



Integrative Finance (FIN 370)

Summer 2016

Course Information

Class Times:

Tuesday/Wednesday/Thursday

10:00 a.m.-12:30 p.m.

Location: CBA5.328

Prereqs: 90 Hrs., FIN 357, FIN 367, FIN 353, and 3 Addl. Hrs. of FIN

Instructor Information

Instructor: Regina Wilson Hughes

Office: CBA 2.222

Off. Hours: 9:30-10:00 am &

12:30-1:00 pm on W & TH, & by appt.

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include Fin 370 in your subject line

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 thrive. You should also: (a) improve your 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. Most students find the integrative approach to learning an enjoyable experience.

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)

1. **Custom Text (CT):** <http://cb.hbsp.harvard.edu/cbmp/access/50117789>
2. **Teaching Notes** and other materials are posted on Canvas

V. Grade Computation

1 Assessing a Firm's Future Financial Health (AFFFH)	4%
1 Final Major Case (FMC) (Executive Summary, Staff Analysis & Case Exhibits)	20%
2 Case Presentations (5% each)	10%
2 Executive Summary (ES) (8% each)	16%
2 Group Exhibits (GE) (4% each)	8%
5/6 Case Summaries (CS) (4% each)	20%
1 Business Decisions Debate	4%
1 Group Staff Analysis	10%
Class Attendance/Participation/Preparation	8%

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 each 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 your grade is incorrect. Also include a copy of your graded assignment. Please take your papers to the Finance Department, CBA 6.222, and ask that your papers be put in my mailbox.

I retain the right to raise or lower your grade after review and will discuss your re-grade.

VI. Course Flags- Individual Written Work and Independent Inquiry

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 eight individually written assignments based on cases from the custom text (CT). The Final Major Case assignment includes an Executive Summary (ES), Staff Analysis (SA) and a set of Case Exhibits (CE). Two shorter case assignments require only an Executive Summary. Each student is assigned to complete five out of six Case Summary corresponding by group number. Groups will be assigned on our second day of class.

Requirements of the Independent Inquiry Flag are met through your individual financial analysis and written descriptions. The Group Case is not included in the Flag writing requirement.

A. Submission of Individual Written Work – All written work is due in class by 10:00 a.m. on the dates indicated in the course schedule AND on Canvas Safe Assign. Papers submitted late will be penalized 5 points (out of 100) for each 24-hour period, or fraction thereof, beyond the deadline. The FMC is **due by 11 am to CBA 6.222 and** posted to Canvas Safe Assign.

ES and SA Papers must be submitted in two ways:

- 1. A hard copy of your paper is due in class or to the Finance Department (CBA 6.222). If you bring your paper to class, then you do not need the time/date stamp.**
 - A grade sheet is required as a cover page on all written work. If you turn in your paper to the Finance department it must bear an electronic time/date stamp to document timely submittal and papers without a time/date stamp will automatically be deemed one day late
 - Papers without a scholastic honesty signature will be assigned a 10-point penalty.
- 2. An electronic copy of your paper is due via the Safe Assign feature of Canvas**
 - Due dates/times and late penalties also apply to the electronic copy of your paper
 - No exhibits should be posted to Canvas, only your written word.

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.

C. AFFFH, CS and GE - these assignments are due at the beginning of class. **We will discuss these assignments during class. AFFFH, when late, is subject to a 30-point penalty. Late Case Summaries will warrant a 10-point penalty. One Case Summary may be submitted by email, deadlines and penalties apply.**

- ❖ **Since this is a writing requirement course, all written work must be entirely your own (i.e., Executive Summaries, Staff Analyses, and Case Summaries).**
- ❖ **There is no sharing of any kind and no collaboration on your Final Major Case.**
- ❖ **Be very careful to work only within your group when writing your Group Staff Analysis. Do not share your papers or use the papers of any other FIN 370 student (current or former) in preparing a written assignment!**
 - **The peer-reviewed assignment is the only exception to the writing rule.**
 - **Sharing exhibits is acceptable on group case assignments.**

VII. Class Presentations

Each group will be responsible for presenting specific assignments to the class. 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 in the presentation.**

A. Case Presentations – The case should be presented and 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 classmates (i.e., a case critique). Case presentations should last approximately **40** minutes.

B. Business Issues Debates – Two groups will compete by presenting opposing sides of a contemporary business issue. The debates will be conducted in a point-counterpoint format, with specific rules and time allotments. The debates should last approximately **40** minutes including comments from the gallery of students. Gallery students must come to class prepared if expecting attendance/participation credit.

VIII. Class Attendance/Participation/Preparation (A/P/P)

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 name cards at all times. Three Point Sheets aka “Green Sheets” are required where noted on the schedule.**

- You are allowed the equivalent of two absences 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
- Absences for interviewing may be completely excused. Absences exceeding two 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 may be excused and should be documented through Student Emergency Services
- Attendance is taken twice on each day marked on the schedule. 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 four groups of four students each, depending on class size. Assignments are given according to group numbers. 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, the group 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 written 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.mccombs.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.*

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 will also use the E-mail feature to correspond with you as a group. If I need to contact you individually, I will use Outlook and I ask you to use Outlook when contacting me. 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 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 (cell phones, PDAs, MP3s, etc.) 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 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. PLEASE USE MY McCOMBS EMAIL, NOT CANVAS AND INCLUDE FIN 370 IN THE SUBJECT LINE OF YOUR MESSAGE. INCLUDING A CELL NUMBER IS ALSO GREAT BUT NOT REQUIRED.

Regina Hughes

CLASS SCHEDULE FOR LECTURE, PRESENTATION AND DISCUSSION

June 2	Introduction Syllabus and Packet Discussion	Homework	AFFFH - Packet Case 2
June 7	“Assessing a Company’s Future Financial Health (AFFFH)” Case discussion of financial analysis and ratios	DUE & GRADED IN CLASS	
	Packet Discussion “U Grade ‘Em” Introduction of the CS, ES, SA, FMC, GE		**Read Hampton Machine Tool Complete CS
June 8	Hampton Machine Tool Case Discussion Boardroom Preview Amtrak Boardroom Preview Coke vs. Pepsi		** Hampton CS due in class Assign Groups
June 9	Hampton Machine Tool In-class Peer Review ALSO Packet Discussion		ES Draft due in class Finished ES due Tuesday 6/14 at beginning of class
June 14	Board Room Discussions G1-Amtrak Analysis		** Individual CS due from every student 6/15 Group One and Group Three will prepare GE Due In-class 6/15
	G2-Coke vs. Pepsi Analysis		** Individual CS due from every student 6/15 Group Two and Group Four will prepare GE Due In-class 6/15

TWO groups, G1 and G2, will make presentation and lead discussion next class period

Now we begin our case presentations as role-play situations. Presenters should be in character and class participants should respond accordingly. Class participation is earned from meaningful contributions.

June 15	Board Room Presentation and Discussion G1 and G2 will present		** Individual CS and GE Due In-class 6/15
	Review Debate Guidelines G3 and G4 will lead debate	Homework-	Read Debate- Prepare Green Sheet for 6/16
June 16	Debate- Is the Financial industry to Blame for the Economic Meltdown of 2008? Debated by G3 and G4 with gallery participation		

Everyone is expected to read the debate and complete a “Three Point Sheet”- class participation is counted only for those students who have successfully completed the Three Point Sheet and made comment.

	ALSO on June 16 Board Room Preview HCA Board Room Preview Merck		G3 and G4 will present on 6/21
June 21	Board Room Discussion G3-HCA Analysis		** Individual CS due from every student 6/21 Group Three & Group One will prepare GE Due In-class 6/22
	G4-Merck Analysis		** Individual CS due from every student 6/21 Group Four & Group Two will prepare GE Due In-class 6/22

TWO groups, G3 and G4 will make presentation and lead discussion next class period.

- June 22 Board Room Presentation and Discussion
G3 and G4 will present

Class Discussion- Health Care Finance
Current Events and Popular Topics
- June 23 Board Room Discussions
Gulf Oil Corp.

ALSO on June 23
Debate- "Should the World Continue to Rely on Oil?"
Debated by G1 and G2 with gallery participation
- June 28 Board Room Preview
Assign Cases for Review and Discussion
Eskimo Pie Case- represented by G1-Reynolds Metals Mgmt (Goldman Sachs) G2-Eskimo Pie Mgmt (Wheat First)
Radio One Case- represented by G3- Clear Channel Communications Mgmt G4-Radio One Mgmt
- June 29 Workday with Group Staff Analysis due June 30
- June 30 Presentation
G2-Eskimo Pie Mgmt Group and Wheat First present to Reynolds Metals 10:05-10:20
G1-Reynolds Metals meets with management and Gold Sachs reps to discuss offer 10:20-10:35
Reynolds and Eskimo Pie discuss deal 10:35-10:50
All Critique Presentation & Quick Assessment 10: 50-11:00

Presentation
G3-Clear Channel Mgmt Group meets in open forum to discuss its current business opportunities 11:10-11:25
G4-Radio One Finance Team presents the proposed negotiated sales price to RO Mgmt 11:25-11:40
Joint Deal Discussion 11:40-11:55
All Critique Presentation & Quick Assessment 11:55-12:05

Final Case Assignment Revealed, **See July 5 and 6 for homework assignments; Case Summary due July 5
Read Assigned Cases and Prepare Case Summary according to group affiliation
- July 5 Board Room Discussions
G1 and G3-American Chemical Company, G2 and G4-Cooper Industries
- July 6 Board Room Discussions
Read Revealed Case
Class discussion G1-25%, G2-40%, G3-high interest rate risk environment, G4-low interest rate risk environment
- July 7 Last Class Day- Wrap Up Financial Applications to all Cases
Instructor Evaluation
- July 8 Final Case Due 11:01 am CST Austin, TX, CBA 6th Floor Finance Department Office- Time and Date Stamped

Best wishes and always HOOK 'EM HORNS, Regina Hughes

Quoted <http://www.utexas.edu/ugs/flags/faculty-resources/teaching/syllabus>

Independent Inquiry

This course carries the Independent Inquiry flag. Independent Inquiry courses are designed to engage you in the process of inquiry over the course of a semester, providing you with the opportunity for independent investigation of a question, problem, or project related to your major. You should therefore expect a substantial portion of your grade to come from the independent investigation and presentation of your own work.

Writing

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 or more assignments, and you may be asked to read and discuss your peers' work. You should therefore expect a substantial portion of your grade to come from your written work. Writing Flag classes meet the Core Communications objectives of Critical Thinking, Communication, Teamwork, and Personal Responsibility, established by the Texas Higher Education Coordinating Board.

