



Integrative Finance (FIN 370) Summer 2015

Locations and Times:
M-TH CBA 5.328
 10:00 a.m.-11:45 a.m.
Office Phone: 512/471-4764
TA: TBA

Instructor: Regina Wilson Hughes
Office: CBA 2.222
Off. Hrs: 9:00-10:00 a.m. T & TH, & by appt
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I. Introduction

Integrative Finance enables you to apply what you have learned in previous finance courses to the solution of realistic business problems. You will employ the concepts and tools of finance to examine a wide range of business issues and explore potential solutions from the perspective of the chief financial officer of the firm. The goal of the course is to familiarize you with the process of analyzing problems, weighing alternative actions, and choosing the best possible solution(s) to enhance firm value. The course is designed to model the workplace and prepare you for a job as a financial professional. Much of the educational process takes place outside of the classroom and you are largely responsible for your own learning.

II. Goals

The primary goal of the course is to enhance your independent inquiry skills through financial, analytical and problem solving abilities. Through a combination of case analyses, readings, lectures, class discussions, and group presentations all students should also: (a) improve their speaking and business writing skills, (b) gain exposure to ethical issues frequently encountered by business decision makers, (c) develop personal and professional skills valued by employers (e.g., time management, planning, collaboration, responsibility, and integrity), and d) discover that success in the workplace requires a combination of quantitative and qualitative skills.

III. Classroom Expectations

Active attendance, participation, and preparation are required, as many of our classroom activities are devoted to presentations and discussions. All students are expected to attend every class, prepare every assignment, and participate in every class discussion. Specific information, analytical tools, and study questions will be furnished to the groups responsible for presenting each assignment. If you are unfamiliar with the presentation topic, please review the textbooks from your previous finance courses and supplemental course materials.

IV. Course Materials (Required)

Text: Only available online <https://cb.hbsp.harvard.edu/cbmp/access/37232872>

V. Grade Computation

1 Assessing a Firm's Future Financial Health	4%
2 Statement of the Problem (1% each)	2%
1 Major Case (Executive Summary, Staff Analysis & Case Exhibits)	25%
3 Case Discussion Leadership (7% each)	21%
3 Executive Summaries (7% each)	21%
1 Business Decisions Debate	7%
Class Attendance/Participation/Preparation	20%

Final letter grades will be assigned according to the following criteria:

A >93 A- 90-92.9 B+ 87-89.9 B 83-86.9 B- 80-82.9 C+ 77-79.9 C 73-76.9 C- 70-72.9, etc.

You will receive a numeric score for each assignment. Final grades will not be determined until the scores for all assignments are averaged, as indicated above. Final course grades may reflect the application of a small curve. The target GPA for the course is approximately 3.40. **All course grades are final, except in the instance of a recording error.**

Assignments that are submitted on a timely basis will be returned approximately one week after their submission. If you have a question about any grade assigned, you must submit the question in writing, within two days after the assignment is returned. Your inquiry should include your name, UT EID, section number, the title of the assignment, and a written explanation of why you think the grade is incorrect. Also include a copy of your graded assignment. **I retain the right to raise or lower your grade after review and will discuss it with you after I have re-graded it.**

VI. Individual Written Work (48% of course grade)

This course carries the Writing Flag. Writing Flag courses are designed to give students experience with writing in an academic discipline. In this class, you can expect to write regularly during the semester, complete substantial writing projects, and receive feedback from your instructor to help you improve your writing. You will also have the opportunity to revise one assignment and to read and discuss your peers' work.

Each student will submit four individually written assignments based on cases from the custom text (CT). The Major Case assignment includes an Executive Summary (ES), Staff Analysis (SA) and a set of Case Exhibits (CE). Three shorter case assignments require only an ES.

A. Submission of Individual Written Work – All SA and ES papers are due by 10:00 a.m. on the dates indicated in the course schedule. Papers submitted late will be penalized 3 points (out of 100) for each 24-hour period (or fraction thereof) beyond the deadline. **A hard copy of your paper is due in class. If you are absent, email your paper to me by the date/time deadline to avoid a penalty. Excessive tardiness to class will also result in a one-day late penalty.** A “pretty pink” grade sheet is required on all papers. No other cover sheet is required. Papers without a scholastic honesty signature will be assigned a 10-point penalty.

B. Peer Review and Revision – Students will have the opportunity to revise and rewrite the first Executive Summary assignment after an in-class peer review and instructor/TA discussion opportunity. Failure to participate in the Peer Review process during the class time will reduce your final grade on the Executive Summary assignment by 10 points.

VII. Class Presentations (28% of course grade)

Each group will be responsible for presenting specific assignments to the class (Cases, Decision-making Article Discussions and/or Debates). Creativity is rewarded and props, role-play, PowerPoint slides, or handouts that enhance the presentation are especially helpful.

All presentation grades are individual; hence, everyone in the group must participate.

A. Case Discussions/Presentations –Case assignments include a group presentation using the written analyses prepared for the case. The case should be discussed as real-time and incorporate the Board of Directors meeting style. **The goal of the presentation is to “teach” the case to**

your classmates so that learning takes place with each company discussion. In addition to the instructor evaluation, presenters will receive feedback from their classmates (i.e., a case critique). Case presentations should last approximately 45 minutes.

B. Business Issues Debates – Two groups will compete by presenting opposing sides of a contemporary business issue from the custom text. The debates will be conducted in a point-counterpoint format, with specific rules and time allotments (TBA). The debates should last approximately 45 minutes including comments from the gallery of students.

VIII. Class Attendance/Participation/Preparation (A/P/P) (20% of course grade)

The success of this course depends on the active participation of the presenters and the audience. To this end, a significant portion of the course grade is devoted to qualities such as preparation, timeliness, attentiveness, responsiveness, and professionalism.

Your A/P/P grade is determined by your faithful and punctual attendance, preparation of class assignments, the quantity/quality of your contributions to class discussions, and your professional comportment. **Students are expected to participate in every class discussion and display their name cards at all times. Three Point Sheets aka “Green Sheets” are required where noted on the schedule.**

- You are allowed the equivalent of one absence for any reason.
 - Instances of tardiness, leaving early, and/or non-participation are the equivalent of an absence (ex. 3 tardy = 1 absence)
 - You cannot earn class participation if you are not in class
- Two additional absences for interviewing may be completely excused. Absences exceeding this number will be excused for attendance, but not for participation
 - You must provide interview documentation within two days of your absence.
 - An interview schedule is excellent documentation
- Absences due to illness or emergencies should be documented through Student Emergency Services
- Notify the instructor of any major issues facing you this summer
- Attendance is taken every day. Credit is recorded for attendance and participation. Your grade is determined by the percentage of days you participate compared to the total number of days available. Faithful attendance but limited participation usually results in the class participation grade of an 80

IX. Group Work

The class will be organized into groups of 2-4 students each, depending on class size. Groups are formed at students' discretion, on a first come, first served basis. All assignments are given according to group numbers. Most students will stay in the same group for the semester except for the in-class debates. However, if you are unhappy with your group, you may leave it and work alone, or join another group with the instructor's knowledge and the permission of all the members in the new group. If a group is unhappy with a group member they may “divorce” that member for cause, with the instructor's permission. The divorced group member must work alone or find a new group. A group is under no obligation to share analytical work or Case Exhibits with a member who does not contribute to the group.

X. Other Grading Criteria

The primary basis for grading written assignments is content, however, professionalism in presentation is also given substantial weight. The writing skills component of the analysis considers grammar, spelling, punctuation, appropriateness, clarity, and thought. The following book is recommended for aiding in the preparation of written work: Strunk, William, Jr. and E.B. White, "The Elements of Style," Macmillan. Anyone who needs additional assistance in mastering basic writing skills can receive help through the Undergraduate Writing Center in the Flawn Academic Center, Room 211, or by calling 471-6222. The website for the Writing Center is <http://www.uwc.fac.utexas.edu/>

XI. Academic Integrity

Policy on Scholastic Dishonesty: *The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at <http://www.mcombs.utexas.edu/BBA/Code-of-Ethics.aspx>. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu/sjs/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.*

❖ The student must individually write all assignments. You may discuss the assignment with your fellow group members; however, you must write your papers separately and independently to avoid scholastic dishonesty. If you have any questions regarding this policy, please ask the instructor. Instances of scholastic dishonesty will result in significant grade penalties and will be referred to the Dean of Students. Notice that failing to sign your grade sheet when submitting written work is a 10-point penalty.

XII. Additional Policies

A. Students with Disabilities – *Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, <http://www.utexas.edu/diversity/ddce/ssd/>.*

B. Access to Canvas – All students must have access to the Canvas web site for this course. I will use this venue to post class notes, assignments, announcements, and grades. I may also use the E-mail feature to correspond with you. Check the site (and your E-mail) regularly to ensure that you have the most current information. Please note the following: *Web-based, password-protected class sites will be available for all accredited courses taught at The University. Syllabi, handouts, assignments and other resources are types of information that may be available within these sites. Site activities could include exchanging e-mail, engaging in class discussions and chats, and*

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exchanging files. In addition, class e-mail rosters will be a component of the sites. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Room 1. For information on restricting directory information see: <http://www.utexas.edu/student/registrar/catalogs/gi02-03/app/appc09.html>

C. Computers and Electronic Devices – In accordance with Finance Department policy, the use of laptop and tablet computers are prohibited, except for making class presentations. As a matter of courtesy, all electronic accessories should be stowed during the class session. **Violation of these policies will reduce your A/P/P grade. If you are talking or TEXTING on your cell phone, then you will forfeit any class participation earned for that day.**

D. Religious Holy Days– By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, an assignment, or a project to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence. The summer semester is short so be mindful of reasonable expectations of this policy.

XIII. Additional Comments

The requirements and recommendations for succeeding in this course are outlined in this syllabus. Since no extra-credit is available, I encourage you to follow these policies and utilize office hours to maximize your understanding of the assignments and their specific requirements. The aforementioned policies provide the basic guidelines and code of conduct for this course; designed to reduce confusion and establish an equitable framework for the entire class. As a matter of principle, I will enforce these policies fairly and religiously.

The “spirit” of the course is just as important as the “rules and regulations.” My goal is to create a cooperative classroom environment in which we learn from each other. To that end, I welcome your constructive comments and suggestions as we progress through the course. Your feedback is an important element of course delivery and development.

Barring an emergency, I will be available during office hours and at additional times. I encourage you to visit with me regarding the class assignments, concerns with the course, or just to say “hello.” I am also accessible via telephone or E-mail. I will make every effort to return your call or respond to your E-mail within one business day of its receipt.

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**CLASS SCHEDULE FOR PRESENTATION AND DISCUSSION
FINANCE 370 -INTEGRATIVE FINANCE- SUMMER 2015**

June 4	Introduction	**Homework- Case in electronic text - worksheet in packet
CP	Syllabus Discussion	“Assessing a Firm’s Future Financial Health (AFFFH)”
	Packet Discussion	** Read Debate Article
June 8	AFFFH DUE & GRADED IN CLASS	** Read Florida Power & Light (FPL)
CP	Case discussion of financial analysis and ratios	begin analysis- case worksheet in packet
	Introduction of the Three Point Sheet	** Complete Green Sheet for debate
	for class discuss and debate	** Read both Cases to be discussed on 6/9
June 9	FPL Case Discussion	
CP/CP	Informal Debate	
	Boardroom Preview National Railroad Passenger Corporation (NRPC) “Amtrak”	Begin analysis- worksheet in packet
	Boardroom Preview Coke vs. Pepsi	Groups will be assigned for Cases and Debates
June 10	NRPC “Amtrak” Analysis	** Individual SOP and Group Exhibits Due In-class 6/11
CP	Coke vs. Pepsi Analysis	
 <i>Now we begin our case discussions and presentations as role-play situations. Discussion leaders should be in character and class participants should respond accordingly. Class participation is earned from meaningful contributions.</i>		
June 11	Board Room Discussions	** Read Debate Prepare Green Sheet for 6/16
CP	Individual SOP and Group Exhibits Due	** Read both Cases Merck and HCA
	Student Led Analysis-	begin analysis- worksheet in packet
	NRPC “Amtrak” case	
	Coke vs. Pepsi case	
 <i>Everyone is expected to read the debate and complete a Three Point Sheet- class participation is counted only for those students who successfully complete the Three Point Sheet and make comment.</i>		
 <i>All written work is due at the beginning of class and papers received after the beginning of class are counted as late. Please bring your paper to class ready to turn in with appropriate cover sheet and staple. All written work is your own; exhibits may be completed within your group. Be sure to credit group members on exhibits.</i>		
June 15	Debate- Do We Need National Healthcare? Round-table discussion	
CP	Board Room Preview- “Merck & Co. (Merck)”	
	Board Room Preview- “Hospital Corporation of America (HCA)”	
June 16	Merck Analysis Working Group Session	
CP	HCA Analysis Working Group Session	** Write Individual Executive Summary- draft due 6/17
		Include one exhibit completed within your group
June 17	Peer Review, Corrections	** Final Individual Executive Summary- due 6/18
CP		Include one exhibit completed within your group
June 18	Board Room Discussions - Individual Executive Summary and Group Exhibits Due In-class	
CP	Student Led Analysis	
	Merck & Co. Board Room Discussions and Presentation 10:10-10:55	
	HCA Board Room Discussions and Presentation 11:10-11:55	

June 22 Board Room Assignments ** Write Individual Executive Summary- due 6/24
CP Cases for Review and Discussion Include one set of exhibits completed within your group
Sterling Household Production
Monmouth Inc.

June 23 Case Discussion, Workday, Speaker

June 24 Sterling Board Room Discussions and Presentation 10:15-10:55 Group
CP Monmouth Board Room Discussions and Presentation 11:10-11:55 Group

** Homework- Read Debates and Prepare Green Sheets for each one

June 25 Debate –“Was the Financial Industry Responsible for the Economic Meltdown of 2008?” Debate Team A
CP Debate – “Should the Government Be Responsible to Bailout Financial Institutions?” Debate Team B

** Read Assigned Case and Prepare Statement of the Problem
Eskimo Pie Corporation, SOP due 6/29

June 29 Case Preview- Assign Case Perspective for Review and Discussion
CP Eskimo Pie, Reynolds Metals, Goldman Sachs, Wheat First

June 30 Case Discussion, Workday, Speaker

July 1 Board Room Discussion and Presentation 10:05-10:50 Group A
CP Goldman Sachs reports to Reynolds Board of Directors
Each Individual in group writes Executive Summary and one specific exhibit presented- due at beginning of class
All Critique Presentation

Board Room Discussion and Presentation 11:00-11:45 Group B
Wheat First reports to Reynolds Board of Directors
Each Individual in group writes Executive Summary and one specific exhibit presented- due at beginning of class
All Critique Presentation

July 2 Board Room Discussion and Presentation 10:05-10:50 Group C
CP Eskimo Pie Management presents to Reynolds Board of Directors
Each Individual in group writes Executive Summary and one specific exhibit presented- due at beginning of class
All Critique Presentation

Final Exam Case Available July 2 accessed through your online course packet- Due July 7 at 10am in class

July 6 Highlights of Financial Analysis through discussion and packet readings

July 7 **FINAL CASE EXAM DUE AT 10AM IN CLASS TODAY (late penalties apply)**
In-class case analysis Gulf Oil and its ultimate sale will be our daily classwork, no preparation required.
CP/CP Debate- Round-table- Should we continue to rely on oil as our major fuel source?

July 8 Case Discussion and Debate continued
CP

July 9 Wrap Up Financial Applications to all Cases
CP

Grades and all discussion of grades will be handled no later than July 16, 2014. Office hours 12:00 noon-1:00 pm

Best wishes and always HOOK ‘EM HORNS,
Regina W. Hughes

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