MFIN 2211: Fundamentals of Private Venture Financing
Boston College Summer Session 2019
Summer Session 2, June 25 through August 1
T/Th 6:00pm – 9:15pm

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Office Hours: By appointment

Boston College Mission Statement
Strengthened by more than a century and a half of dedication to academic excellence, Boston
College commits itself to the highest standards of teaching and research in undergraduate,
graduate and professional programs and to the pursuit of a just society through its own
accomplishments, the work of its faculty and staff, and the achievements of its graduates. It
seeks both to advance its place among the nation’s finest universities and to bring to the
company of its distinguished peers and to contemporary society the richness of the Catholic
intellectual ideal of a mutually illuminating relationship between religious faith and free
intellectual inquiry.

Boston College draws inspiration for its academic societal mission from its distinctive religious
tradition. As a Catholic and Jesuit university, it is rooted in a worldview that encounters God in
all creation and through all human activity, especially in the search for truth in every discipline,
in the desire to learn, and in the call to live justly together. In this spirit, the University regards
the contribution of different religious traditions and value systems as essential to the fullness of
its intellectual life and to the continuous development of its distinctive intellectual heritage.

Course Description
This course concerns the various dimensions of venture capital and will allow students to gain a
preliminary working knowledge of the venture capital process and the challenges of capital
financing within an entrepreneurial setting. The course will help students understand the steps
necessary to create a fund, to attract and to analyze venture capital investments, to create
value within the portfolio companies, and to coordinate exit strategy. This course will help
those interested in small business to better understand this popular source of capital and help
those interested in a career in an entrepreneurial company or in venture capital to better
understand the venture business.
Textbooks & Readings (Required)
Any required readings will be provided in class.

Textbooks & Readings (Recommended)
None

Canvas
Canvas is the Learning Management System (LMS) at Boston College, designed to help faculty and students share ideas, collaborate on assignments, discuss course readings and materials, submit assignments, and much more - all online. As a Boston College student, you should familiarize yourself with this important tool. For more information and training resources for using Canvas, click here.

Course Objectives
1. To become familiar with the venture finance ecosystem and understand the role that it plays in our economy.
2. To be able to apply basic financial techniques such as discounted cash flow analysis and valuation by comparables in order to estimate the value of early stage companies.
3. The student will gain a preliminary understanding of venture finance across cultural settings and will learn the impact of culture, gender, and age in venture finance as evidenced by their performance in class discussions, exercises, and the final exam.
4. The student will demonstrate ethical knowledge pertaining to venture finance as evidenced by their performance in class discussions.

Grading
Class participation: 15%
In-class practice problems: 25%
Homework: 25%
Final Exam: 35%

The undergraduate grading system for Summer Session is as follows:

A (4.00), A- (3.67)
B+ (3.33), B (3.00), B- (2.67)
C+ (2.33), C (2.00), C- (1.67)
D+ (1.33), D (1.00), D- (.67)
F (.00)

The graduate grading system for Summer Session is as follows:

A (4.00), A- (3.67)
B+ (3.33), B (3.00)
B- (2.67)
All students can access final grades through Agora after the grading deadline each semester. Transcripts are available through the Office of Student Services.

**Deadlines and Late Work**
As 25% of the course grades are determined by in-class exercises and participation, advance notice must be given to the instructor if a student is to miss class. As a result, more weight will be placed on the in-class exercises and participation for which the student was in attendance. If advance notice is not given, the student will receive a grade of zero for participation and the in-class exercises for that day. Homework is due as outlined in the course schedule. Late homework will not be accepted. For the final exam, attendance is mandatory unless prior arrangements have been made. If prior arrangements have not been made, the student will receive a zero on the final exam.

**Course Assignments**
It is expected that you will spend 6 hours per week on out-of-class exercises. To fully grasp the concepts covered in class, students should re-work the problems from lecture in addition to completing the assigned homework problems. Please note that some weeks will require more or less time, but the average is approximately 6 hours per week over the semester.

**Course Schedule**

<table>
<thead>
<tr>
<th>Date/Week</th>
<th>Topic</th>
<th>Reading/Assignments</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/27</td>
<td>Introduction/Finance Basics</td>
<td>HW #1</td>
<td>7/1</td>
</tr>
<tr>
<td>7/2</td>
<td>The Venture Finance Ecosystem</td>
<td>HW #2</td>
<td>7/3</td>
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<td>7/4</td>
<td>The Economics of Venture Financing</td>
<td>HW #3</td>
<td>7/8</td>
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<td>7/9</td>
<td>Raising and Structuring Funds</td>
<td>HW #4</td>
<td>7/10</td>
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<td>7/11</td>
<td>Deal Screening and Seed Investment</td>
<td>HW #5</td>
<td>7/15</td>
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<td>7/16</td>
<td>Deal Valuation and “A” Round</td>
<td>HW #6</td>
<td>7/17</td>
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<tr>
<td>7/18</td>
<td>Deal Structuring and “B” Round</td>
<td>HW #7</td>
<td>7/22</td>
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<td>7/23</td>
<td>Term Sheet Negotiation</td>
<td>HW #8</td>
<td>7/24</td>
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<tr>
<td>7/25</td>
<td>“C” Round and Exits</td>
<td>HW #9</td>
<td>7/29</td>
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<td>7/230</td>
<td>IPO Valuation</td>
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Written Work
Summer Session students are expected to prepare professional, polished written work. Written materials must be typed and submitted in the format required by your instructor. Strive for a thorough yet concise style. Cite literature appropriately, using APA, MLA or CLA style per your instructor’s requirements. Develop your thoughts fully, clearly, logically and specifically. Proofread all materials to ensure the use of proper grammar, punctuation and spelling. For writing support, please contact the Connors Family Learning Center.

Attendance
Attending class is an important component of learning. Students are expected to attend all class sessions. When circumstances prevent a student from attending class, the student is responsible for contacting the instructor before the class meets. Students who miss class are still expected to complete all assignments and meet all deadlines. Many instructors grade for participation; if you miss class, you cannot make up participation points associated with that class. Makeup work may be assigned at the discretion of the instructor. If circumstances necessitate excessive absence from class, the student should consider withdrawing from the class. Attendance for the class is mandatory, and the implications of missing classes are outlined in the “Deadlines and Late Work” section above.

Consistent with BC’s commitment to creating a learning environment that is respectful of persons of differing backgrounds, we believe that every reasonable effort should be made to allow members of the university community to observe their religious holidays without jeopardizing their academic status. Students are responsible for reviewing course syllabi as soon as possible, and for communicating with the instructor promptly regarding any possible conflicts with observed religious holidays. Students are responsible for completing all class requirements for days missed due to conflicts with religious holidays.

Accommodation and Accessibility
Boston College is committed to providing accommodations to students, faculty, staff and visitors with disabilities. Specific documentation from the appropriate office is required for students seeking accommodation in Summer Session courses. Advanced notice and formal registration with the appropriate office is required to facilitate this process. Two separate offices at BC coordinate services for students with disabilities:

- The Connors Family Learning Center (CFLC) coordinates services for students with LD and ADHD.
- The Disabilities Services Office (DSO) coordinates services for all other disabilities.

Find out more about BC’s commitment to accessibility at https://www.bc.edu/sites/accessibility.
Scholarship and Academic Integrity
Students in Summer Session courses must produce original work and cite references appropriately. Failure to cite references is plagiarism. Academic dishonesty includes, but is not necessarily limited to, plagiarism, fabrication, facilitating academic dishonesty, cheating on exams or assignments, or submitting the same material or substantially similar material to meet the requirements of more than one course without seeking permission of all instructors concerned. Scholastic misconduct may also involve, but is not necessarily limited to, acts that violate the rights of other students, such as depriving another student of course materials or interfering with another student’s work. Please see the Boston College policy on academic integrity for more information.