

Monfort College of Business
Semester Course Syllabus

(2009-2010)

COURSE PREFIX/TITLE: BAFN 470--Financial Management

Sem. Hrs. 3
Ed. Cap. 40

CATALOG DESCRIPTION: Prerequisite: BAFN 370 with a minimum grade of "C-". Business majors only. Juniors or above. Covers advanced concepts and techniques of financial management, especially emphasizing the overall environment and decision making by financial managers. Topics include modern portfolio theory and capital structure theory.

PREREQUISITES: BAFN 370 a minimum grade of "C-". Business majors only. Juniors or above.

COURSE OBJECTIVES:

1. Improve the understanding of the basics and sharpen the overall scheme of basic finance.
2. Understand the processes by which the company and its securities are valued in the market.
3. Cover advanced concepts in the major decision areas.
4. Learn more advanced techniques and models for decision making and analysis.

COURSE TOPICS:

Approx.
50 Min.
Periods

<u>Approx.</u> <u>50 Min.</u> <u>Periods</u>	<u>Topics Covered</u>	<u>Description</u>
2	Overview	Perspective on the firm in the overall economic system, focusing on its markets, flows of capital, and major decision areas.
6	Risk and Return	Review risk and return topics including modern portfolio theory and asset pricing models.
6	Security Valuation	General concepts of market value and specific models for understanding the valuation of bonds, preferred stock, and common stock.
9	Capital Budgeting	Analysis of project cash flows, comparison of discounted cash flow models, complex problems involving asset replacement and interdependence, application of the capital asset pricing model.
6	Financing	Review of financial leverage and weighted average cost of capital under the traditional approach; coverage of the Modigliani-Miller theorem in perfect and imperfect markets.

Approx.
50 Min.

<u>Periods</u>	<u>Topics Covered</u>	<u>Description</u>
1	Dividend Policy	Coverage of the irrelevance theorem of dividends, dividend payment procedure, and the residual dividend policy.
6	Working Capital Management	Determining the working capital needs of the firm and establishing the policy for raising needed working capital. Management of current assets and current liabilities.
6	Financial Analysis	Using financial ratios, cash flow analysis, and other financial data to assess the status, problems, and direction of the firm; developing policy based on the analysis. Financial statement forecasting.
<u>3</u>	Global Financial Management	Expansion on the global dimensions introduced in each major decision area, including foreign exchange and political risk; motives, problems, and opportunities unique to the multinational corporation.
45	Total	

COURSE REQUIREMENTS: Examination(s), homework, projects and quizzes as needed.

TYPE OF GRADING: Letter

SUGGESTED TEXT AND/OR SUPPLEMENTS: (Note: These books are only suggested. Prior to purchasing books and other materials, students need to check with the class instructor for their book and class material choices.)

Brigham and Daves (2007). *Intermediate financial management* (9th ed.). _____: Thomson South-Western.

ASSESSMENT STATEMENT: The Monfort College of Business may collect data in this course that will be used to assess student progress toward our program learning goals and objectives. Individual student performance information will be kept confidential; however, this data may be disseminated in an aggregate form to professional groups and through research publications. If you do not wish your performance in this class to be included in research about overall student performance (beyond the accreditation process), please inform your instructor in writing of this intent.

COMPUTER UTILIZATION: Problem solving utilizing Excel is required in the course. This program is used for solving problems associated with valuation, capital budgeting, etc. Other databases may be utilized throughout the semester.

LIBRARY UTILIZATION: Students are encouraged to use the Michener Library collections and online subscription information resources to supplement readings and to complete assignments. Library databases include *Business Source Premier*, *Business & Company Resource Center*, *LexisNexis Academic*, and many others available at <http://library.unco.edu/articlefinder.htm>. The business reference librarian, Annie Epperson, holds regular Kepner office hours. Find her contact information at <http://www.unco.edu/library/personnel/epperson.htm>.

GLOBAL DIMENSION COVERAGE: Global issues are integrated throughout the topics covered in the course. In addition, specific coverage of multinational financial management is required. Topics covered include areas such as foreign exchange risk, political risk, foreign sources of funds, etc.

ETHICAL DIMENSION COVERAGE: Ethical issues in finance such as insider trading, the role of the financial manager, environmental and safety considerations when making capital budgeting decisions are examined through class discussions, videotapes, and/or cases.

DISABILITY STATEMENT: Any student requesting disability accommodation for this class must inform the instructor giving appropriate notice. Students are encouraged to contact Disability Support Services at (970) 351-2289 to certify documentation of disability and to ensure appropriate accommodations are implemented in a timely manner.

CLASSROOM TECHNOLOGY GUIDELINES:

Each student is required to review and become familiar with the following classroom technology guidelines: <http://www.mcb.unco.edu/Technology/Classroom%20Technology%20Guidelines.pdf>

Food is not allowed in classrooms. Only drinks in a container with a screw top lid are allowed.

KENNETH W. MONFORT COLLEGE OF BUSINESS STATEMENT

The Kenneth W. Monfort College of Business students are expected to conduct themselves in accordance with the highest standards of academic honesty. Cheating, plagiarism, illegitimate possession and disposition of examinations, alteration, forgery, or falsification of official records and documents, and similar acts or the attempt to engage in such acts are grounds for disciplinary action. This action can include the following in addition to any University disciplinary action:

1. A failing grade for a particular assignment.
2. A failing grade for a particular course.
3. Suspension from the College of Business Administration.
4. Expulsion from the College of Business Administration.

Students are expected to complete all prerequisites for a business class prior to the first day of class. Students may not concurrently enroll in a class and its prerequisite(s) unless it is expressly stated in the bulletin that the class is a co-requisite. Any exception to this policy must be approved by the Director of the School offering the class.

Students must submit original works for assignments required in this class. This includes term papers, cases and other course requirements. A student who submits a work that was previously submitted to another class without prior approval from the instructor is in violation of this policy. A student who violates this policy may receive a failing grade for the assignment, a failing grade for the class, and face termination of his/her business degree program.

MONFORT COLLEGE OF BUSINESS STUDENT CODE OF PROFESSIONAL CONDUCT:

Monfort College of Business students represent the professional and academic interests of the entire MCB & UNC communities. Accordingly, MCB expects all students to behave in a professional manner and adhere to high ethical standards in every business class and in every activity connected with the Monfort College of Business. This professional behavior is required not only in the classroom but also in all MCB-related interactions such as e-mails, conferences and use of technology.

MCB students should exhibit respectful behavior in classes. This behavior includes arriving on time to class, staying in class until the lecture ends, having the discipline to stay engaged in class, turning-off or silencing cell phones and pagers while in class, refraining from text-messaging, and avoiding coming to class wearing clothing that is unduly provocative or has written messages that are rude, insensitive or obscene. MCB students should engage in respectful behavior in all activities where they act directly or indirectly as a representative of the MCB. Respectful behavior creates a more desirable, civilized, and productive learning environment, and it models behavior that is both productive and pleasant when students transition from the classroom to the workplace.

MCB students should master and apply the fundamental skill of preparing and sending class or university related e-mails that are properly written, show professionalism and communicate a clear message. E-mails containing profanity, spelling mistakes, punctuation errors, or poor composition evidence sloppiness and show disrespect to the recipient. MCB students should use proper forms of address when communicating orally or in writing with faculty or staff (i.e., Dr. Smith, Professor Jones, Ms. Abbot, etc.). If a student does not know how to address a faculty member, he or she should ask.

This code of professional conduct complements, but does not replace, the Honor Code of the Monfort College of Business or the Honor Code of the University.