Fordham University

Syllabus

Corporate Finance Policies
2018
Prof. Vincent Cannaliato

Tuesday/Wednesday/Thursday 6:00-9:00 PM
FNBU-3440 R21
Email: cannaliato@fordham.edu

Office hours: Before class and by appointment

**Required Text:** Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan,

Recommended: *Wall Street Journal* and other financial newspapers

-Financial Sites on the Web: [http://cnn.fn.com](http://cnn.fn.com)
  [http://www.cnbc.com](http://www.cnbc.com)
  [http://cbsmarketwatch.com](http://cbsmarketwatch.com)
  [http://www.bloomberg.com](http://www.bloomberg.com)

Requirements: The textbook is mandatory reading. You will be tested on material appearing in assigned chapters in this textbook, even though some of this material is not covered in the class. You will be also tested on material outside of the textbook that has been covered in class including assignment readings. There will be a midterm and a final exam. While the final exam is not cumulative, the material builds on itself as the course progresses. Ninety five percent of your course grade will be based on your exam grades (1/2 midterm, 1/2 final). I will consider class participation and homework assignments for five percent of your grade.

**Corporate Finance Policies:** The course covers the effective integration of financial theory and practice. It will explore the rapidly evolving theory of finance as it relates to a corporation’s investment in assets and finance. Financial analysis and reasoning will be applied to problems faced by management. Topics covered will include:

1. Merger and Acquisitions: Combining both the science and the art of a merger including, why some don’t make sense.
3. Project Finance: How do Corporations use this method to complete projects (Domestic & International.)
4. The art of negotiating: Business is a constant negotiation table and every manager is a participant! Both crucial variables (Power/information/time) and styles will be covered.

**Required Readings:** Fundamentals of Corporate Finance, 11th EDITION, Ross, Westerfield, Jordan

Stephen A. Ross, MASS INSTITUTE OF TECH
Randolph W Westerfield, University of Southern California
Bradford D Jordan, UNIV OF KENTUCKY-LEXINGTONHardcover,
Part One: Overview of Corporate Finance
Chapter 1: Introduction to Corporate Finance
Chapter 2: Financial Statements, Taxes, and Cash Flow

Part Two: Financial Statements and Long-Term Financial Planning
Chapter 3: Working with Financial Statements
Chapter 4: Long-Term Financial Planning and Growth

Part Three: Valuation of Future Cash Flows
Chapter 5: Introduction to Valuation: The Time Value of Money
Chapter 6: Discounted Cash Flow Valuation
Chapter 7: Interest Rates and Bond Valuation
Chapter 8: Stock Valuation

Part Four: Capital Budgeting
Chapter 9: Net Present Value and Other Investment Criteria
Chapter 10: Making Capital Investment Decisions
Chapter 11: Project Analysis and Evaluation

Part Five: Risk and Return
Chapter 12: Some Lessons from Capital Market History
Chapter 13: Return, Risk, and the Security Market Line

Part Six: Cost of Capital and Long-Term Financial Policy
Chapter 14: Cost of Capital
Chapter 15: Raising Capital
Chapter 16: Financial Leverage and Capital Structure Policy
Chapter 17: Dividends and Payout Policy

Part Seven: Short-Term Financial Planning and Management
Chapter 18: Short-Term Finance and Planning
Chapter 19: Cash and Liquidity Management
Chapter 20: Credit and Inventory Management

Part Eight: Topics in Corporate Finance
Chapter 21: International Corporate Finance
Chapter 22: Behavioral Finance: Implications for Financial Management
Chapter 23: Risk Management: An Introduction to Financial Engineering
Chapter 24: Options and Corporate Finance
Chapter 25: Option Valuation
Chapter 26: Mergers and Acquisitions
Chapter 27: Leasing

plus
The art of negotiating:

To be assigned

The three variables and styles will be covered