

RUTGERS UNIVERSITY
School of Business - Camden
Business Valuation - 52:390:306 Section: 01

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Course objective: This course will introduce the three basic approaches to business valuation. The valuation process will be the focus of the course, including instruction on how to do company analysis, industry and economic analysis and financial analysis. A full explanation of the market approach will emphasize the application of the subject company's qualitative and quantitative analysis to the valuation process. The basic theory and application of the income approach and its various methodologies is presented. Basic capitalization models and discounting models are shown in the context of earnings and cash flow measurements, as well as equity and invested capital assignments. In addition, the fundamentals of the asset approach will be taught.

Upon successful completion of this course students should be able to:

1. Understand the business environment and accounting information
2. Adjust and assess financial information
3. Forecast future payoffs such as earnings, cash flow, or dividends.
4. Use forecasted information to estimate firm value.
5. Review pro forma income reporting.
6. Estimate cost of debt and equity capital and the weighted average cost of capital.
7. Create a valuation using the discounted cash flow model.
8. Create a valuation using the residual operating income model.
9. Create a valuation using the market-based model.

Textbook: A traditional textbook is not required for this course. Access to MyBusinessCourse is integrated into Canvas via First Day Course Material. No additional material is needed for the course. Your course material charge is included in your student bill and guarantees the lowest cost available for your required materials. MyBusinessCourse comes with an electronic textbook. MyBusinessCourse is based on "Financial Statement Analysis & Valuation", 6th Edition by Easton, McAnally, Sommers, Zhang.

Grading: Letter grades will be assigned based on the following scale:

100 - 93	A
92 - 89	B+
88 - 85	B
84 - 78	C+
77 - 70	C
69 - 60	D
59 or less	F

	<u>Due Date</u>	
Homework Module 1	9/19/2022	4%
Homework Module 2	9/26/2022	4%
Homework Module 3	9/26/2022	4%
Homework Module 4	10/3/2022	4%
Homework Module 5	10/10/2022	4%
Homework Module 6	10/17/2022	4%
Mid Term - (Module 1 to 6)	10/24/2022	24%
Homework Module 7	10/31/2022	4%
Homework Module 8	11/7/2022	4%
Homework Module 11	11/14/2022	4%
Homework Module 12	11/21/2022	4%
Homework Module 13	11/28/2022	4%
Homework Module 14	12/5/2022	4%
Homework Module 15	12/12/2022	4%
Final Exam - (Module 7, 8, 11, 12, 13, 14 & 15)	TBA	<u>24%</u>
Total		100%

Homework: There is a homework assignment for each module. The homework assignment consists of short problems. The homework can be found by click on the MyBusinessCourse link in Canvas. All homework assignments are available from the first day of class until the due date. Students have three attempts at completing the homework. The homework must be completed before the due date.

Mid Term and Final Exam: Both the mid-term and final exam consist of short problems. The mid-term and final exam will be given in class.

Key Fall 2022 Dates

Fall 2022 classes begin	Tuesday, September 6th
Last day to drop classes w/o “W”	Thursday, September 15th
Last day to add classes	Thursday, September 15th
Last day to withdraw with a “W”	Monday, November 8th
Change in designation of day	Tuesday, November 22 nd (observe Thursday class schedule)
Change in designation of day	Wednesday, November 23 rd (observe Friday class schedule)
Thanksgiving break	Thursday, November 24 th – Sunday, November 27 th
Regular classes end	Wednesday, December 14th
Reading day	Thursday, December 15th
Final exam period	Friday December 16 th – Thursday, December 22 nd

Disability Services/Accommodations

The University is committed to supporting the learning of all students and faculty will provide accommodations as indicated in a Letter of Accommodation issued by the Office of Disability Services (ODS). If you have already registered with ODS and have your letter of accommodations, please share this with me early in the course. If you have or think you have a disability (learning, sensory, physical, chronic health, mental health or attentional), please contact <https://success.camden.rutgers.edu/disability-services>.

Accommodations will be provided only for students with a letter of accommodation from ODS. Their services are free and confidential. Letters only provide information about the accommodation, not about the disability or diagnosis.

Academic Integrity

The Academic Integrity policy can be found at <http://studentconduct.rutgers.edu/student-conduct-processes/academic-integrity/>

Students are responsible for understanding the principles of academic integrity and abiding by them in all aspects of their work at the University. Students are also encouraged to help educate fellow students about academic integrity and to bring all alleged violations of academic integrity they encounter to the attention of the appropriate authorities.

Academic Integrity means that you (the student) must:

- properly acknowledge and cite all use of the ideas, results, or words of others,
- properly acknowledge all contributors to a given piece of work,
- make sure that all work submitted as your own in a course activity is your own and not from someone else
- obtain all data or results by ethical means and report them accurately
- treat all other students fairly with no encouragement of academic dishonesty

Adherence to these principles is necessary in order to ensure that:

- everyone is given proper credit for his or her ideas, words, results, and other scholarly accomplishments
- all student work is fairly evaluated and no student has an inappropriate advantage over others
- the academic and ethical development of all students is fostered
- the reputation of the University for integrity is maintained and enhanced.

Failure to uphold these principles of academic integrity threatens both the reputation of the University and the value of the degrees awarded to its students. Every member of the University community therefore bears a responsibility for ensuring that the highest standards of academic integrity are upheld. Violations are taken seriously and will be handled according to University policy.

Code of Student Conduct

Rutgers University-Camden seeks a community that is free from violence, threats, and intimidation; is respectful of the rights, opportunities, and welfare of students, faculty, staff, and guests of the University; and does not threaten the physical or mental health or safety of members of the University community, including in classroom space.

As a student at the University you are expected adhere to the Code of Student Conduct. To review the code, go to the Office of Community Standards:
<https://deanofstudents.camden.rutgers.edu/student-conduct>

Note that the conduct code specifically addresses disruptive classroom conduct, which means *"engaging in behavior that substantially or repeatedly interrupts either the instructor's ability to teach or student learning. The classroom extends to any setting where a student is engaged in work toward academic credit or satisfaction of program-based requirements or related activities."*

CLASSROOM POLICIES

Exam Make-up Policy/Late Policy

If, for a university approved reason, you cannot take an exam at the scheduled time you must give the professor written notice at least one week in advance so that other arrangements can be made. If the situation does not allow for advance notification (for example, emergency hospitalization), contact the professor as soon as possible after a missed exam. Make-up exams for non-university approved reasons are not guaranteed. The professor reserves the right to request written documentation to support your absence (such as a doctor's note, an obituary, or military orders).

ACADEMIC SUPPORT

The Rutgers-Camden Learning Center (RCLC) provides academic support to all Rutgers-Camden undergraduate students. The RCLC programs are facilitated by professional staff, graduate students, and trained undergraduate peer leaders who have previously excelled in their courses. Resources available to students in this course may include:

- Peer Tutoring: You can make a one-on-one appointment with a Peer Tutor by going to <https://learn.camden.rutgers.edu/peer-tutoring/> Online Tutoring is also available via Smarthinking by going to <https://learn.camden.rutgers.edu/smarthinking/>. Visit our website for a full schedule of times, locations, and courses.
- Supplemental Instruction (SI): SI Leaders are assigned to specific sections of courses and hold two weekly study sessions. Sessions focus on the most challenging content being covered in class. The SI Session schedule is posted on the RCLC website each week and will also be communicated in a course by the SI Leader.
- Peer Writing: Improve your college-level writing skills by bringing writing assignments from your classes to a Peer Writing Tutor. Like tutoring, you can visit the website <https://learn.camden.rutgers.edu/peer-tutoring/> to make an appointment and view the full schedule of available drop-in hours. Students can also use Smarthinking (online tutoring) for writing assistance.
- Learning Specialist: In academic coaching sessions, Learning Specialist assists students in developing study skills, setting goals, and connecting to a variety of campus resources.

RCLC services are offered to all Rutgers-Camden undergraduates at no additional cost. You are invited to call the Learning Center at (856) 225-6442, visit <https://learn.camden.rutgers.edu/> or come to the Learning Center located in The Center for Learning and Student Success (CLASS) office located on the 2nd floor of Armitage Hall.