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**Jacksonville University**

**MERGERS, ACQUISITIONS AND VALUATION**

**FIN 750-101D**

**SUMMER DBA Weekend Schedule 2018**

**ROOM: DCOB # 114**

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***Vision***

The vision of the Davis College of Business is to cultivate innovative business leaders throughout North Florida and beyond.

***Mission***

The Davis College of Business delivers high quality educational programs that develop leaders who:

1. Exhibit business acumen;
2. Demonstrate leadership abilities and ethical behavior;
3. Use critical thinking;
4. Leverage technical and analytical skills;
5. Cultivate global awareness.

COURSE DESCRIPTION

FIN 750. Corporate Mergers, Acquisitions, and Valuations (3)

Corporate Mergers and Acquisitions (M&A) have become increasingly important among contemporary large corporations. Such mergers and acquisitions continue to grow as companies discover synergies, geographic strengths, or problems with organic growth in order to best leverage their assets. Companies create value by investing capital at rates of return that exceed their internal rate of return. This principle applies equally to manufacturing as it does in banking and finance. Measuring and managing assets is the central premise of this course. Companies thrive when they create positive economic returns for owners and shareholders. A major objective of the course is to clarify the field of valuation and the linkages between strategy and finance. The most widely used business models and case studies will be used as course materials to prepare future CEOs, business managers and financial advisors to be successful in these critical areas of business.

COURSE OBJECTIVES

LG1.   BUSINESS EXPERTISE

Build core competencies in:

LO1-1. Business

LO1-4. Finance

LG 3: BUSINESS ANALYTICS

Apply research skills, critical thinking, and problem solving to collect, analyze, and evaluate business data to form and support business theories

LO3-3. Integrate theory and practice in decision making processes that can be utilized in complex organizational environments.

Personal Philosophy of Teaching and Learning

To me, learning is fun. I think that all college students should feel this way about learning. A good instructor makes this happen by making the class clear and interesting, by giving students opportunities for inquiry and rewarding them for critical thinking.

To make the class clear and interesting, I focus on conveying the material to the students through real world examples. This equips the students their text book knowledge in a constantly changing world. I believe in using group discussions, in-depth term projects and students’ presentations. I encourage students to ask questions, because those questions help identify where students’ are having difficulty, and helps to keep them interesting in the class.

REQUIRED TEXT BOOK

The required textbook for this course is:

***Mergers, Acquisitions, and Other Restructuring Activities***

***An Integrated Approach to Process, Tools, Cases, and Solutions***

**By Donald M. DePamphilis, Ph.D**

ISBN: 978-0-12-801609-1 | Edition: **9**

RESOURCES

*Class website:*

**www.jufinance.com/dba**

Or search for the class website from the main website [www.jufinance.com](http://www.jufinance.com)

METHOD OF INSTRUCTION

The structure of the class is a mix of lectures and discussion of the material.

**COURSE SCHEDULE**

|  |  |
| --- | --- |
| **DATE** | **TOPICS & IN-CLASS DISCUSSION AND ACTIVITIES** |
| Pre-Class Preparation (Mandatory) | 1. Read the Harvard Business School case assigned as pre-class assignment; 2. Read DePamphilis text chapters 1 – 8; 3. Watch WSP videos of chapter 1. |
|  | |
| Weekend 1  Friday  May 4, 2018  2pm - 6pm | **INTRODUCTION TO M&A.**   1. DePamphilis text chapters 1 – 6   Focus on discipline of corporate finance: Mergers & Acquisition (M&A) Introduction to the concepts governing financial statements, taxes and cash flows as related to M&A, related regulations, and the defensive tactics of the target firms.   1. WSP chapter 1 |
|  | |
| **Weekend 1**  **Saturday**  **Morning**  **May 5, 2018**  **9am – 12:30pm** | **M&A valuation and modeling methods.**  DePamphilis text chapters 7, 8. |
|  | |
| **Weekend 1**  **Saturday**  **Afternoon**  **May 5,**  **2018**  **1pm – 3:30 pm** | **M&A valuation and modeling methods.**  WSP chapters 2, 3   * Building a complete accretion dilution model * Forecasting pro forma financial statements, and learning to make correct adjusting entries for goodwill and fair market value write ups, advisory fees and financing fees and debt refinancing * Calculating pre-tax synergies to break-even * Sensitivity analysis using data tables to determine accretion/dilution to target shareholders in various stock/cash scenarios * Error-check a merger model * Sales, EBITDA, and ownership contribution analysis   Harvard Business School Case – Hertz  This is a LBO example. |
|  | |
| Post-first-Weekend Assignment | Post-class assignment is to complete the homework assignments; Complete Contrail case; Complete Hertz case study. Use WSP videos as a guideline and instruction listed in the class website and finish the first part of the term project. |
|  | |
| Pre-2nd Weekend Assignment | Read DePamphilis text chapters 9-14.  Study the rest of WSP videos chapters 4 and 5.  Read Harvard Heinz case.  Read two literature review papers in M&A. |
| Weekend 2  Friday  June 1  2pm - 6pm | DePamphilis text chapters 9-11 |
|  | |
| Weekend 2  Saturday  Morning  June 2  9am -12:30pm | DePamphilis text chapters 12-14  WSP videos of chapters 4 and 5.  Assign Harvard Business School Case – Heinz |
|  | |
| Weekend 2  Saturday  Afternoon  June 2  1pm – 3:30 pm | WRAP-UP OF VALUATION.  Discuss two M&A literature review papers.  FINAL EXAM online in Bb |
|  | |
| Post-class Weekend 2  Valuation Model Project | Case study of Heinz due by 6/17/2018  Second part of the term project using WSP as a guideline is due on 6/17/2018 |

**NOTES REGARDING ASSIGNMENTS AND WORKLOAD**

## Exams 20%

One take home final exam will be given during the semester. The exams will include material from assigned readings and class discussions.

*Homework 20%*

There will be several homework sets assigned during the semester. Homework due dates are specified during the course work. Homework is due at the beginning of class. The goal of homework is to help your understanding of the material. Submitted work must be legible.

Term project 30%

Three Harvard Case studies 20%

Questions from Academic Papers 10%

# **Grading**

## Assignments

Final Exam 20%

Homework 20%

Term project 30%

Case studies 20%

Academic Papers 10%

Extra Credit ???

**COURSE GRADING SCALE**

A 90 - 100% A- 89 - 90% B+ 87.5 - 89%

B 80 - 87.5% B- 79 - 80% C+ 77.5 - 79%

C 70 - 77.5% C- 69 - 70% D+ 67.5 - 70%

D 60 - 67.5% F 0 - 59%

**Class Activities/Participation/Attendance**

Active and regular participation in class and within your team will be critical to your success. This includes asking questions, answering questions, and in general being involved. Attendance is expected of all students as part of the learning process is interacting with others. On that note, it’s impossible for me, your team members, or fellow classmates to further your learning if you aren’t even in class. Class will begin and end at the designated times

## LATE OR MISSED ASSIGNMENTS OR EXAMS

Make-up exams are not offered in this course. Religious observances and emergency situations will be evaluated on an individual basis and must be accompanied by valid documentation.

### Changes/Additions to Syllabus

This syllabus may be changed at any time during the semester. All changes/additions will be announced in class.

### ACADEMIC MISCONDUCT

Jacksonville University students are expected to contribute to the development and sustenance of a community characterized by respect, caring and honesty. The academic honor system of Jacksonville University is based on the premise that each student is expected to adhere to the highest standard of academic honesty.

<http://www.ju.edu/greenpages/Pages/University-Policies.aspx>

### SPECIAL NEEDS

<http://www.ju.edu/greenpages/Pages/University-Policies.aspx>

### CHANGES/ADDITIONS TO SYLLABUS

COURSE WITHDRAWAL

<http://www.ju.edu/registrar/Pages/Grading-Information.aspx>

<http://www.ju.edu/registrar/Pages/Forms.aspx>

UNIVERSITY WITHDRAWAL

<http://www.ju.edu/registrar/Pages/Grading-Information.aspx>

<http://www.ju.edu/registrar/Pages/Forms.aspx>

MEDICAL WITHDRAWAL

<http://www.ju.edu/greenpages/Pages/University-Policies.aspx>

<http://www.ju.edu/registrar/Pages/Forms.aspx>

PLAGIARISM POLICY

<http://www.ju.edu/ctl/Pages/Academic-Integrity.aspx>