University of Wisconsin Oshkosh  
College of Business Administration  

Advanced Financial Management 433  
Fall 2011

Professor: Bruce Niendorf  
Office Location: Sage 1477  
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General Information  
This is an advanced course in financial management, therefore, much of the responsibility for a successful course rests with you. You are expected to be prepared to contribute to class every period and thereby realize the greatest benefit from the course.

Course Materials  
Harvard Business Cases, I'll send you an email with the link and list of cases for ordering.  

Evaluation of Your Performance  
The grade earned in this course will be based upon the following criteria:  

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>In-Class Problems (4 total, drop 1, 5% each)</td>
<td>15%</td>
</tr>
<tr>
<td>Analysis Summary</td>
<td>10%</td>
</tr>
<tr>
<td>Written Case</td>
<td>20%</td>
</tr>
<tr>
<td>Exams (2 total, 20% each)</td>
<td>40%*</td>
</tr>
<tr>
<td>Class Participation</td>
<td>15%</td>
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</tbody>
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* see Bonus section on page 3

In-Class Problems  
Material covered in each problem session will be drawn from assigned readings in the text, any other reading material assigned in class, and any material covered or discussed in class. Each problem session date will be announced in class at least one week in advance. There will be four problem sessions and your lowest score will be dropped. There will be no make-up sessions and a missed session is a failed session.

Analysis Summary  
You are required to write a one-page double-spaced executive summary of your analysis and your answer to the key question identified in the Course Schedule for the Analysis Summaries. The due date is identified in the Schedule. Grades are based on thoroughness of analysis and clarity of writing.

Written Case  
You will be required to write a complete solution for one case. The due date is identified in the Schedule. Although several methods of organizing your write-up are acceptable, you may find
the following approach to be useful. This approach involves dividing your write-up into four parts as follows:

1. **Statement of the problem.** Most cases have a primary problem. This should be determined and stated in a short concise manner. In addition, the case may have secondary problems that should be listed. This doesn’t mean just repeating word for word a sizable portion of the written case; you may assume your reader has read the case.

2. **Alternative solutions to the problem.** There will always be a number of solutions to any given problem. In this section, you should briefly state the possible solutions to the main problem you previously identified. You are encouraged to list a variety of solutions even though some of them may not be highly viable in this particular situation. Remember, there is no need to restrict yourself to the limited options that may have been presented in the case.

3. **Evaluation of alternatives.** Now that you have presented the alternatives, you will be in a position to evaluate their relative merits. Some alternatives can be handled with a relatively short evaluation, while others may require considerably more coverage. The analysis of each alternative should be based on details presented in the case, as well as other materials you may have available.

4. **Additional information.** If you were making this decision in real life, what specific additional information would you want? How would you use it? How much would it improve the quality of your decision? How costly in terms of time and money would it be to get the information? How could you determine whether the information would be worthwhile before you went to the expense of getting it?

Case write-ups must be typed and in formal report form, with correct spelling, proper sentence construction, use of headings, etc. Papers may be a maximum of three double-spaced pages, not including data presented at the end of the paper for substantiation of points, which are made in the text portion of the paper. Written cases are to be handed in at the start of the class session; thus you may want to make a copy for your use during class discussion. You are also required to submit a digital copy of your paper via the dropbox in D2L.

Written cases will be graded as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement of problem</td>
<td>20%</td>
</tr>
<tr>
<td>Analysis, solution, implementation</td>
<td>60%</td>
</tr>
<tr>
<td>Organization, grammar, spelling, etc.</td>
<td>20%</td>
</tr>
</tbody>
</table>

Late papers, if accepted, will receive a minimum of ten point reduction in score. Illegible or incomplete papers are not acceptable. Extremely late or missing papers will be assigned a failing grade. If you must miss a written-case session, your written case must be postmarked, faxed or emailed by the day BEFORE the class date missed.

**Exams**

There will be two exams during the semester. Exam dates are listed in the Schedule. Material covered on each exam will be drawn from assigned readings in the text, class discussions of cases or current business topics, and any other material assigned or used in class. Because exams will be given during the regular class periods, no scheduling conflicts should arise. There will be no make-up exams given; thus a missed exam is a failed exam.
Bonus
In addition to earning exam points on the two exams, you may also earn bonus points to be added to your exam scores by creating an analogy that demonstrates one or more of the finance principles we’ll discuss in class. Presenting an analogy presentation will earn you between 0 and 7 percentage points to be added to your exam score. The number of points awarded will be based on the clarity with which your analogy demonstrates the intended finance principles and the insight it provides into those principles. Contact me to discuss your presentation, which is intended to be informal and less than 5 minutes in length. You are required to provide a one page written, sketched, drawn, photographed, or finger-painted description of your analogy. All analogy presentations must be made before the final week of class.

Class Participation
You are expected to be prepared to contribute to the class every period and thereby realize the greatest benefit from the course. I will take attendance and call on students to answer questions in class regularly.

Problems and Questions
Assigned problems and questions will be used in this course as a basis for discussion to illustrate important points in the chapter and to demonstrate the application of financial analysis in the decision making process. I will recommend specific problems for each chapter as we proceed through the semester. It is essential that you come to class prepared with as complete and viable solutions to the problems as you can in order to obtain full benefit from our class discussions.

Contact With Me
As we proceed through the course, you may have questions about some of the assigned course material. If you don't understand the material after it has been covered in class, I encourage you to contact me during my office hours as these questions arise. Should my office hours not be convenient for you, we can arrange to meet or talk at another mutually convenient time. I can also be reached via email, (niendorf@uwosh.edu) to answer short questions concerning course material or administrative questions.

Other (unpleasant)
Incompletes are not given for failing grades; please refer to the 2011-2012 Undergraduate Bulletin for the conditions under which an incomplete may be given. This course will follow requirements for academic integrity specified in the UW Oshkosh Student Discipline Code 2011-2012. Students who fail to follow these requirements will receive a failing grade for this class. This syllabus is subject to change during the semester.
Schedule
A detailed daily schedule (which may be modified as the semester progresses) is available on D2L

Topic: Introduction
Text: Chapter 1

Topic: Bond Valuation and Long-Term Debt Financing
Text: Chapter 4, also pp. 650-657
Case: Bay Area Telephone

Topic: Stock Valuation Common Stock Financing
Text: Chapter 5
Case: Art Deco

Case: Valuation and Discounted Cash Flows, Harvard Business Case #291028

Topic: Lease Financing
Text: Chapter 19
Case: Hong Kong Dragon Airlines (B): Lease vs. Buy Decision, Harvard Business Case #HKU884, Analysis Summary key question: under what conditions (including engine price range) would you choose to buy rather than lease? Identify your assumptions and concerns. Provide all the information necessary to make an informed decision. One-page (not including any attachments) double-spaced. (due Thursday, October 20)

EXAM (Tuesday, October 25, in class)

Topic: Capital Budgeting
Text: Chapter 12

Topic: Cash Flow Estimation
Text: Chapter 13
Case: Pressco, Inc. (1985), Harvard Business Case #292085

Case: Indian River Citrus (written paper due Thursday, November 17)

Topic: Capital Structure
Text: Chapter 15
Case: Mountain Springs

Topic: Bankruptcy, Reorganization, and Liquidation
Text: Chapter 25
Case: To be announced

Topic: special topic(s) as time permits

EXAM (Tuesday, December 13, in class)