

**INTERAMERICAN UNIVERSITY OF PUERTO RICO**  
**METROPOLITAN CAMPUS**  
**BUSINESS FACULTY**  
**Syllabus**

**I. GENERAL INFORMATION**

<b>Course Title</b>	:	<b>INTEGRATING SEMINAR IN FINANCE</b>
<b>Code and Number</b>	:	<b>BADM 697B</b>
<b>Credits</b>	:	<b>3</b>
<b>Academic Term</b>	:	
<b>Professor</b>	:	
<b>Office Hours</b>	:	
<b>Telephone</b>	:	
<b>Email Address</b>	:	

**II. DESCRIPTION**

Application of theoretical principles and research tools. Analysis of research on the decision making in the contemporary company. Includes the development of a proposal for research. Prerequisite: have completed all specialization courses. Grade: P / NP

**III. OBJECTIVES**

It is expected that upon completing the course, the student will be able to:

*For the courses of Advance Corporate Finance and Investments*

1. Apply the basic concepts of corporate finance.
  - a. Apply the risk and return relationship to the decision making.
  - b. Determine the behavioral issues affecting the relationship between managers and investors.
2. Apply different corporate valuation models to finance decision-making.
  - a. Use Capital Asset Pricing Model and Arbitrage Pricing Theory in evaluating companies.
  - b. Identify the behavioral issues affecting portfolio selection.
3. Determine the cost of capital in sample companies.
  - a. Identify the main problems related to estimating cost of capital
  - b. Determine the assumptions and limitations of cost of capital methods to financial decision-making.
4. Integrate capital structure and dividends payouts implications to companies financing and investing decisions.
  - a. Describe the actual trends in capital structure for a sample of companies.
  - b. Describe the forms of dividends payout for a sample of companies.
  - c. Integrate the behavioral factors influencing cash dividends.
5. Evaluate the types of mergers and acquisitions.
  - a. Identify the types of mergers and acquisitions.
  - b. Relate the mergers and acquisitions announcements to the values of companies.

*For the optional courses. It is the responsibility of student to identify two courses according to their academic preparation and apply two objectives to the sample of companies from the following.*

6. Evaluate the importance of stock markets.
  - a. Identify the main stock markets.
  - b. Determine the implications of external factors affecting on the behavioral of stock markets.
7. Evaluate the factors of foreign markets affecting corporate finance decision-making.
  - a. Identify the importance of exchange rates.
  - b. Discuss the use of the exchange markets.
8. Evaluate the factors related to monetary policies affecting finance decision-making.
  - a. Discuss the relation between monetary policy and companies' sample performance.
  - b. Discuss the investors' perceptions on actual monetary policies in the U.S.
9. Evaluate the external factors affecting corporate finance decision-making with respect to public finance and fiscal policies.
  - a. Discuss the effect of government policies in investment and finance decision-making.
  - b. Discuss the investors' perceptions with respect to actual fiscal policies in the U.S.

#### IV. THE COURSE CONTENT

1. Corporate Finance
  - a. The financial economic theories and practices related to corporate finance.
  - b. The relation between risk and return.
2. Valuation models and theory
  - a. Cost of Capital.
  - b. Capital Asset Pricing Model.
  - c. Arbitrage Pricing Theory.
3. Projects valuation and strategic financing decisions.
  - a. Capital structure.
  - b. Distributions to shareholders.
4. Mergers and acquisitions.
  - a. Types of mergers and acquisitions.
  - b. Implications on share prices.
5. Investment decisions.
  - a. Risk and return.
  - b. Portfolio theory.
6. Stock markets.
  - a. U.S. stock markets.
  - b. Global stock markets.
7. International Finance.
  - a. Exchange rates
  - b. Global investment
8. Monetary Policy
  - a. The relationship between monetary policies and investment decisions.
  - b. The actual U.S. monetary Policies.
9. Public Finance and fiscal policies.
  - a. Government policies
  - b. The actual U.S. fiscal policies compared to those of foreign countries.

#### V. ACTIVITIES

The applied nature of the corporate finance information and management in an MBA Program demands a range of teaching and learning methods. These methods include direct contact with the instructor (using Blackboard), discussion of specific issues with other students, learning and reading, and individual and group projects, accessing data using the Internet, computer tools and programs (Excel is critical), analysis of companies 'data. Feedback will be offered through Blackboard system.

- A. Students should review the material from the course content available in the Blackboard Course and the recommended texts. Any question, comparison or clarification of a topic or an issue should be delivery immediately to the instructor through Blackboard. Avoid duplication of mails. Your instructor will contact you as soon as possible.
- B. Groups of 3 to 5 students can be formulated to present and discuss some topics in Blackboard meetings.
- C. Students are required to search for some topics, data, cases, and examples on the Internet to complement the course content.
- D. Students are required to follow the guidelines of the research that requires use of Microsoft Excel.

**How to use group discussions for the projects:** Students can form groups to discuss their selection of companies, data collection, data calculation, data analysis and preparing final draft. Students can share the sources of data, validate data, help each other in how to calculate financial indicators, how to prepare tables, use Excel, etc. Notwithstanding, each student should write his own project's parts and cannot use same texts used by other students to avoid plagiarism.

**Communications:** To avoid problems in accessing the course on Blackboard please refer to the guidelines and procedures established by the Centro de Educación a Distancia. The instructor can help you in issues related to the content and course requirement but not in technology issues. The instructor may update the course's content, modify assignments and due dates. You need to be aware of the I=instructor's communications.

## VI. EVALUATION

DESCRIPTION	POINTS	PERCENTAGE
Identification of Companies	5	5%
Data Collection I	20	20%
Data Collection II	20	20%
Data analysis & theory investigation	20	20%
Final Draft	20	20%
Assessments	6	6%
Discussions	9	9%
Total	100	100%

Any inconvenience or situation that prevent a student to comply with any of the requirements should be discussed with the instructor.

## VII. SPECIAL NOTES

### A. Auxiliary services or special needs

All students who require auxiliary services or special assistance must request them at the beginning of the course or as soon as they become aware that they need them, through the corresponding registry, in the Office of the Coordinator of services for students with disabilities, Dr. María de los Ángeles Cabello. She is located in the Counseling and Counseling Program, office 111, on the first floor of the John Will Harris building, extension 2306.

### B. Honesty, fraud, and plagiarism

Dishonesty, fraud, plagiarism and any other inappropriate behavior in relation to academic work constitutes major infractions sanctioned by the General Student Regulations. The major infractions, as stated in the General Student Regulations, may have as a consequence, suspension from the University for a definite period greater than one year or the permanent expulsion from the University, among other sanctions.

### C. Use of electronic devices

Cellular telephones and any other electronic device that could interrupt the teaching and learning processes or alter the environment leading to academic excellence will be deactivated. Any urgent situation will be dealt with, as appropriate. The handling of electronic devices that allow students to access, store or send data during evaluations or examinations is prohibited

### D. Compliance with the Provisions of Title IX

The Federal Higher Education Act, as amended, prohibits discrimination because of sex in any academic, educational, extracurricular, and athletic activity or in any other program or function, sponsored or controlled by a higher education institution, whether or not it is conducted within or outside the property of the institution, if the institution receives federal funds.

In harmony with the current federal regulation, in our academic unit an Assistant Coordinator of Title IX has been designated to offer assistance and orientation in relation to any alleged incident constituting discrimination because of sex or gender, sexual harassment or sexual aggression. The Assistant Coordinator Sr. George Rivera can be reached by phone at extension 2262 o 2147, or by e-mail [griverar@metro.inter.edu](mailto:griverar@metro.inter.edu).

The Normative Document titled **Norms and Procedures to Deal with Alleged Violations of the Provisions of Title IX** is the document that contains the institutional rules to direct any complaint that appears to be

this type of allegation. This document is available in the Web site of Inter American University of Puerto Rico ([www.inter.edu](http://www.inter.edu)).

### **VIII. EDUCATIONAL RESOURCES**

Blackboard resources

Course Content presentations, Webb pages, Excel

### **IX. BIBLIOGRAPHY**

The assigned texts provide suggested lectures, references at the end of the chapters to be studied. These should be the main complement for the texts and students are encouraged to utilize them.

Eugene F. Brigham & Michael c. Ehrhardt, "Financial Management: Theory and Practice"  
Jeff Madura, "Financial Markets and Institutions". 13th. Ed. Cengage Learning, Inc. ISBN: 978-00-357-13079-7. 2008 or newer editions.

Frank K. Reilly & K.C. Brown, "Investments Analysis and Portfolio Management", 8<sup>th</sup> Ed. 2008 or newer editions.

Jeff Madura, "Financial Markets and Institutions". 8th. Ed. ISBN 13: 978-0-324-56822-6 South-Western/Thomson, 2008 or newer ediitons.