

Mercer University – Stetson School of Business and Economics
Fall II 2015 BBA Atlanta
FIN 645.A2 Financial Analytics

Professor: *Nik Volkov, Ph.D.*

Office Hours: *Tues 11- 1PM, Thur 11-1PM and by appointment*

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SSBE Mission Statement: Stetson School of Business and Economics of Mercer University delivers career focused business education to develop entrepreneurial leaders and responsible global citizens.

Course Description: The focus of this course is on modeling, forecasting, and planning corporate financial decisions. The course is designed for students planning careers involving valuation and forecasting in corporate finance, private equity, venture capital, Treasury Management and mergers and acquisitions among others. We will link the theory of finance to practical and usable spreadsheet models that will assist a financial manager in forecasting, valuation, firm's investment and capital structure decisions. Students will also be introduced to both simulation and optimization.

Prerequisites: BAM 622, BA 624

Course Overview: Firm owners, managers, analysts, banks, and investors (both institutional and individual) must be able to forecast operating and financial performance of the firm. A well-executed forecast allows for better business decisions. Although we cannot predict the future, we can build models that predict several different scenarios.

In this class, we will learn how to build a simple, yet informative financial model using Excel. We will also learn how to interpret and use the outputs of the model.

Textbook and Other Materials:

1. *Introduction to Financial Models for Management and Planning*
Authored by James R. Morris and John P. Daley. ISBN-13: 978-1420090543
Published by CRC Press
2. Required Laptop Computer
Each student must bring a laptop computer to class. Your laptop computer must be capable of running the Microsoft Windows version of Excel.
3. Optional resources/text books:
Financial Modeling, 4th Edition
Author: Simon Benninga
Published by MIT Press

Financial Statement Analysis & Valuation, 2nd Ed.

Authored by Peter D. Easton, Mary Lea McAnally,
Patricia Fairfield, Xiao-Jun Zhang, and Robert F. Halsey
Published by Cambridge Business Publishers

Course Learning Objectives

1. Students will develop a financial model in Excel and gain insights and practical understanding of the corporate financial theory that underlies financial models
2. Students will use financial models and theory to address a variety of financial planning and forecasting problems
3. Students will communicate their findings from financial models in a clear, coherent, and concise manner.
4. Students will make an investment recommendation based on their models

Grading and Course Evaluation Method

Grade Scale

Course Average	Grade
90 or higher	A
87-89	B+
80-86	B
77-79	C+
70-76	C
69-lower	F

Course Evaluation Method

Your course grade will be comprised of three assignment related to the semester-long project, presentation of your results, and class participation. The detailed description of each of the assignments and the final report is presented in the appendix to this syllabus. The grading is as follows:

Project Part 1	20%
Project Part 2	20
Final Project	40
Presentation	10
Participation	10
Total	100

Project – you will complete a financial analysis and a forecast for a U.S. company from the S&P 500 index. The project will include a written report and a detailed excel model that will support the report. The due dates for the parts of the project and the final submission can be found on the “Course Reading & Learning Schedule” of this syllabus and the Project Assignment document on BB.

Follow the weekly Project assignment posted on Blackboard to make sure you don’t fall behind with your projects.

Presentation – you will present the results of your project to the class during the final class session. The presentations are set for 15 minutes per student. We may have a 5 minute discussion following the presentation.

Participation – I expect all students to actively participate in class discussions.

Additional course policies:

Late Assignments

Unacceptable unless prior instructor approval is given. If there is any reason you cannot submit an assignment, contact me before the event to discuss alternatives. Late submission will result in no points and no opportunity to make points up. There is absolutely no forgiveness for late submissions.

Attendance Policy

The attendance is mandatory during face-to-face meetings.

Mercer University Honor Code and Council

(See Mercer catalog for more detailed information)

Honor Code Mercer University Atlanta expects each and every student to maintain the highest principles of academic honesty and integrity. Violations of academic honesty represent a breach of the University’s expectations and will be regarded as a serious matter. Violations include, but are not limited to, the following:

- Plagiarism - The use of ideas, facts, phrases, or additional information such as charts or maps, from any sources, without giving proper credit to the original author. Using direct quotations, paraphrases, or reproductions of any material which is not of the student’s own authorship is also considered plagiarism. Failure to reference any such material used is both ethically and legally improper.

Disability Support

Services: Disability Syllabus Statement for Atlanta, Douglas, Henry and Newnan

Students requiring accommodations or modifications for a disability should inform the instructor at the close of the first class meeting or as soon as possible. The instructor will refer you to the ACCESS and Accommodation Office to document your disability, determine eligibility for accommodations under the ADA/Section 504 and to request a Faculty Accommodation Form. Disability accommodations or status will not be indicated on academic transcripts. In order to

receive accommodations in a class, students with sensory, learning, psychological, physical or medical disabilities must provide their instructor with a Faculty Accommodation Form to sign. Students must return the signed form to the ACCESS Coordinator. **A new form must be requested each semester.** Students with a history of a disability perceived as having a disability or with a current disability who do not wish to use academic accommodations are also strongly encouraged to register with the ACCESS and Accommodation Office and request a Faculty Accommodation Form each semester. For further information, please contact Richard Stilley (stilley_r@mercer.edu), at (678) 547-6823 or visit the ACCESS and Accommodation Office website at <http://atlstuaffairs.mercer.edu/disability-services.cfm>

**Inclement
Weather:**

Inclement Weather: If severe weather occurs, classes will be canceled in accordance with the Associate Provost's decision of Mercer-Atlanta. Call the Mercer weather phone for information about class cancellations—(678) 547-6111 (Atlanta) or listen to WSB 750 AM.

COURSE READING & LEARNING SCHEDULE

(This may change, so make sure you download the new syllabus as it becomes available)

Session	Date	Topic	Chapter	Notes	Contact minutes
1 Online	10/17	Introduction to Financial Modeling; Review of Basic Accounting	1, handout	Handout can be found on Blackboard	4.7
2 In class	10/24	Financial Analysis; Growth and Cash Flows	2, 3	We will have a short quiz on basic accounting in the beginning of class	4.7
3 Online	10/31	Financial Statement Simulation; Monte Carlo Simulation	4, 5	Part 1 of Project due before class	4.7
4 In class	11/07	Time Trend Extrapolation; Econometric Forecasting; Smoothing Data for Forecasting	6, 7, 8		4.7
5 In class	11/14	Modeling Value; Assets; Debt; Working Capital	9, 10, 11, 12		4.7
6 In class	11/21	Modeling Security Prices; Technical Analysis	13	Part 2 of Project due before class	4.7
7 Online	11/28	Forecasting Security Prices and Making an Investment Recommendation; Review of Overall Model			4.7
8 In class	12/05	Presentations and discussion		Final project due	4.7