

**Goizueta Business School  
Emory University**

**Bus 320 (Corporate Finance)**

**Spring 2006**

Tue/Thur 10:00-11:15, 1:00-2:15, 2:30-3:45, Room 334

Professor T. Clifton Green  
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**Overview of the Course**

This course provides an introduction to finance. It addresses the theory and practice of financial management – the generation and allocation of financial resources. It has three major objectives:

1. To provide you with a foundation in the basic concepts of finance, including the time value of money, the role of financial markets, asset valuation, portfolio theory, asset pricing, and the risk-return tradeoff.
2. To develop your skills in financial analysis, planning, and decision-making.
3. To expand your awareness of institutions and practices in business and finance.

**Readings**

The required readings for this course are:

1. *Fundamentals of Corporate Finance*, Ross, Westerfield, Jordan, Seventh Edition, Irwin/McGraw-Hill Publishing.
2. Articles and notes handed out in class.

The following items are optional but highly recommended.

1. A subscription to the Wall Street Journal. Regular reading of the WSJ will increase your understanding of financial markets and the business world in general. WSJ articles will often form the basis of class discussions.  
You can obtain a student discount and subscribe at: <http://subscribe.wsj.com/semester>
2. A financial calculator. Most finance electives will require you to have one. Several good calculators by Hewlett-Packard and Texas Instruments are available. If you choose to get a financial calculator, you are responsible for learning how to use it.

## Office Hours

Wednesday 2:00-4:00

You don't need an appointment during office hours. If this time conflicts with your schedule, send me an email and suggest a couple of potential meeting times. You should have a 320 conference on your FirstClass email account. I post important messages, including lecture slides, to this conference. You can email questions to me or to the conference.

## Grading

Students will be evaluated based on the following scheme:

Quiz 1	22%
Quiz 2	22%
Quiz 3	22%
Final Exam	34%

The final exam will be comprehensive. **There will be no makeup tests.** If you miss a quiz and have a university accepted excuse (you must discuss your situation with the Assistant Dean of the BBA Program), the weight of that quiz will be added on to the cumulative final.

## TA Problem Sessions

There will be two problem sessions each week. The TAs will work problems and answer questions. The TAs are Kerri Aginsky, Matthew Devack, Matthew Gunter, and Paul Reda.

Day/Time	Room
Mondays 7:00-9:00	401 (April 17 <sup>th</sup> and 24 <sup>th</sup> in room 333)
Wednesdays 7:00-9:00	401

## Attendance Policy

I do not enforce an attendance policy. However, you are responsible for all material assigned and/or covered in class. The course involves subtle arguments and some fairly complicated problems. Thus, it is difficult to do well in the class without attending the lectures and problem sessions.

## Class Behavior

Food is **not** permitted in the classroom (drinks are allowed). Remember to silence your cell phones!

## The Daily Schedule

The schedule below is intended as a guide. It may be modified depending on the speed and comfort level of the class.

<b>Session</b>	<b>Date</b>	<b>Day</b>	<b>Topic</b>	<b>Book</b>
1	1/19	Thurs	Thurs Introduction to Finance	Chap 1
2	1/24	Tues	Financial Statements	Chap 2
3	1/26	Thurs	Ratio Analysis and applications	Chap 3
4	1/31	Tues	Pro Forma Statements	Chap 4
5	2/2	Thurs	Pro Forma Statements	
6	2/7	Tues	Pro Forma Statements	
	<b>2/9</b>	<b>Thurs</b>	<b>Quiz 1</b>	
7	2/14	Tues	Time Value of Money	Chap 5
8	2/16	Thurs	Time Value of Money	
9	2/21	Tues	Time Value of Money	Chap 6
10	2/23	Thurs	Time Value of Money	
11	2/28	Tues	Security Valuation: Bonds	Chap 7
	<b>3/2</b>	<b>Thurs</b>	<b>Quiz 2</b>	
12	3/7	Tues	Security Valuation: Stocks	Chap 8
13	3/9	Thurs	Security Valuation: Stocks	
	<b>3/14</b>	<b>Tues</b>	<b>Spring Break</b>	
	<b>3/16</b>	<b>Thurs</b>	<b>Spring Break</b>	
14	3/21	Tues	Portfolio Theory & Applications	Chap 13
15	3/23	Thurs	Portfolio Theory & Applications	
16	3/28	Tues	Portfolio Theory & Applications	
17	3/30	Thurs	Market Efficiency & History	Chap 12
18	4/4	Tues	Market Efficiency & History	
	<b>4/6</b>	<b>Thurs</b>	<b>Quiz 3</b>	
19	4/11	Tues	Capital Budgeting	Chap 9
20	4/13	Thurs	Capital Budgeting	Chap 10
21	4/18	Tues	Capital Budgeting	Chap 11
22	4/20	Thurs	The Cost of Capital	Chap 15
23	4/25	Tues	The Cost of Capital	
24	4/27	Thurs	Leverage and Capital Structure	Chap 17