Course Topics and Goals

For nearly 30 years with the advent of the PC, spreadsheet models have been the dominant vehicle for finance professionals in the business world to practice their trade. This course will utilize Excel, a spreadsheet program offered by Microsoft, and challenge the student to improve their finance and modeling skills by personally constructing 25+ spreadsheet models. Students will further improve their familiarity with financial data analysis through various exercises that incorporate their completed models. The student who puts in the effort to not only complete the models, but analyze the key components will:

- Increase their practical understanding of the core concepts of Corporate Finance
- Develop hands-on spreadsheet modeling skills
- Strengthen the ability to perform financial data analysis within an Excel Model
- Build an entire suite of finance applications, which they fully understand and can explain!

Course Format

Students will be assigned a number of models to construct from the course textbook (electronic) on an individualized basis. The majority of the student learning’s will come from their hands on experience building financial models within Excel and subsequently working with a models key variables to perform data analysis. Online mini lectures will also be provided to augment the student’s understanding of key modeling concepts and the methodology behind some of the key financial models that are used to provide data analysis from a financial perspective.

Course Materials

1) *Excel Modeling in Corporate Finance* 2nd Ed., Craig W. Holden, Prentice-Hall 2004 ISBN 0-13-142427-0. This book is out of print. There are a number of used copies out in the market place e.g., Amazon.com. I have also made arrangements with the publisher to offer an electronic copy of the book for purchase through a link available on Carmen. Chapter 14 will not be formally assigned because a number of the screen shots are inconsistent. Should you wish to attempt the chapter on your own, please download the PDF files of the correct screen shots for figures 14.1 – 14.5 from the Carmen website.

2) A detailed outline of course content and assignments for each session can be found online at the Carmen website for the course.
Other Sources

One of the best sites and authors of Excel books can be found at http://www.spreadsheetpage.com. I also strongly encourage students to thumb through the following books at a bookstore and purchase those books that are appropriate to your developing skill set and interests with Excel. Remember to check for the most recent edition.

- John Walkenbach’s Favorite Excel 2010 Tips & Tricks
- Excel 2010 Formulas, John Walkenbach
- Excel 2010 Bible, John Walkenbach
- Excel 2007 Charts, John Walkenbach

E-mail Communication

If it is necessary to communicate with the class, I will send e-mail and/or update Carmen. I will assume that you check both your e-mail and Carmen at least once every 24 hours or talk to another Bus-Fin 4201 classmate who does check their e-mail or Carmen daily.

Grading

Plus/Minus grades may be given. There are no exams in this course. Grades will be determined as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Quizzes</td>
<td>65%</td>
</tr>
<tr>
<td>Spreadsheet Model Construction and Submission</td>
<td>5%</td>
</tr>
<tr>
<td>Mini Project Model</td>
<td>10%</td>
</tr>
<tr>
<td>Final Project Model</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Students are required to submit an electronic copy of all models in the appropriate Carmen dropbox. Excel tabs should be renamed to the appropriate assignment list (please see page 4 for the main menu page that you will create). Each tab should include the appropriate part number and model number i.e., 1.1.1 would represent Part 1, model 1.1. The end user of your spreadsheet should further have the ability to navigate any models from the menu page which will be discussed online in further detail.

Given the number of models assigned in this course, it is required that you complete all models and corresponding quizzes on time. You should strive to match the screen shots contained in the book and then make any appropriate adjustments concerning formatting to build a professional work product as will be illustrated in class. For those of you who feel content to just build a functional model, please be aware that in the workplace it will be a “given” that your model will work from a technical perspective. It is a model that both works and is formatted in a professional manner that will ultimately draw the most kudos and offer insight into the pride behind one’s finished work product. These same tangent examples of attention to detail and professionalism can often be impactful early in one’s career.

Each student is responsible for doing his or her own work. Anyone found to be submitting someone else’s work will receive a zero and be subject to academic misconduct. You can only learn if you do the assignments yourself. Do not get behind!
Course Outline

In order to receive credit, all models must be fully constructed and uploaded to the appropriate dropbox by 5:00pm on the posted due date. Quizzes should also be completed by the time and date posted on Carmen. Given the sheer volume of assignments and in fairness to those who turn their assignments in on time, there will be no exceptions and late assignments will receive a zero for submission. Please do not wait to the last minute. In fact, to borrow from marketing and the rule of three:

Do not wait to the last minute.

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Please Note: For each week, the “Carmen Dropbox” for you to submit your completed model will open on Wednesday and the corresponding quizzes will open on Thursday.

<table>
<thead>
<tr>
<th>Monday</th>
<th>Friday (Model Due)</th>
<th>Sunday (Quiz Due)</th>
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</thead>
<tbody>
<tr>
<td>Week 1, 10/19 – 10/25</td>
<td>Introduction Lecture 1 – Menu Page Lecture 2 – Page Setup</td>
<td>1.1.1 1.1.2</td>
</tr>
<tr>
<td>Week 2, 10/26 – 11/01</td>
<td>Lecture 3 – Formatting Lecture 4 – Styles</td>
<td>1.2.1 1.2.2 1.2.3</td>
</tr>
<tr>
<td>Week 3, 11/02 – 11/08</td>
<td>Lecture 5 – Charts Post – Morningstar Mini Project</td>
<td>1.4.1 1.4.2</td>
</tr>
<tr>
<td>Week 4, 11/09 – 11/15</td>
<td>Lecture 6 – Data Tables &amp; Spinners Post – Final Stock Project</td>
<td>2.6.1 2.6.2 2.6.3 2.6.4 2.6.5</td>
</tr>
<tr>
<td>Week 5, 11/16 – 11/22</td>
<td>Lecture 7 – Tables</td>
<td>Mini Project</td>
</tr>
<tr>
<td>Week 6, 11/23 – 11/29</td>
<td>Lecture 8 – Tips and Tricks</td>
<td>3.11.1 3.11.2 3.12.1 3.12.2 (3D Graph Not Required)</td>
</tr>
<tr>
<td>Week 7, 11/30 – 12/06</td>
<td>Final Project</td>
<td>Quiz: Final Project</td>
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There will not be a final exam.

Your Final Project due on 12/4 and Quiz due on 12/06 will be your last submission of material for the course.
PART 1 TIME VALUE OF MONEY

Chapter 1 Single Cash Flow
  1.1.1 Present Value
  1.1.2 Future Value

Chapter 2 Annuity
  1.2.1 Present Value
  1.2.2 Future Value
  1.2.3 System of Four Annuity Variables

Chapter 3 Net Present Value
  1.3.1 Constant Discount Rate
  1.3.2 General Discount Rate

Chapter 4 Real And Inflation
  1.4.1 Constant Discount Rate
  1.4.2 General Discount Rate

Chapter 5 Loan Amortization
  1.5.1 Basics
  1.5.2 Sensitivity Analysis

PART 2 VALUATION

Chapter 6 Bond Valuation
  2.6.1 Annual Payments
  2.6.2 APR and EAR
  2.6.3 By Yield To Maturity
  2.6.4 Dynamic Chart
  2.6.5 System of Five Bond Variables

Chapter 7 Stock Valuation
  2.7.1 Two Stage
  2.7.2 Dynamic Chart

PART 3 CAPITAL BUDGETING

Chapter 10 Project NPV
  3.10.1 Basics
  3.10.2 Forecasting Cash Flows
  3.10.3 Working Capital
  3.10.4 Sensitivity Analysis

Chapter 11 Cost-Reducing Project
  3.11.1 Basics
  3.11.2 Sensitivity Analysis

Chapter 12 Break-Even Analysis
  3.12.1 Based On Accounting Profit
  3.12.2 Based On NPV

PROJECTS

Mini Project
  Morningstar

Final Project
  Stock
Notification of Scores and Final Grades: The results of any graded materials, including final grades, WILL NOT be given by the instructor to individual students via phone, US post, e-mail, or verbally in person.

Materials submitted for grading throughout the course will be returned to students generally within one week after submission. Students with invalid absences on the return date must retrieve their materials at the instructor’s office.

Students may obtain their final grades online by accessing the University Registrar link.

Disability Services: The Office of Disability Services verifies students with specific disabilities and develops strategies to meet the needs of those students. Students requiring accommodations based on identified disabilities should contact the instructor at the beginning of the course to discuss his or her individual needs. All students with a specific disability are encouraged to contact the Office of Disability Services to explore the potential accommodations available to them.

Appeals: Grading errors should be corrected. Appeals must be in writing within two weeks after the graded work is made generally available—not the date you first look at it. If the end of term is within the two-week period, the two weeks will start at the beginning of the next semester. In general, the entire document will be checked for grading errors, and correcting these could either raise or lower the overall score.

Academic Misconduct: Cheating is grounds for failing the course and additional sanctions. In accordance with Faculty Rule 3335-31-02, all instances of alleged academic misconduct will be reported to the Committee on Academic Misconduct, which recommends appropriate sanctions to the Office of Academic Affairs.

Absences & Make-Ups: In general, work related conflicts or overlapping requirements due in other classes are NOT valid excuses for missing assignments. In cases of valid family, health or safety emergencies, students must contact the instructor PRIOR to the assignment deadline. Unexcused absences will result in a grade of zero (0) for any missed assignments.

It is the sole responsibility of absent students to obtain any missed class notes, handouts, etc. In general, the instructor will not provide missed handouts to absent students during subsequent class periods. In addition, the instructor will generally not discuss missed material with an absent student until that student can provide evidence that (s) he has worked diligently at understanding the material missed.

Waitlisted Students: Students who are waitlisted and seek to enroll must attend class through the first class session of the second week of the course. After that date, students who have not been added will not be enrolled and may not continue to attend the class. Waitlisted students should contact either the Fisher Undergraduate Program Office or the Department of Finance office if they have any questions regarding the waitlist process.

Disenrollment: University Rule 3335-8-33 provides that a student may be dis-enrolled after the third instructional day of the course, the first Friday of the course, or the student’s second class session of the course, whichever occurs first, if the student fails to attend the scheduled course without giving prior notification to the instructor.