

EBGN573A
ENTREPRENEURIAL FINANCE

Professor: Juan M. Dempere, PhD.

Office: Alderson Hall, room 230

E-mail: jmdempere@mines.edu

Office Hours: Monday and Wednesday from 11:00 a.m. to 2:30 p.m. and by appointment

Text: “Entrepreneurial Finance” by J. Chris Leach & Ronald W. Melicher, Cengage Learning, 2011. 4th Edition.

Prerequisites: None

Course Description:

The course is designed to acquaint students with the basic concepts of obtaining funds for the start-up and financing the continued growth of the firm. The course covers start-up financing, growth capital, daily financial management, valuation and strategic financial planning.

Course Objectives:

Upon completion of this course the student should be able to:

1. Understand the importance of good record keeping & the budgeting process for a small business.
2. Explain the methods and application of the measurement of the performance of a small business.
3. Explain the problems and possible solutions to the day to day financial management of a small business.
4. Discuss the sources of funds for a start-up small business.
5. Understand the various sources of debt capital, including Small Business Administration loan guarantees.
6. Explain the roll of venture capitals in the financing of small businesses.
7. Understand the methods of business valuation and the application of them.

Course Policies

1. Curving will be done at discretion, if at all.
2. No make-up exams will be given. Only for those students who, with legitimate documentation, are excused from an exam will the exam’s weight be added to the final. Otherwise, students get a score of zero for any missed exam.
3. Students are not allowed to leave the classroom during any exam time until the exam is turned in.
4. Students are responsible for all material discussed in class whether present or not, including changes in assignments and exam dates.

NOTES: Never leave any material (homework/assignment) under my office’s door. Instead, you should send me any document by e-mail if you cannot come to class. I will replay or answer any email after 24 hours of being received at any day of the week other than the class’s day. No assigned problem will be graded if you show me just the final numeric result. I want to grade your work and mathematical procedures, so write them in detail on each assignment.

Grading Components: Grades will be based on points received as follows:

Grading Procedures:

1. (20%) Homework
2. (20%) Class Participation
3. (20%) Mid-Term Exam
4. (20%) Final Exam
5. (20%) Final Project

General Advice

It is suggested that you (1) make sure you have the necessary prerequisites for the course, (2) attend class every day, (3) do your homework as we cover the material, and (4) study in small groups.

Tentative Schedule

Tentative Date	Chapter
TBA	Chapter #1: Introduction and Overview
TBA	Chapter #1: Introduction and Overview
TBA	Chapter #2: From the Idea to the Business Plan
TBA	Chapter #2: From the Idea to the Business Plan
TBA	Chapter #3: Organizing and Financing a New Venture
TBA	Chapter #3: Organizing and Financing a New Venture
TBA	Chapter #4: Measuring Financial Performance
TBA	Chapter #4: Measuring Financial Performance
TBA	Chapter #5: Evaluating Financial Performance
TBA	Chapter #5: Evaluating Financial Performance
TBA	Midterm I
TBA	Chapter #6: Financial planning: Short Term and Long Term
TBA	Chapter #6: Financial planning: Short Term and Long Term
TBA	Chapter #7: Types and Costs of Financial Capital
TBA	Chapter #7: Types and Costs of Financial Capital
TBA	Chapter #8: Securities Law Fundamentals
TBA	Chapter #8: Securities Law Fundamentals
TBA	Chapter #9: The Creation and Calibration of Value
TBA	Spring Break
TBA	Spring Break
TBA	Chapter #9: The Creation and Calibration of Value
TBA	Chapter #10: Venture Capital valuation Methods
TBA	Chapter #10: Venture Capital valuation Methods
TBA	Midterm II
TBA	Chapter #11: Security Structure and Enterprise Value
TBA	Chapter #11: Security Structure and Enterprise Value
TBA	Chapter #12: Professional Venture Capital
TBA	Chapter #12: Professional Venture Capital
TBA	Chapter #13: Other Financing Alternatives
TBA	Chapter #13: Other Financing Alternatives
TBA	Chapter #14: Harvesting the Business Venture Investment
TBA	Chapter #15: Financial Distress: Turnaround Opportunity or Liquidity
TBA	Final

Policy on academic integrity/misconduct: The Colorado School of Mines affirms the principle that all individuals associated with the Mines academic community have a responsibility for establishing, maintaining and fostering an understanding and appreciation for academic integrity. In broad terms, this implies protecting the environment of mutual trust within which scholarly exchange occurs, supporting the ability of the faculty to fairly and effectively evaluate every student's academic achievements, and giving credence to the university's educational mission, its scholarly objectives and the substance of the degrees it awards. The protection of academic integrity requires there to be clear and consistent standards, as well as confrontation and sanctions when individuals violate those standards. The Colorado School of Mines desires an environment free of any and all forms of academic misconduct and expects students to act with integrity at all times. Academic misconduct is the intentional act of fraud, in which an individual seeks to claim credit for the work and efforts of another without authorization, or uses unauthorized materials or fabricated information in any academic exercise. Student Academic Misconduct arises when a student violates the principle of academic integrity. Such behavior erodes mutual trust, distorts the fair evaluation of academic achievements, violates the ethical code of behavior upon which education and scholarship rest, and undermines the credibility of the university. Because of the serious institutional and individual ramifications, student misconduct arising from violations of academic integrity is not tolerated at Mines. If a student is found to have engaged in such misconduct sanctions such as change of a grade, loss of institutional privileges, or academic suspension or dismissal may be imposed.

The complete policy is online.