

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS  
NEW COURSE PROPOSAL**

DATE 11.8.06  
PROGRAM AREA BUSINESS AND ECONOMICS

**1. Catalog Description of the Course.** *[Follow accepted catalog format.]*

Prefix FIN Course# 411 Title CORPORATE FINANCE MANAGEMENT Units (3)  
3 hours lecture per week  
hours blank per week

- Prerequisites FIN 300  
 Corequisites

**Description**

Provide an in-depth knowledge of key concepts and theoretical principles of modern corporate finance, including analytical tools necessary for managerial decision making.

- Gen Ed  CR/NC  Repeatable for up to units  
Categories  
 Lab Fee Required  A - F  Optional (Student's choice) Total Completions Allowed  
 Multiple Enrollment in same semester  
 Title V Section 40404:  Government  US Constitution  US History

**2. Mode of Instruction.**

	Units	Hours per Unit	Benchmark Enrollment	Graded Component	CS & HEGIS # (filled in by Dean)
Lecture	3	1	25	<input checked="" type="checkbox"/>	_____
Seminar	_____	_____	_____	<input type="checkbox"/>	_____
Laboratory	_____	_____	_____	<input type="checkbox"/>	_____
Activity	_____	_____	_____	<input type="checkbox"/>	_____

**3. Justification and Learning Objectives for the Course.** (Indicate whether required or elective, and whether it meets University Writing, and/or Language requirements) *[Use as much space as necessary]*

This is a required course for the Finance Emphasis.

Upon successful completion of the course, students should be able to:

- (1) evaluate major financial decisions made by a corporation, including capital budget, capital structure, dividend policy, and mergers and acquisitions,
- (2) calculate statistical measures of risk for individual securities and for portfolios,
- (3) calculate a firm's Weighted Average Cost of Capital (WACC),
- (4) explain the Capital Asset Pricing Theory and Arbitrage Pricing Theory via case analyses.

This course does not meet university writing, and/or language requirements.

**4. Is this a General Education Course** YES  NO

If Yes, indicate GE category and attach GE Criteria Form:

**A (English Language, Communication, Critical Thinking)**

- A-1 Oral Communication   
A-2 English Writing   
A-3 Critical Thinking

**B (Mathematics, Sciences & Technology)**

- B-1 Physical Sciences   
B-2 Life Sciences – Biology   
B-3 Mathematics – Mathematics and Applications   
B-4 Computers and Information Technology

**C (Fine Arts, Literature, Languages & Cultures)**

- C-1 Art   
C-2 Literature Courses   
C-3a Language   
C-3b Multicultural

- D (Social Perspectives)
- E (Human Psychological and Physiological Perspectives)
- UD Interdisciplinary

**5. Course Content in Outline Form.** *[Be as brief as possible, but use as much space as necessary]*

1. Capital Budgeting Analysis
2. Risk and Return of Individual Investment and portfolio
3. Capital Asset Pricing Model and Arbitrage Pricing Theory
4. Cost of Capital Theory
5. Capital Structure Theory
6. Sources of Long Term and Short Term Financing
7. Efficient Market Hypothesis
8. Dividends and Other Payouts
9. Mergers and Acquisitions

Does this course overlap a course offered in your academic program? YES  NO

If YES, what course(s) and provide a justification of the overlap?

Does this course overlap a course offered in another academic area? YES  NO

If YES, what course(s) and provide a justification of the overlap?

Signature of Academic Chair(s) of the other academic area(s) is required on the signature sheet below.

**6. Cross-listed Courses (Please fill out separate form for each PREFIX)**

List Cross-listed Courses

Signature of Academic Chair(s) of the other academic area(s) is required on the signature sheet below.

Department responsible for staffing:

**7. References.** *[Provide 3 - 5 references on which this course is based and/or support it.]*

Brealey, Richard; Myers, Stewart and Allen, Franklin. "Principles of Corporate Finance." 8th edition, Irwin/McGraw-Hill, 2006.

Stephen, Ross; Westerfield, Randolph and Jaffee, Jeffrey. "Corporate Finance." 7<sup>th</sup> Edition. Irwin/Mcgraw-Hill, 2005.

Kester, Carl; Ruback, Richard and Tufano, Peter. "Case Problems in Finance." 12<sup>th</sup> edition, Irwin/Mcgraw-Hill, 2005.

Damodaran, Aswath. "Corporate Finance: Theory and Practice." 2<sup>nd</sup> edition. Addison Wesley, 2001

**8. List Faculty Qualified to Teach This Course.**

Priscilla Liang, Ph.D

Other Smith School faculty

**9. Effective Date and Frequency.**

- a. Projected semesters to be offered: Fall  Spring  Summer
- b. First semester offered: 2007

**10. New Resources Required. YES  NO**

If YES, list the resources needed and obtain signatures from the appropriate programs/units on the sheet below.

- a. Computer (data processing), audio visual, broadcasting needs, other equipment)
- b. Library needs
- c. Facility/space needs

**11. Will this new course alter any degree, credential, certificate, or minor in your program? YES  NO**

If, YES attach a program modification form for all programs affected.

Priscilla Liang  
Proposer of Course

10/11/2006  
Date

