



FIN 286

Valuations

Fall 2014

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Course Objective:

This course is designed to help students better understand various issues regarding business valuation, equity valuation, and option valuation by providing opportunities to learn practical tools and methods to value a broad range of assets based on generally accepted finance theories. Students are expected to take core MBA classes on accounting, statistics, and finance before taking this course.

Prerequisites

Financial Management and Statistics are required.

Required Materials

- 1) *Various materials available on Canvas including class notes*
- 2) *Cases available at the copy center on the third floor of GSB*
- 3) Valuation: The Art & Science of Corporate Investment Decisions (2nd Edition) by Sheridan Titman and John Martin (Prentice Hall, 2010), ISBN 0136117015

Recommended Materials

- 1) Corporate Finance (3rd Edition) by Jonathan Berk and Peter DeMarzo (Prentice Hall, 2013)
- 2) Investment Valuation (3rd Edition) by Aswath Damodaran (Wiley, 2012) (<http://www.wiley.com/WileyCDA/WileyTitle/productCd-1118130731.html>)
- 3) Valuation: Measuring and Managing the Value of Companies by Tim Koller, Marc Goedhart and David Wessles (McKinsey & Company, 2010) (http://as.wiley.com/WileyCDA/WileyTitle/productCd-0470424656_descCd-buy.html)

Reading

Students are expected to read assigned materials **before** coming to each class.

Contact Information

Anyone is welcome to stop by my office during my office hours to discuss any class related issues. I strongly encourage students to contact me even outside my regular office hours whenever a more clear explanation for a covered topic is necessary. The best way to communicate is through email but an alternative arrangement can be made once an email is received with a clear indication.

Grading Policy: The grade will be based on the following:

	<u>Date of examination</u>	<u>Contribution to the final grade</u>
Exam	TBD	50 %
3 Cases (Group)		25 %
Final group project (Group)		15 %
Attendance and participation		10 %

Grades will be based on the following target grade distribution recommended by the Texas MBA course, with approximately:

A	(4.00)	25%
A-	(3.67)	20%
B+	(3.33)	15%
B	(3.00)	35%
B-	(2.67) or below	5%

C’s, D’s and F’s will be awarded where deserved. Actual distribution will be determined based on natural breaks in the distribution.

Exams

Exam is a closed-book exam but students are allowed to bring a letter size paper with any relevant **hand-written** notes you might want to reference in **one side** of the paper. Copies of lecture notes or typed notes are **NOT** allowed. Students who violate this rule will receive only **50%** of exam scores.

Group Works

Everyone will be assigned to a group of less than five. Each group is responsible for the submission of a group report for each case and assignment and the final group report as well as the presentation of the final group report.

Case Assignments

Everyone will be asked to join a group of 4 (or less depending on the size of the class) students on the first day of the class. Each group is responsible for submissions of three case analyses and presentations of those analyses during class hours. Case analyses will require students to answer questions on Harvard and Darden cases. The report should be no longer than **10** pages (double spacing with at least 10 pts) including all exhibits (Excel add-ins). The summaries are due on the day when a new case is discussed. You have to submit a **hard copy** in addition to sending me the file via Canvas. **The executive summaries are not accepted after the due time which is 11:59 p.m.** on the due date. **Groups submitting an assignment after a due time will receive a partial or zero score depending on the time submitted.** For a late submission, 20% of the score will be deducted for each one-hour-bracket after 11:59 p.m. For example, if an assignment is submitted at 2:10 a.m., then 60% (= 20% × 3) of the score will be deducted from the graded score (i.e., if the score without a penalty is 90, then the final score will be 36(= (1 - 60%) × 90)). This means that **a case submitted after 5:00 1.m. of the day after a due date will receive a zero score.** When you submit the assignment via Canvas, please use the following rule for the attachment: File name should be in the following format: **“Group#_Case#”** (for example, for the group, “1”, and for the case 1, **“Group1_Case1”**). You also have to **bring a hard copy of the assignment to the classroom** and hand it over to me at the beginning of the class on the day after

the due date. Each group should also prepare for presentation materials and is required to present when asked to do so during class hours. For each case, most groups with adequate work and good presentations will get 8 points out of 10. Groups with exceptionally well done case analyses and good presentations will receive 10 points and groups with poorly done case analyses will receive 5 points. Exceptionally poorly prepared case analyses will receive 0 points. Groups with poor presentation will receive at least 3 points less than the above mentioned points.

Final Group Report

Each group is responsible for choosing a real M&A valuation case and writing a case similar to Harvard or Darden cases together with thorough analyses of the chosen case. The analyses should include some basic valuation analyses as well as others such as stock price movements on the announcement dates and their implications toward valuations. The report should be no longer than **20** pages (double spacing with at least 10 pts) including all exhibits. Most groups with adequate preparation of the case will get 8 points out of 10 points. Groups with very thorough analyses and creative ideas will get 10 points. Groups with poor preparations will get below 5 points. Each group should notify me of the chosen case through an email by **Nov. 2**. The due date for the submission of the report is **December 2 (again by 11:59 p.m. and the same penalty rule as for case assignments will be applied for late submissions)**. When you submit the final report via Canvas, please use the following rule for the attachment: File name should be in the following format: **“Group#_FP”** (for example, for the group, “1”, **“Group1_FP”**). You also have to **bring a hard copy of the assignment** to the classroom and submit it at the beginning of the class on **Dec. 3**.

Participation & Attendance

Most students with regular participation and attendance will get 8 points out of 10. Students with very active participation and perfect attendance will get 10 points. Students with no participation or many absences will get 2 point.

Group Management

Once a group is formed, then students are not allowed to move to a different group unless I approves it after confirming that everyone involved agrees. **I strongly encourage each group to include at least one whose native language is not English so that all benefit from the diverse background of students taking this class.** Each member of a group is expected to motivate others to participate equally. If any member of a group is shirking his or her duties, please bring that to my attention as early as possible. I will try to work with the group to solve the problem. To discourage someone from shirking, **a peer evaluation** will be done at the end of the semester to identify those who are obviously free-riding. Those who receive the worst evaluation (1 out of 5) from all other members will get zero scores for all group assignments. Those who receive the worst evaluation from the majority of group members will receive **70%** of the scores of all group assignments.

McCombs Classroom Professionalism Policy

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the Texas MBA/MPA experience hinges on this. You should treat the Texas MBA/MPA classroom as you would a corporate boardroom. Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects.

The Texas MBA/MPA classroom experience is enhanced when:

- **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions.
- **Students display their name cards.** This permits fellow students and faculty to learn names, enhancing opportunities for community building and evaluation of in-class contributions.
- **Students are fully prepared for each class.** Much of the learning in the Texas MBA program takes place during classroom discussions. When students are not prepared, they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.
- **Students respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.
- **Students do not confuse the classroom for the cafeteria.** The classroom (boardroom) is not the place to eat your breakfast tacos, wraps, sweet potato fries, or otherwise set up for a picnic. Please plan accordingly. Recognizing that back-to-back classes sometimes take place over the lunch hour, energy bars and similar snacks are permitted. Please be respectful of your fellow students and faculty in your choices.
- **Students minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.
- **Students attend the class section to which they are registered.** Learning is enhanced when class sizes are optimized. Limits are set to ensure a quality experience. When section hopping takes place some classes become too large and it becomes difficult to contribute. When they are too small, the breadth of experience and opinion suffers.
- **Technology is used to enhance the class experience.** When students are surfing the web, responding to e-mail, instant messaging each other, and otherwise not devoting their full attention to the topic at hand they are doing themselves and their peers a major disservice. Those around them face additional distraction. Fellow students cannot benefit from the insights of the students who are not engaged. Faculty office hours are spent going over class material with students who chose not to pay attention, rather than truly adding value by helping students who want a better understanding of the material or want to explore the issues in more depth. Students with real needs may not be able to obtain adequate help if faculty time is spent repeating what was said in class. There are often cases where learning is enhanced by the use of technology in class. Faculty will let you know when it is appropriate.
- **Phones and wireless devices are turned off.** We've all heard the annoying ringing in the middle of a meeting. Not only is it not professional, it cuts off the flow of discussion when the search for the offender begins. When a true need to communicate with someone outside of class exists (e.g., for some medical need) please inform the professor prior to class.

Academic Dishonesty

I have no tolerance for acts of academic dishonesty. Such acts damage the reputation of the school and the degree and demean the honest efforts of the majority of students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam. The responsibilities for both students and faculty with regard to the Honor System are described on the final pages of this syllabus. As the instructor for this course, I agree to observe all the faculty responsibilities described therein. As a Texas MBA/MPA student, you agree to observe all of the student responsibilities of the Honor Code. If the application of the Honor System to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification.

Students with Disabilities

Upon request, the University of Texas at Austin provides appropriate academic accommodations for qualified students with disabilities. Services for Students with Disabilities (SSD) is housed in the Office of the Dean of Students, located on the fourth floor of the Student Services Building. Information on how to register, downloadable forms, including guidelines for documentation, accommodation request letters, and releases of information are available online at <http://deanofstudents.utexas.edu/ssd/index.php>. Please do not hesitate to contact SSD at (512) 471-6259, VP: (512) 232-2937 or via e-mail if you have any questions.

Course Schedule

The following summarizes topics and articles to be covered in each class during the semester. Both topics and articles to be covered are subject to change. Any changes made will be posted on the class web site. Class discussion of articles will focus on key hypotheses/theories, methodologies and results in tables and figures from each article. Here, BD stands for Corporate Finance by Berk and DeMarzo, D stands for Damodaran on Valuation by Damodaran and KGW stands for Valuation: Measuring and Managing the Value of Companies by Koller, Goedhart and Wessles. Both topics and articles to be covered are **subject to change**. Any changes made will be posted on the class web site.

Date (Class)	Topic	Due Date
10/13 (1)	Introduction to valuation and value drivers TM 1 & 2; D 1 & 2; BD 4, 5 & 6; KGW 1, 2 & 6	
10/15 (2)	Discounted cash flow approach TM 2 & 9; D 2, 13 & 14; BD 7, 8 & 9; KGW 6	
10/20	No Class	
10/22 (3)	Estimation of Discount rates CAPM, FF 3-Factor Model, Levered Beta TM 4&5; D 7 & 8; BD 12 & 19; KGW 11	
10/27 (4)	Estimation of Discount rates (continue) Harvard Case: Coopers Industries TM 4&5; D 7 & 8; BD 12 & 19; KGW 11	Case 1 Due (10/26)
10/29 (5)	Estimating Future Cash flows TM 2, 6&7; D 3, 9, 10 & 11; BD 8 ; KGW 7	
11/3 (6)	Estimating Future Cash flows (continue) Relative valuation models TM 6, 7 & 8; D 9, 10, 11 & 17-19; BD 8 & 19; KGW 7 & 14	Final Group Project Target Case Notification (11/2)

11/5 (7)	Relative valuation models (continue) Sensitivity and Scenario Analyses TM 3 & 9; D 3 & 4; BD 8 & 19; KGW 13	
11/10 (8)	Sensitivity and Scenario Analyses (continue) Darden Case: TRX IPO TM 3 & 9; D 3 & 4; BD 8 & 19; KGW 13	Case 2 Due (11/9)
11/12 (9)	Alternative valuation approaches TM 7 & 9; D 3 & 4; BD 18; KGW 6	
11/17 (10)	Valuations in M&A and Private Equity Transactions TM 9 & 10; D 25; BD 29; KGW 21	
11/19 (11)	Valuations in M&A and Private Equity Transactions (continue) Harvard Case (Seagate Technology Buyout) TM 9& 10; D 25; BD 29; KGW 21	Case 3 Due (11/18)
11/24 (12)	Forward, Futures, Options and Binomial Option Pricing Model TM 11; D 5; BD 20 & 21	
11/26	No Class	
12/1 (13)	Binomial and Black Scholes Option Pricing Models and Application to Corporate Finance TM 11 & 12; D 5 & 27; BD 20 & 21	Final Group Project Due (12/2)
12/3 (14)	Real Options TM 12; D 27, 28 & 29; BD 21 & 22; KGW 32	
TBD	Final Exam (Dec. 8, From 9:00 a.m. – 12:00 p.m.)	

Honor Code Purpose

Academic honor, trust and integrity are fundamental to The University of Texas at Austin McCombs School of Business community. They contribute directly to the quality of your education and reach far beyond the campus to your overall standing within the business community. The University of Texas at Austin McCombs School of Business Honor System promotes academic honor, trust and integrity throughout the Graduate School of Business. The Honor System relies upon The University of Texas Student Standards of Conduct (Chapter 11 of the Institutional Rules on Student Service and Activities) for enforcement, but promotes ideals that are higher than merely enforceable standards. Every student is responsible for understanding and abiding by the provisions of the Honor System and the University of Texas Student Standards of Conduct. The University expects all students to obey the law, show respect for other members of the university community, perform contractual obligations, maintain absolute integrity and the highest standard of individual honor in scholastic work, and observe the highest standards of conduct. Ignorance of the Honor System or The University of Texas Student Standards of Conduct is not an acceptable excuse for violations under any circumstances.

The effectiveness of the Honor System results solely from the wholehearted and uncompromising support of each member of the McCombs School of Business community. Each member must abide by the Honor System and must be intolerant of any violations. The system is only as effective as you make it.

Faculty Involvement in the Honor System

The University of Texas at Austin McCombs School of Business Faculty's commitment to the Honor System is critical to its success. It is imperative that faculty make their expectations clear to all students. They must also respond to accusations of cheating or other misconduct by students in a timely, discrete and fair manner. We urge faculty members to promote awareness of the importance of integrity through in-class discussions and assignments throughout the semester.

Expectations Under the Honor System

Standards

If a student is uncertain about the standards of conduct in a particular setting, he or she should ask the relevant faculty member for clarification to ensure his or her conduct falls within the expected scope of honor, trust and integrity as promoted by the Honor System. This applies to all tests, papers and group and individual work. Questions about appropriate behavior during the job search should be addressed to a professional member of the Career Management Office. Below are some of the specific examples of violations of the Honor System.

Lying

Lying is any deliberate attempt to deceive another by stating an untruth, or by any direct form of communication to include the telling of a partial truth. Lying includes the use or omission of any information with the intent to deceive or mislead. Examples of lying include, but are not limited to, providing a false excuse for why a test was missed or presenting false information to a recruiter.

Stealing

Stealing is wrongfully taking, obtaining, withholding, defacing or destroying any person's money, personal property, article or service, under any circumstances. Examples of stealing include, but are not limited to,

removing course material from the library or hiding it from others, removing material from another person's mail folder, securing for one's self unattended items such as calculators, books, book bags or other personal property. Another form of stealing is the duplication of copyrighted material beyond the reasonable bounds of "fair use." Defacing (e.g., "marking up" or highlighting) library books is also considered stealing, because, through a willful act, the value of another's property is decreased. (See the appendix for a detailed explanation of "fair use.")

Cheating

Cheating is wrongfully and unfairly acting out of self-interest for personal gain by seeking or accepting an unauthorized advantage over one's peers. Examples include, but are not limited to, obtaining questions or answers to tests or quizzes, and getting assistance on case write-ups or other projects beyond what is authorized by the assigning instructor. It is also cheating to accept the benefit(s) of another person's theft(s) even if not actively sought. For instance, if one continues to be attentive to an overhead conversation about a test or case write-up even if initial exposure to such information was accidental and beyond the control of the student in question, one is also cheating. If a student overhears a conversation or any information that any faculty member might reasonably wish to withhold from the student, the student should inform the faculty member(s) of the information and circumstance under which it was overheard.

Actions Required for Responding to Suspected and Known Violations

As stated, everyone must abide by the Honor System and be intolerant of violations. If you suspect a violation has occurred, you should first speak to the suspected violator in an attempt to determine if an infraction has taken place. If, after doing so, you still believe that a violation has occurred, you must tell the suspected violator that he or she must report himself or herself to the course professor or Associate Dean of the McCombs School of Business. If the individual fails to report himself or herself within 48 hours, it then becomes your obligation to report the infraction to the course professor or the Associate Dean of the McCombs School of Business. Remember that although you are not required by regulation to take any action, our Honor System is only as effective as you make it. If you remain silent when you suspect or know of a violation, you are approving of such dishonorable conduct as the community standard. You are thereby precipitating a repetition of such violations.

The Honor Pledge

The University of Texas at Austin McCombs School of Business requires each enrolled student to adopt the Honor System. The Honor Pledge best describes the conduct promoted by the Honor System. It is as follows:

"I affirm that I belong to the honorable community of The University of Texas at Austin Graduate School of Business. I will not lie, cheat or steal, nor will I tolerate those who do."

"I pledge my full support to the Honor System. I agree to be bound at all times by the Honor System and understand that any violation may result in my dismissal from the McCombs School of Business."

The following pages provide specific guidance about the Standard of Academic Integrity at the University of Texas at Austin. Please read it carefully and feel free to ask me any questions you might have.

Excerpts from the University of Texas at Austin Office of the Dean of Students website
(http://deanofstudents.utexas.edu/sjs/acint_student.php)

The Standard of Academic Integrity

A fundamental principle for any educational institution, academic integrity is highly valued and seriously regarded at The University of Texas at Austin, as emphasized in the standards of conduct. More specifically, you and other students are expected to "maintain absolute integrity and a high standard of individual honor in scholastic work" undertaken at the University ([Sec. 11-801, *Institutional Rules on Student Services and Activities*](#)). This is a very basic expectation that is further reinforced by the University's [Honor Code](#). At a minimum, you should complete any assignments, exams, and other scholastic endeavors with the utmost honesty, which requires you to:

- acknowledge the contributions of other sources to your scholastic efforts;
- complete your assignments independently unless expressly authorized to seek or obtain assistance in preparing them;
- follow instructions for assignments and exams, and observe the standards of your academic discipline; and
- avoid engaging in any form of academic dishonesty on behalf of yourself or another student.

For the official policies on academic integrity and scholastic dishonesty, please refer to [Chapter 11](#) of the *Institutional Rules on Student Services and Activities*.

What is Scholastic Dishonesty?

In promoting a high standard of academic integrity, the University broadly defines scholastic dishonesty—basically, all conduct that violates this standard, including *any act designed to give an unfair or undeserved academic advantage*, such as:

- Cheating
- Plagiarism
- Unauthorized Collaboration
- Collusion
- Falsifying Academic Records
- Misrepresenting Facts (e.g., providing false information to postpone an exam, obtain an extended deadline for an assignment, or even gain an unearned financial benefit)
- Any other acts (or attempted acts) that violate the basic standard of academic integrity (e.g., multiple submissions—submitting essentially the same written assignment for two courses without authorization to do so)

Several types of scholastic dishonesty—[unauthorized collaboration](#), [plagiarism](#), and [multiple submissions](#)—are discussed in more detail on this Web site to correct common misperceptions about these particular offenses and suggest ways to avoid committing them.

For the University's official definition of scholastic dishonesty, see [Section 11-802, *Institutional Rules on Student Services and Activities*](#).

Unauthorized Collaboration

If you work with another person on an assignment for credit *without the instructor's permission to do so*, you are engaging in unauthorized collaboration.

- This common form of academic dishonesty can occur with all types of scholastic work—papers, homework, tests (take-home or in-class), lab reports, computer programming projects, or any other assignments to be submitted for credit.
- For the University's official definitions of unauthorized collaboration and the related offense of collusion, see Sections [11-802\(c\)\(6\)](#) & [11-802\(e\)](#), *Institutional Rules on Student Services and Activities*.

Some students mistakenly assume that they can work together on an assignment as long as the instructor has not expressly prohibited collaborative efforts.

- Actually, students are expected to complete assignments independently unless the course instructor indicates otherwise. So working together on assignments is *not* permitted unless the instructor specifically approves of any such collaboration.

Unfortunately, students who engage in unauthorized collaboration tend to justify doing so through various rationalizations. For example, some argue that they contributed to the work, and others maintain that working together on an assignment "helped them learn better."

- The instructor—not the student—determines the purpose of a particular assignment *and* the acceptable method for completing it. Unless working together on an assignment has been specifically authorized, always assume it is not allowed.
- Many educators do value group assignments and other collaborative efforts, recognizing their potential for developing and enhancing specific learning skills. And course requirements in some classes do consist primarily of group assignments. But the expectation of individual work is the prevailing norm in many classes, consistent with the presumption of original work that remains a fundamental tenet of scholarship in the American educational system.

Some students incorrectly assume that the degree of any permissible collaboration is basically the same for all classes.

- The extent of any permissible collaboration can vary widely from one class to the next, even from one project to the next within the same class.
- Be sure to distinguish between collaboration that is authorized for a particular assignment *and* unauthorized collaboration that is undertaken for the sake of expedience or convenience to benefit you and/or another student. By failing to make this key distinction, you are much more likely to engage in unauthorized collaboration. To avoid any such outcome, always seek clarification from the instructor.

Unauthorized collaboration can also occur in conjunction with group projects.

- How so? If the degree or type of collaboration exceeds the parameters expressly approved by the instructor. An instructor may allow (or even expect) students to work together on one stage of a group project but require independent work on other phases. Any such distinctions should be strictly observed.

Providing another student unauthorized assistance on an assignment is also a violation, even without the prospect of benefiting yourself.

- If an instructor did not authorize students to work together on a particular assignment *and* you help a student complete that assignment, you are providing unauthorized assistance and, in effect, facilitating an act of academic dishonesty. Equally important, you can be held accountable for doing so.
- For similar reasons, you should not allow another student access to your drafted or completed assignments unless the instructor has permitted those materials to be shared in that manner.

Plagiarism

Plagiarism is another serious violation of academic integrity. In simplest terms, this occurs if you represent as *your own work* any material that was obtained from another source, regardless how or where you acquired it.

- Plagiarism can occur with *all* types of media—scholarly or non-academic, published or unpublished—written publications, Internet sources, oral presentations, illustrations, computer code, scientific data or analyses, music, art, and other forms of expression. (See [Section 11-802\(d\)](#) of the *Institutional Rules on Student Services and Activities* for the University's official definition of plagiarism.)
- Borrowed material from written works can include entire papers, one or more paragraphs, single phrases, or any other excerpts from a variety of sources such as books, journal articles, magazines, downloaded Internet documents, purchased papers from commercial writing services, papers obtained from other students (including homework assignments), etc.
- As a general rule, the use of any borrowed material results in plagiarism if the original source is not properly acknowledged. So you can be held accountable for plagiarizing material in either a final submission of an assignment *or* a draft that is being submitted to an instructor for review, comments, and/or approval.

Using *verbatim* material (e.g., exact words) without proper attribution (or credit) constitutes the most blatant form of plagiarism. However, other types of material can be plagiarized as well, such as *ideas* drawn from an original source or even its *structure* (e.g., sentence construction or line of argument).

- Improper or insufficient paraphrasing often accounts for this type of plagiarism. (See additional information on [paraphrasing](#).)

Plagiarism can be committed intentionally *or* unintentionally.

- Strictly speaking, any use of material from another source without proper attribution constitutes plagiarism, regardless why that occurred, and any such conduct violates accepted standards of academic integrity.
- Some students deliberately plagiarize, often rationalizing this misconduct with a variety of excuses: falling behind and succumbing to the pressures of meeting deadlines; feeling overworked and wishing to reduce their workloads; compensating for actual (or perceived) academic or language deficiencies; and/or justifying plagiarism on other grounds.
- But some students commit plagiarism without intending to do so, often stumbling into negligent plagiarism as a result of sloppy notetaking, insufficient paraphrasing, and/or ineffective proofreading. Those problems, however, neither justify nor excuse this breach of academic standards. By misunderstanding the meaning of plagiarism and/or failing to cite sources accurately, you are much more likely to commit this violation. Avoiding that outcome requires, at a minimum, a clear understanding of plagiarism *and* the appropriate techniques for scholarly attribution. (See related information on [paraphrasing](#); [notetaking and proofreading](#); and [acknowledging and citing sources](#).)

By merely changing a few words or rearranging several words or sentences, you are *not* paraphrasing. Making minor revisions to borrowed text amounts to plagiarism.

- Even if properly cited, a "paraphrase" that is too similar to the original source's wording and/or structure is, in fact, plagiarized. (See additional information on [paraphrasing](#).)

Remember, your instructors should be able to clearly identify which materials (e.g., words and ideas) are your own *and* which originated with other sources.

- That cannot be accomplished without proper attribution. You must give credit where it is due, acknowledging the sources of any borrowed passages, ideas, or other types of materials, and enclosing any verbatim excerpts with quotation marks (using block indentation for longer passages).

Plagiarism & Unauthorized Collaboration

[Plagiarism](#) and [unauthorized collaboration](#) are often committed jointly.

By submitting *as your own work* any unattributed material that you obtained from other sources (including the contributions of another student who assisted you in preparing a homework assignment), you have committed plagiarism. And if the instructor did not authorize students to work together on the assignment, you have also engaged in unauthorized collaboration. Both violations contribute to the same fundamental deception—representing material obtained from another source as your own work.

Group efforts that extend beyond the limits approved by an instructor frequently involve plagiarism in addition to unauthorized collaboration. For example, an instructor may allow students to work together while researching a subject, but require each student to write a separate report. If the students collaborate while writing their reports *and* then submit the products of those joint efforts as individual works, they are guilty of unauthorized collaboration as well as plagiarism. In other words, the students collaborated on the written assignment without authorization to do so, and also failed to acknowledge the other students' contributions to their own individual reports.

Multiple Submissions

Submitting the same paper (or other type of assignment) for two courses *without prior approval* represents another form of academic dishonesty.

You may not submit a substantially similar paper or project for credit in two (or more) courses unless expressly authorized to do so by your instructor(s). (See [Section 11-802\(b\)](#) of the *Institutional Rules on Student Services and Activities* for the University's official definition of scholastic dishonesty.)

You may, however, re-work or supplement previous work on a topic with the instructor's approval.

Some students mistakenly assume that they are entitled to submit the same paper (or other assignment) for two (or more) classes simply because they authored the original work.

Unfortunately, students with this viewpoint tend to overlook the relevant ethical and academic issues, focusing instead on their own "authorship" of the original material and personal interest in receiving essentially double credit for a single effort.

Unauthorized multiple submissions are inherently deceptive. After all, an instructor reasonably assumes that any completed assignments being submitted for credit were actually prepared for that course. Mindful of that assumption, students who "recycle" their own papers from one course to another make an effort to convey that impression. For instance, a student may revise the original title page or imply through some other means that he or she wrote the paper for that particular course, sometimes to the extent of discussing a "proposed" paper topic with the instructor or presenting a "draft" of the paper before submitting the "recycled" work for credit.

The issue of plagiarism is also relevant. If, for example, you previously prepared a paper for one course and then submit it for credit in another course without citing the initial work, you are committing plagiarism—essentially "self-plagiarism"—the term used by some institutions. Recall the broad scope of [plagiarism](#): all types of materials can be plagiarized, including unpublished works, even papers you previously wrote.

Another problem concerns the resulting "unfair academic advantage" that is specifically referenced in the University's definition of scholastic dishonesty. If you submit a paper for one course that you prepared and submitted for another class, you are simply better situated to devote more time and energy toward fulfilling other requirements for the subsequent course than would be available to classmates who are completing all course requirements during that semester. In effect, you would be gaining an unfair academic advantage, which constitutes academic dishonesty as it is defined on this campus.

Some students, of course, do recognize one or more of these ethical issues, but still refrain from citing their authorship of prior papers to avoid earning reduced (or zero) credit for the same works in other classes. That underlying motivation further illustrates the deceptive nature of unauthorized multiple submissions.

An additional issue concerns the problematic minimal efforts involved in "recycling" papers (or other prepared assignments). Exerting minimal effort basically undercuts the curricular objectives associated with a particular assignment and the course itself. Likewise, the practice of "recycling" papers subverts important learning goals for individual degree programs and higher education in general, such as the mastery of specific skills that students should acquire and develop in preparing written assignments. This demanding but necessary process is somewhat analogous to the required regimen of athletes, like the numerous laps and other repetitive training exercises that runners must successfully complete to prepare adequately for a marathon.