

Entrepreneurial Finance

ENT 6416

Spring 2017

I. Course Director

Professor James Parrino
Stuzin 301
Email: james.parrino@warrington.ufl.edu
Direct Phone – 273-4968
Office hours: by appointment

II. Course Description

Students will learn about venture capital and private equity investing by exercising the skills used by professional firms. Learning activities will include: developing and evaluating specific elements of business plans, financial statement forecasting and simulation, valuation and calculating potential investment returns, and deal structuring.

Prerequisite: Fin 5437

III. Course Materials

Required:

1. Course handouts of cases and readings – on course site. It is your responsibility to check the course site for changes to the schedule and for handout materials. The outline included below may change depending upon the pace of the class.
2. Textbook: *Entrepreneurial Finance* – by Smith, Smith, and Bliss. Stanford Press (note a copy is on reserve in the Library).
The text includes cases, homework exercises, and a supplemental simulation software that we will utilize during the class.
3. Laptop – bring it to class.
4. There are additional materials that you can obtain online from the Harvard Business School. The course link is: <http://cb.hbsp.harvard.edu/cbmp/access/61758216>

VI. Grading

There will be three grading points: final exam (40%), HW Quizzes (40%), and Class Participation (20%). Students are expected to come to class prepared and ready to discuss the material assigned and analyses performed.

Class Participation: There are several components to the class participation grade: class attendance, homework presentations, and in class discussions. Class participation is a real grade and not one to be taken lightly.

Information on current UF grading policies for assigning grade points can be found at: <https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

VII. Class Attendance and Student Disability Issues

Class attendance is required and included in the class participation grade. Excused absences must be cleared in advance and an absence does not excuse the homework due for the class. Exams and or Quizzes will be announced in advance (see outline below for tentative dates) and make-ups are only allowed for pre-arranged excused absences.

Students requesting classroom accommodation must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requesting accommodation.

Tentative Course Overview

Check Course site for detail assignments for each class

Week	Topic
1	Overview and Introduction Corp Finance Theory; Issues in Venture deals Players and Roles in VC in PE Sources of Financing Intro to Deal Structuring Organizational Structures Homework: <ul style="list-style-type: none">• Chapters 1 - 2• Go Figure Case Quiz 1
2	Venture Capital Contracts Strategic Planning Real Options and Decision Trees Homework: <ul style="list-style-type: none">• Chapters 3 - 4• Selected problems Quiz 2
3	Strategic Planning cont. Forecasting for New Ventures Assessing Financial Needs Homework: <ul style="list-style-type: none">• Read Chapters 6 –7• Beta Golf Case• Selected problems and cases Quiz 3
4	Forecasting and Simulation Homework: <ul style="list-style-type: none">• Read Chapter 5,7,8• Selected Cases and problems• Internet Grocer Case Quiz 4

5	<p>Valuation in New Ventures – Corporate Finance Theory issues Entrepreneur vs. Investor perspective</p> <p>Homework:</p> <ul style="list-style-type: none"> * Read Chapter 9,10 * Selected Problems
6	<p>Quiz 5 and 6</p> <p>Valuation and Simulation Tools Evaluating Term Sheets</p> <p>Homework</p> <ul style="list-style-type: none"> - Selected problems - Fast Track A Case□ <p>Quiz 7 and 8</p>
7	<p>Evaluating Term Sheets Deal evaluation</p> <p>Homework:</p> <ul style="list-style-type: none"> - Connected Home Case - Read Chapter 13 - Selected Problems