis. You should already have mastered the use of a spreadsheet program, such as Excel or QuattroPro, and a word processing program, such as Word or WordPerfect. If you have not yet attained this level of computer literacy, you will have to learn it during the term on your own or with the help of your classmates.

Class Attendance: Mandatory. You will be in class. In this type of course you learn from the discussions of others as much or more than you learn from the cases for which you are personally responsible. A roll sheet will be circulated at the beginning of each class. For each two unexcused absences, your final grade be lowered one letter grade.

Exams: In a case course, your grade will be determined by your ability to analyze and present case material. You will participate in three presentations during the term. You also will be required to prepare three cases to be submitted in lieu of traditional classroom examinations.

Grading: Grades are assigned on an absolute basis, not a curve. However, since you will be working in teams, part of your grade will depend on how well your team works together. Even though you will be working in teams, no one will be allowed to ride the coattails of his or her teammates. You will do your fair share of the work, or your grade will suffer. When preparing individual hand-in cases, it is expected that you will work on your own. Any

indication of collusion or collaboration will be considered as "academic dishonesty" as defined in the University catalog, and sanctions will be imposed. The minimum sanction will be a score of zero for the hand-in case for all parties involved.

The grading scale is:	100-90	A
	89-80	B
	79-70	C
	69-60	D
	Below 60	F

The final grade will be calculated as follows:

Case Presentations (2 @ 15% each)	30%
Course Material Presentations (2 @ 15% each)	30%
Hand-in Cases (2 @ 10% each)	20%
Classroom Participation	10%
Final Exam Case	10%

Case Format: Twelve cases will be presented during the term. Everyone will be involved in each case presentation, albeit in different roles.

The Analyst Team: This group is responsible for presenting the case and making recommendations. This presentation should utilize spreadsheets, graphics, or anything else appropriate. It is expected that each member of the team will dress professionally for the presentation. Use of computer presentations packages like PowerPoint is permitted. A computer cart is available and can be reserved for this purpose.

The Board of Directors: The Board consists of anyone not on the Analyst Team and is responsible for asking questions of the team. Each member of the Board is required to prepare three typewritten questions about the case prior to the class presentation. These questions will be typed on a piece of paper and brought to class. During the case discussion, each Board member will write the answers to these questions on the paper brought to class and hand it in at the end of the period. These answers will constitute the Classroom Participation part of your grade.

The standard presentation will be as follows:

First half of class:

Analyst Team Presentation (20 Minutes)
Questions from the Board of Directors (20 Minutes)
Case Review by the Instructor (20 Minutes)

Second half of class:

Review of Relevant Theoretical Material by Student Team (20 minutes)
Review of Relevant Theoretical Material by Instructor

Each week the team that will be making the presentation the next week is responsible for preparing and delivering to the class a review of the financial concepts underlying their case analysis. This presentation will be conducted in a professional manner, and students not participating in the discussion will help determine the grade received.

After each case presentation, the team is required to turn in documentation relevant to the case. All documentation is due the class day after the presentation. While there are many formats for preparing the documentation, there are certain points that must be covered. Shown below is a skeleton of a format that indicates which areas must be addressed:

- I. INTRODUCTION
- II. BACKGROUND OF FIRM
- III. STATEMENT OF SITUATION
- IV. CONSTRAINTS ON SOLUTION
- V. HIDDEN JEWELS
- VI. POSSIBLE SOLUTIONS
- VII. RECOMMENDED SOLUTION

All documentation will be neatly prepared in good form. All material will be generated by a word processor. Any needed graphs should be prepared using available computer programs. Typographical errors, misspellings, and other grammatical errors will lower the grade received by all group members. Guidelines for writing papers have been posted at the web site <http://mupfc.marshall.edu/~brozik/guidelines.pdf>. You are advised to check out these rules since you will be held accountable for them. Failure to adhere to these guidelines could have a profoundly negative effect on your grade. No fooling.

PLAGIARISM: One of the ongoing battles in education today is that of plagiarism. The Internet provides so much information on so many topics, that it may be tempting to take some “cut-and-paste” shortcuts when preparing work for a class. It may even be that some professors permit that kind of “research”. Such work is not allowed in the College of Business and especially in this class. This is a capstone experience where you are supposed to demonstrate your personal analytical abilities, not merely your prowess with a mouse

Plagiarism is not allowed, and if it is detected the punishment will be severe. Whether you like it or not, each team member is responsible for all the work of the team. As a team member, it is your responsibility to assure that anything turned in with your name on it meets your personal standards. In this respect, you are your brother's/sister's keeper. You need to take sufficient time when preparing a paper. The time you spend will not only assure a lack of plagiarism, but you will also be able to find and correct other errors and thus improve your overall grade. Just so you understand.... **IF YOU PLAGIARIZE FROM ANY SOURCE OR DOWNLOAD ANY MATERIAL FROM THE WEB, YOU WILL RECEIVE A GRADE OF F FOR THE COURSE.**

SCHEDULE OF CASES

	Case Name (Page in Text)	REVIEW TOPICS	ANALYST TEAM
AUG 25	Review of Case Analysis Procedures		
SEP 01	The Body Shop International (119)	Spreadsheets	All
SEP 08	Ben & Jerry's Homemade (39)	Takeovers, Valuation, Defenses	1
SEP 15	Horniman Horticulture (137)	Financial Statement Analysis, Forecasting	2
SEP 22	Deutsche Brauerei (155)	Working Capital Management	3
SEP 29	Value Line Publishing (167)	Ratio Analysis, Breakeven Analysis	4
OCT 06	Teletech (217)	Weighted Average Cost of Capital	5
OCT 13	Worldwide Paper Company (259)	Discounted Cash Flow Analysis	6
	Euroland Foods S.A. (325) Individual Case Due		
OCT 20	Victoria Chemicals (A) (309)	Capital Budgeting	1
OCT 27	Gainesboro Machine Tools (347)	Dividend Policy	2
(Last day to drop an individual class, OCT 30)			
NOV 03	Deluxe Corporation (489)	Capital Structure	3
NOV 10	Baker Adhesives (531)	Foreign Exchange Hedging	4
NOV 17	Primus Automotive Division (545)	Lease Analysis	5
	Victoria Chemicals (B) (317) Group Case Due		
DEC 01	Flinders Valves and Controls (609)	Firm Valuation	6
(Last day to withdraw from all classes, DEC 08)			
FINAL EXAMINATION: TUESDAY, DEC 15, 2009, 4:00-6:00			