George Mason University  
Graduate Course Approval/Inventory Form

Please complete this form and attach a copy of the syllabus for new courses. Forward it as an email attachment to the Secretary of the Graduate Council. A printed copy of the form with signatures should be brought to the Graduate Council Meeting. Complete the Coordinator Form on page 2, if changes in this course will affect other units.

Please indicate:  

_x_ NEW  

___ MODIFY  

___ DELETE  

Local Unit:  School of Management  

Graduate Council Approval Date:  

Course Abbreviation:  MSBM  

Course Number:  643  

Full Course Title:  Managerial Finance in Bioscience Management  

Abbreviated Course Title (24 characters max.):  

Credit hours:  3  

Program of Record:  BU  

Repeatable for Credit?  

_D=Yes, not within same term  

_T=Yes, within the same term  

_N=Cannot be repeated for credit  

Activity Code (please indicate):  

_x_ Lecture (LEC)  

___ Lab (LAB)  

___ Recitation (RCT)  

___ Studio (STU)  

___ Internship (INT)  

___ Independent Study (IND)  

___ Seminar (SEM)  

Catalog Credit Format  

Course Level:  GF(500-600)  

Maximum Enrollment:  20  

For NEW courses, first term to be offered:  04F  

Prerequisites or corequisites:  Admission to Bioscience Management Program or permission of instructor

Catalog Description (35 words or less)  

Please use catalog format and attach a copy of the syllabus for new courses.

MSBM 643 Managerial Finance in Bioscience Management (3:3:0)  

Prerequisites: Admission to the Bioscience Management Program. Introduction to the theory and practice of finance within corporations as applied to the life sciences organization and industry. Topics covered include Inter Temporal Choice, Valuation, Capital Budgeting, Capital Structure, Working Capital Management, and Risk/Return Analysis.

For MODIFIED or DELETED courses as appropriate:

Last term offered:  

Previous Course Abbreviation:  

Previous number:  

Description of modification:

APPROVAL SIGNATURES:

Submitted by:  

email:  

Department/Program:  

Date:  

College Committee:  

Date:  

Graduate Council Representative:  

Date:  
GEORGE MASON UNIVERSITY
Course Coordination Form

Approval from other units:

Please list those units outside of your own who may be affected by this new, modified, or deleted course. Each of these units must approve this change prior to its being submitted to the Graduate Council for approval.

<table>
<thead>
<tr>
<th>Unit:</th>
<th>Head of Unit’s Signature:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit:</td>
<td>Head of Unit’s Signature:</td>
<td>Date:</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Unite</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit:</td>
<td>Head of Unit’s Signature:</td>
<td>Date:</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------</td>
<td>-------</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit:</td>
<td>Head of Unit’s Signature:</td>
<td>Date:</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------</td>
<td>-------</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Graduate Council approval: ________________________________ Date: ____________

Graduate Council representative: ___________________________ Date: ____________

Provost Office representative: _____________________________ Date: ____________
Instructor: Dr. Robert A. Krell  
Phones: 703 338 9220 (cell), 703 641 25769 (work), 703 759 2377 (home)  
Office: Adjunct Office (Tara Hammond 703 993 1743) kfrench <kfrench@gmu.edu>  
Hours: By Appointment  
E-mail (Use in this order): genk13@email.uophx.edu, rkrell@gmu.edu, rkrell@csc.com

Course Description: This is a class in corporate accounting/finance. The class relies both on a lecture and a team concept/approach for additional practicum/experience. The schedule is approximate. Experience has shown that the time required to cover topics varies with different classes. Throughout the schedule there may be problem assignments to be handed in. They are due the very next class period. *There will be additional handouts.* During each class the following class assignments will be made clear. Attendance is therefore very important. Assignments are from the main text.

Course material:


Terms of Reference: This is both a lecture course and a case discussion course. The lectures will draw heavily from RWJ and my own handouts. The case discussions will be from cases from the case text (Bruner). You are required to be prepared to discuss the cases on the day scheduled. Preparation does not simply mean reading the case once and then “winging” in class possible answers to the financial concepts or practices in the case. Rather preparation requires *detailed* supporting analyses for addressing the financial issues brought out in the case and adding your own personal interpretation. You may have to lay out in a structured manner your assumptions and a coherent train of thought to arrive at conclusions and recommendations.

Group Cases (involving about 3 to 5 students for each case) will require submission of a written analysis. Depending on the configuration of the class (where students are located) this can be adjusted. Also, it includes providing copies for each person of two articles (on the day the case is discussed in class) addressing current research or issues surrounding the financial topics in the case. This will be addressed in more detail in the day 1 lecture.

We will use GMU WEBCT to help disseminate information. You must check it at least weekly.

The amount of time we will spend spent on each case varies and can not be predicted precisely ahead of time. Therefore, the course outline below is an approximation and, with a high probability, is subject to change. Possible cases for group analysis will be discussed. Based on past history, this has been an exciting and enjoyable course.

Grading Scheme:

- Class participation: 25%  
- Written Cases Assignment: 25% (group effort) (Starred (***)on Syllabus)  
- Midterm (Take-home): 25%  
- Final: 25%
Managerial Finance  
MSBM 643  
Summer 2004

**Course Schedule:**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Topic</th>
</tr>
</thead>
</table>
| 1   | May 14 | Introduction & Approach  
              Comments On the Tele-videoconferencing  
              Etiquette Issues (e.g. using the microphone, food)  
              What is “Corporate Finance? Paper by Krell (Handout)  
              THEORY (RWC)  
              PRACTICE (Cases Approach)  
              Use of WEBCT Tool: Threading |
|     | (1-5)   |                                                                      |

**Required Reading:**

- RWJ: Chapter 1: Intro to Corporate Finance  
- Chapter 2: Accounting Statements & Cash Flow  
- Chapter 26: Corporate Financial Models & LT Planning  
- Chapter 20: Long-Term Debt  
- Case 2: The Fidelity Magellan Fund, 1995  
- Case 6: The Financial Detective

| 2   | May 25 | Valuation & Capital Budgeting  
              Financial vs Productive Asset Analysis  
              Time Value of Money  
              Perpetuity w & w/o Growth  
              Annuity w/w/o Growth |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(4-6)</td>
<td></td>
</tr>
</tbody>
</table>

**Required Reading:**

- RWJ: Chapter 3: Financial Markets & Net Present Value Rule  
- Chapter 4: Net Present Value  
- Handouts: Select Problems

| 3   | July 6 | Valuation: Bonds & Fixed Instruments  
              (4-6)  |

**Required Reading:**

- RWJ: Chapter 5: How to Value Bonds & Stocks  
- Chapter 6: Some Alternative Investment Rules  
- Chapter 7: Net Present Value & Capital Budgeting  
- Handouts: Select Problems  
- Yellow Corporation Case Study & Problems
Managerial Finance
MSBM 643
Summer 2004

4 July 27 Risk: Capital Market Theory
(4-6)

Required Reading:
RWJ: Chapter 9 Capital Market Theory: An Overview
Chapter 10 Return & Risk: The Capital Asset Pricing Model (CAPM)
Chapter 12 Risk, Cost of Capital and Capital Budgeting
Handouts: Select Problems
Case 13: Nike Inc., Cost of Capital

Midterm

5 Aug 3 Capital Structure: Basic Concepts
(4-8)

Required Reading:
RWJ: Chapter 15 Capital Structure: Basic Concepts
Chapter 17 Valuation & Capital Budgeting for the Levered Firm
Case 29: Structuring Corporate Financial Policy: Diagnosis of Problems and Evaluation of Strategies
Case 30: MCI Communications Corp.: Capital Structure Theory

Midterm Due

6 Aug 17 IPOs & Seasoned Offerings to the Public
(4-6)

Required Reading:
RWJ: Chapter 19 Issuing Securities to the Public
Chapter 20 Long-Term Debt
Case 26: EBay Inc. (A)
Managerial Finance  
MSBM 643  
Summer 2004