

Standard Course Outline
FIN 501
Financial Management Concepts

1. General Information:

Units: 3 credits

Prerequisites: MBA standing

Course Coordinator:

SCO prepared by: Dr. Chanwit Phengpis

Date Prepared: August 2008

2. Catalog Description:

Integration of computers, management information systems and cases to: (1) time value of money, risk, valuation, cost of capital, capital structure; (2) capital budgeting; (3) long-term financing decisions; (4) working capital policy and management; (5) financial analysis and planning.

3. Curriculum Justification:

The course is aligned with the CBA learning goals of critical thinking, business functions, quantitative, technical skills.

4. Course Objectives:

- **Critical Thinking Learning Goal:** Students will be able to apply the time value of money principles and related finance theories in financial decisions of individuals, financing and capital budgeting decisions of corporations, and valuations of securities.

- **Business Functions Learning Goal:** Students will gain an insight into how pertaining finance theories and applications affect, and are used in, the decision making process of corporations.

- **Quantitative and Technical Skills Learning Goal:** Students will be able to perform quantitative analyses related to accounting profits and cash flows, the time value of money, securities valuations, capital budgeting decision criteria, risk and return, and capital structure.

5. Outline of Subject Matter:

Topics to be covered in this class typically include:

	Topics
1	Introduction to the corporation and the roles of financial managers
2	Financial markets and institutions and the opportunity cost of capital
3	Accounting and finance (i.e., accounting profits versus cash flows)
4	Time value of money and its applications to individuals and corporations
5	Bond valuation
6	Stock valuation
7	Capital budgeting decision criteria

8	Risk and Return
9	Capital Asset Pricing Model (CAPM) and its applications
10	The weighted-average cost of capital (WACC) and its applications
11	Financing decisions
12	Forecasting cash flows for capital budgeting decisions
13	Financial statement analysis (if time allows)
14	Dividend policy (if time allows)
15	International finance (if time allows)

6. Methods of Instruction:

Method of instruction generally comprises a combination of lecture, class discussions, in-class exercises, and homework assignments. An example of textbooks used in this class is *Fundamentals of Corporate Finance* by Brealey, Myers and Marcus, McGraw-Hill/Irwin.

7. Instructional Policies:

Instructors may specify their own policies with regard to grading, class-room behavior, make-up exam, withdrawal, academic integrity, absences, etc., as long as these policies are consistent with the University policies.

The students are expected to comply with the universally accepted norms of considerate and courteous behavior, and with all University rules and policies found in the current [University Catalog](#). It will be assumed that the students will adhere to the tenets of *academic integrity* as articulated in [Dean's Letter on Academic Integrity](#) throughout this course.

Students with Disabilities: Students with disabilities are responsible for notifying their instructor as early as possible of their needs for an accommodation of a verified disability. A student with a disability is urged to consult with Disabled Student Services as soon as possible in order to identify possible accommodations to enhance academic success.