Capital Budgeting: Analysis that Improves Long-term ROI

Course Description

This is a course in establishing a capital budgeting process from conducting due diligence through to communicating and facilitating discussions of capital investment opportunities with decision makers. Capital budgeting is a key strategic process that ensures capital is deployed to only those opportunities that have a high probability of meeting or exceeding the expectations for return. It is also a process that ensures that scarce capital resources are deployed to the highest yield opportunities across the organization.

In this course, we will walk through how to develop assumptions, prepare the capital budgeting analysis, and quantify risk using tornado charts and monte-carlo simulation analysis. We will also discuss the financing implications of capital investment opportunities by looking at lease versus buy analysis, a related but often confused part of capital budgeting.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase

Course Level: Overview
CPE Credits: 1 (CPA)
Category: Finance
Prerequisite: None
Advanced Preparation: None

Course Learning Objectives

After studying this course, you will be able to:

1. Identify assumptions that explore and document the range of potential outcomes.
2. Identify and calculate the appropriate discount rate for capital budgeting analysis.
3. Recognize a capital budgeting analysis.
4. Recognize how to prepare a lease versus buy analysis.