

COURSE SYLLABUS



Education That Works For a Lifetime

Course Title:	Principles of Finance	Date submitted:	Spring 2014 (AAC: 14-26)
Department:	Business & Technology		
Curriculum:	Business Administration		
Course Descriptors: Make certain that the course descriptors are consistent with college and Board of Trustees policies, and the current course numbering system.	Course Code: (eg. ACC 101) BFN*201 Course Type: L A: Clinical B: Lab D: Distance Learning I: Individual/Independent L: Lecture M: Seminar N: Internship P: Practicum U: Studio X: Combined Lecture/Lab Y: Combined Lecture/Clinical/Lab Z: Combined Lecture/Studio	Prerequisites: C- or better in Principles of Financial Accounting (ACC*113 C- or better in Integrated Reading and Writing II (ENG*075) OR Introduction to College Reading & Writing (ENG*093) OR Introduction to College English (ENG*096) OR Reading & Writing VI (ESL*162), or placement into Composition (ENG*101) [including embedded ENG*101] OR permission of Department Chair	
	Elective Type: G AH: Art History E: English FA: Fine Arts FL: Foreign Language G: General HI: History HU: Humanities LAS: Liberal Arts & Sciences M: Math S: Science SS: Social Science	Co-requisites: Intermediate Algebra (MAT*137), or placement into higher mathematics, OR permission of Department Chair	
	Credit Hours: 3 Developmental: (yes/no) N Lecture: 3 Clinical: 0 Lab: 0 Studio: 0 Other: 0 TOTAL: 3	Other Requirements: None	
	Contact Hours: Lab: 0 Studio: 0 Other: 0 TOTAL: 0		
	Class Maximum: 35 Semesters Offered: F & S		
Catalog Course Description:	An introduction to the principles of financial management and the impact of the financial markets and institutions on that managerial function. Major topics include the environment of financial management, evaluation of a firm's financial performance, financial forecasting, working capital management, corporate securities and financing the short- and long-term requirements of the firm, time value of money, capital and cash budgeting, the relationship of risk to return, cost of capital, leverage, and evaluation of alternative methods of financing. An analytical emphasis will be placed on the tools and techniques of the investment, financing, and dividend decision.		
Topical Outline: List course content in outline format.	Part I. Introduction: The Scope and Environment of Financial Management 1. Introduction: goal of the firm; legal forms of business organization; taxation; ten principles of financial management 2. The financial markets and interest rates 3. Understanding financial statements and cash flows 4. Evaluating a firm's financial performance: financial ratio analysis; firm performance and shareholder value Part II. Valuation of Financial Assets 5. The time value of money: compound interest; present value and future value; annuities 6. Risk and return 7. Valuation and characteristics of bonds 8. Valuation and characteristics of stock Part III. Investment in Long-Term Assets 9. Capital-budgeting techniques and practice: capital-budgeting decision criteria (Payback, NPV, PI, and IRR); capital rationing; ethics in capital budgeting		

	<p>10. Cash flows</p> <p>11. Cost of capital: individual costs of capital; weighted average cost of capital; evaluating new capital investments; shareholder value-based management</p> <p>Part IV: Capital structure and dividend policy</p> <p>12. Determining the financing mix: business and financial risk; break-even analysis; operating leverage; financial leverage</p> <p>13. Dividend policy and internal financing</p> <p>Part V: Working Capital Management</p> <p>14. Short-term financial planning: financial forecasting; percent of sales forecast method; the cash budget</p> <p>15. Working-Capital management: managing current assets and liabilities; appropriate level of working capital; short-term credit</p>
<p>Outcomes: Describe measurable skills or knowledge that students should be able to demonstrate as evidence that they have mastered the course content.</p>	<p>Upon successful completion of this course, the student will be able to do the following:</p> <p>COURSE:</p> <ol style="list-style-type: none"> demonstrate a conceptual understanding of corporate financial decision-making processes, including capital budgeting calculate a comprehensive set of financial ratios and use them to evaluate the financial health of a company explain the time value of money understanding the role of risk and how to calculate return in all types of assets, including stocks and bonds apply critical thinking skills to attempt to apply lessons learned to financial situations that will be encountered <hr/> <p>PROGRAM: <i>(Numbering reflects Program Outcomes as they appear in the college catalog)</i></p> <p><u>Business Administration Program</u></p> <ol style="list-style-type: none"> successfully complete the business administration core courses and demonstrate competencies necessary for success in business administration including an understanding of: <ol style="list-style-type: none"> the role of accounting and finance in the management of a business enterprise demonstrate the ability to integrate knowledge and apply learned skills for real-world business decision making demonstrate proficiency in the General Education Abilities as they apply to the business professions <p><u>Finance Option</u></p> <ol style="list-style-type: none"> demonstrate competency in investment and financing decisions demonstrate specialized knowledge necessary for success in finance including understanding of the American and global monetary and financial system, financial instruments, markets and institutions <hr/> <p>GENERAL EDUCATION: <i>(Numbering reflects General Education Outcomes as they appear in the college catalog)</i></p> <ol style="list-style-type: none"> Critical Analysis/ Logical Thinking - Students will be able to organize, interpret, and evaluate evidence and ideas within and across disciplines; draw reasoned inferences and defensible conclusions; and solve problems and make decisions based on analytical processes. <p>Demonstrates: Identifies the issue(s); formulates an argument; explains and analyzes relationships clearly; draws reasonable inferences and conclusions that are logical and defensible; provides support by evaluating credible sources of evidence necessary to justify conclusions.</p> <p>Does Not Demonstrate: Identifies few or no issues; formulates an argument without significant focus; provides an unclear explanation of analysis and relationships; drawing few reasonable inferences and conclusions that are illogical and indefensible; provides little to no support using credible sources of evidence necessary to justify conclusions.</p>
<p>Evaluation: List how the above outcomes will be assessed.</p>	<p>Assessment will be based on the following criteria:</p> <p>examinations</p> <p>papers</p>

	quizzes oral presentations group projects
Instructional Resources:	Required: None Desired: None
Textbook(s)	Refer to current academic year printout