

RAISING CAPITAL

RUTGERS UNIVERSITY • FOUNDED 1766

Course(s): Special Topics: Raising Capital (Cr.3)
52:135:310:01 Index 20848 **BSB 116**
Monday-Wednesday 8:00 - 9:20
Instructor: David E. Vance, M.B.A., C.P.A., J.D.
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Email: dave.vance1@verizon.net ◀ **Best Contact Method**
Office Hours: After Class & By Appointment
Text: *Raising Capital* by **David E. Vance** ISBN 0-387-25319-X.

Calculator:
Please bring a calculator to class.
Try to get one that can raise a number to a non-integer power or that can do logarithms

Course Objectives: To: 1) Explore management's options for raising capital, 2) Critically evaluate the pros and cons of each alternative, 3) Discuss the expectations those that provide capital, and 4) Discuss strategies for positioning a company to get the capital they need.

Class Participation: Class participation is an integral part this course and is expected from all students. Class participation is impossible without class attendance. If you come to class after attendance is taken, see me after class so I can mark you present.

Grading Policy: Grades will not be curved.

Class Participation:	25%
Homework	25%
Midterm	25%
Final Exam	25%

Examination Policy: You may bring notes on one side, of one sheet of 8 ½" by 11" paper to each of the exams and to the final exam. Notes must be hand written. It must be your handwriting. Rationale: The process of condensing notes down to one page has proven to be a very effective study method for many students. The reason for allowing notes is that in the real working world, individuals will have access to books. However, that access will be of limited value if the student fails to master key concepts and terms. Any attempt to enlarge upon one side of one sheet of handwritten notes will be considered cheating. **ANYONE WHO ASKES TO BRING MORE THAN ONE PAGE OF NOTES TO THE FINAL EXAM WILL NOT BE ALLOWED TO BRING ANY NOTES.**

Collaboration: is encouraged throughout the course except during examinations. Cheating, or even the appearance of cheating by talking or accessing information other than the one handwritten sheet of paper during a test will be grounds for failure.

Homework:

I CANNOT ACCEPT ASSIGNMENTS ELECTRONICALLY. YOU MUST SUBMIT ASSIGNMENTS IN HARD COPY.

You must show your work for all problems. Simply writing the answer will get a grade of ZERO.

Copying homework from another student will be considered a violation of the University's Academic Integrity Guidelines and may be referred to the Dean of Students for adjudication.

Homework is due when indicated on the Syllabus. If you will miss class the day an assignment is due, you may either turn it in a week early or email it to a classmate who can print it and hand it in for you.

Late homework will be accepted. If it is late and handed in before Spring break, its grade will be discounted 10%. If it is late and handed in after Spring Break its grade will be discounted 20%. It is always better to hand in homework late than to not hand it in at all. **I cannot accept homework after the beginning of the last Raising Capital class.**

No Grades by Email: Exam grades are usually provided one week after exams. You should keep track of your attendance and homework so you can estimate participation and homework grades. You can inquire about grades before or after class or during office hours. **No grades will be provided by email.**

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Schedule

1/17	Lecture I: Overview of Capital Sources ppt.; Ch1: Risk, Reward and Sources of Capital
1/22	Ch2: Self Help: The Entrepreneur's Sources, Ratio Handout
1/24	Lecture II: Ch3: Banks;
1/29	Ch4: Small Business Administration Lending Programs;
1/31	Ch5: Asset Based Lenders and Factors: Lecture III:
2/5	Ch6: Business Models, Business Plans; Module I Borrowing Capacity
2/7	Lecture IV: Ch7: Angel Investors; Lecture V
2/12	Ch8: Venture Capital; Module II Factoring Due; Module III Asset Based Lenders Due;
2/14	Lecture VI: Ch9: Structuring the Private Investment Deal
2/19	Midterm Review; Module IV Budgeting A Due; Module V Budgeting B Due
2/21	Midterm Exam
2/26	Lecture VII Ch10: The Pitch: Landing the Investor
2/28	Lecture VIII Ch11: Securities Regulation; Module VI Angel Investors Due;
3/5	Module VII Venture Capital Due
3/7	Lecture IX Ch12: Initial Public Offerings;
3/9	Lecture IX-A Initial Public Offerings;
3/21	Module VIII Company Valuation Due
3/26	Lecture X Ch13 Small Public Offerings;
3/28	Module IX Investor Equity Due
4/2	Lecture XI Ch14: Small Business Investment Companies (SBIC's);
4/4	Module X Share Issues Due
4/9	Lecture XII Ch15: Internal Sources of Cash;
4/11	Module XI SBIC Due
4/16	Lecture XIII Ch16 Bonds; Lecture XIV Ch17: Module XII Capital Required Due
4/18	Commercial Paper; Module XIII Internal Sources of Cash Due;
4/23	Lecture IV Ch18: Other Financing Vehicles; Module XIV Bonds Due;
4/27	Lecture IV Ch18: Other Financing Vehicles – cont. Module XV Commercial Paper Due
4/30	Final Exam Review; Module XVI Pipe Transactions Due; Module XVIII Strategy Due
5/7	Final Exam – Regular Classroom 8:00 – 11:00

Instructor reserves the right to amend or modify the syllabus to meet the objectives of the course.