TEXAS A&M UNIVERSITY
Mays Business School

Corporate Finance

FINC 612 – Fall 2026 – Term 2

Boone Bowles

Class Room:	Wehner 187
Office:	Wehner 360Q
Class Times:	ENGR 12th Man (8:30-10:30); ENGR Rev (10:45-12:45)
Office Hours:	Thursdays from 1:00 to 2:00
LMS:	Canvas
Email:	boone.bowles@tamu.edu
Website:	boonebowles.com/teaching/corporate-finance-mba
Boot Camp:	bootcamp.boonebowles.com
Teaching Assistant:	Nurtas Agaidarov (agaidarov@tamu.edu)
Teaching Assistant:	Thomas Ciampi (tciampi@tamu.edu)

1 Course Description

Firms face important questions: Will the proposed project create or destroy value? Should we invest in robotics or enhance our labor force? Given limited resources, which of several projects should we select? How should we fund the expansion of our facilities? To answer these questions, firms quantify the effects of their decisions on firm value. In this course, we focus on fundamental financial concepts and develop skills in valuation to address these important questions. This course is intensive; we not only seek to understand financial concepts but work diligently to acquire important tools.

2 Objectives

The primary objectives of this course are ***(i)* to provide a broad overview of corporate finance** and (*ii*) **to develop skills in valuation and financial decision making.** A more specific list of objectives includes: be able to use time value of money concepts to calculate net present value, know how to apply decision rules for choosing between projects, be able to forecast the value-relevant cash flows associated with an investment, recognize and apply different methodologies for valuing stocks and bonds, be able to estimate the cost of capital for a firm and/or project, and understand the impact of financial leverage on the cost of capital and project value.

3 Materials

Required: **Corporate Finance, 6th edition** (*Older editions are fine.*)
Jonathan Berk & Peter DeMarzo

Required: **Financial Calculator**
Common models include the HP12c, HP10b, and TI BAII.

Required: **Microsoft Excel**
I will use a PC. Seek additional resources if you use a Mac.

Required: **Wall Street Journal**
Free access for TAMU students through University Libraries.

4 Schedule

Pre-Midterm		Post-Midterm	
Week	Class Dates	Week	Class Dates
1	10/13, 10/14	5	11/10, 11/12
2	10/20, 10/22	6	11/17, 11/19
3	10/27, 10/29, 10/30	7	11/24
4	11/3, 11/5, **11/6**	8	12/1, 12/3
		9	12/8, **12/10**

mm/dd indicates midterm and final exam dates.

This course is structured around eight modules or questions. The questions are listed below along with the accompanying textbook chapters and assignments. The first four questions are covered prior to the midterm exam. The session on December 8th will be a review for the final exam and will be from 9:00 to 11:00. The final exam will be from 8:30 to 12:30 in rooms 186, 187, and 190.

1. What is a firm and what does it do? ..... Ch. 1, 3; Assignment 1
2. How do I analyze financial statements? ..... Ch. 2, 8.2; Assignment 2
3. How do I value a bond? ..... Ch. 4-6; Assignment 2
4. How do firms value projects and make decisions? ..... Ch. 3, 7-8; Assignment 3
5. How do I value equity? ..... Ch. 9; No Assignment
6. What is the cost of capital? ..... Ch. 10-12; Assignment 4
7. Can I practice some more valuation, please? ..... Ch. 18-19; Assignment 4
8. Is there anything else that I should learn? .....

5 Grading

Final scores are determined using the rubric shown to the right. If a student wants to drop their midterm exam score and put added weight on their final exam they have until one week after the midterm scores are posted to inform the instructor of this via email. There will be no extra credit. Late work will not be accepted.

Category	%
Quizzes	15
Assignments	25
Midterm Exam	25
Final Exam	35
TOTAL	100

Final letter grades are derived from final scores using the scale shown to the right. The instructor reserves the right to scale grades at the end of the course.

90% or higher	A
80% – 89%	B
70% – 79%	C
60% – 69%	D
less than 60%	F

5.1 Quizzes

There will be seven 10-minute quizzes administered in-person at the beginning of class on Tuesday of Weeks 2–8. The quizzes will be multiple choice and will cover material from both the textbook and lectures. Students are only allowed to use a pencil/pen, paper, and their calculator (no notes, no textbook, no computers, no phones, and no classmates). The aim of each quiz is to promote understanding of class concepts and to check on the development of skills. Quiz questions will be helpful in preparing for both exams. Each students' lowest quiz score (or one missed quiz) will be dropped.

5.2 Assignments

There will be four group assignments. These assignments are designed to promote meaningful discussion and work among group members and to help students apply skills developed in class. Students will work in groups previously assigned by the MBA office. ***Diligently working on the assignments is invaluable preparation for both exams.***

5.3 Exams

There will be one midterm exam and one final exam. The final exam will be comprehensive. The exams will be administered in class on the dates scheduled. The exams are like the quizzes in that students are only allowed to use a pencil/pen, paper, and their calculator (no notes, no textbook, no computers, no phones, and no classmates). A formula-sheet will be provided by the instructor. Only in *extreme circumstances* will the instructor consider rescheduling these exams.

6 Expectations

6.1 Instructor

The instructor is expected to begin class on time and to be prepared to deliver lectures and answer questions regarding the scheduled topics. The instructor is also expected to hold regular office hours and to be responsive to student emails.

6.2 Students

Students are expected to attend class and participate in lectures. Students are expected to read the materials from the textbook before class and to reference them as necessary after class. Students are expected to be conversant in current financial news. It is expected that students are self-motivated, self-organized, and respectful. Students are expected to fully participate with their group. Finally, students are expected to put forth effort on all assignments and exams, and to complete assignments on time.

7 Other Details

7.1 Aggie Honor Code

"An Aggie does not lie, cheat, or steal or tolerate those who do."

7.2 Americans with Disabilities Act Policy Statement

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact Disability Resources at Texas A&M University.

7.3 Phone and Laptop Policy

Phone use is not permitted in class unless directed by the instructor. Laptops are allowed only as directed by the instructor.

7.4 Prohibition of Recording

To encourage open, honest, and transparent discussions, students and instructor must have an expectation of privacy during the course of the semester. To this end, students are not authorized to make an audio, video, or photographic record of any person or occurrence that happens within the classroom. If you have requested accommodations through the Disability Resource Center relevant to this topic, please see the instructor. The instructor may record the audio of some portions of lectures, and will inform students of this beforehand.

7.5 Copyrights

All lectures and course materials (including syllabus, assignment, quizzes, tests, and similar materials) are the intellectual property of the instructor. Students may print and make copies for their own use. However, students are not authorized to share, reproduce, distribute, or otherwise make public (online or elsewhere) these course materials without the written consent of the instructor.

7.6 Boone's Finance Boot Camp

Boone's Finance Boot Camp (BFBC) reinforces your summer MBA preparation through short videos, companion notes, Excel workbooks, and finance tools. It is **not required, but highly recommended**. Its material supports Modules 2–4: financial-statement analysis, bond valuation, and project valuation.

You are strongly encouraged to use the **practice quizzes**, which offer a fresh mix of questions and **immediate feedback**, to check your understanding. You can also use **VB, the Virtual Boone tutor**, as part of your preparation. Beyond Modules 2–4, the techniques developed through the boot camp are instrumental for taking exams by hand with a calculator. As you prepare, work problems on paper with your own calculator to build the fluency you will need on exam day.

8 TA Help Session Schedule

Pre-Midterm				Post-Midterm			
Week	Date	Time	Room	Week	Date	Time	Room
1				5	11/11	3:45	187
2	10/21	3:45	187	6	11/18	3:45	187
3	10/28	3:45	187	7			
4	11/4	3:45	187	8	12/2	3:45	187