FINANCIAL MANAGEMENT
FIN 2000

Class Hours: 3.0  Credit Hours: 3.0
Laboratory Hours: 0.0  Revised: Fall 2010

NOTE: This course is not designed for transfer credit.

Catalog Course Description:

A survey of the essentials of business finance as applied to corporations, small firms, and governmental units. Topics include financial needs, institutions, and instruments; concepts of risk and return; ratio analysis; capital budgeting; interest rates; and liability management.

Entry Level Standards:

The student must be able to read and comprehend at the college level. The student must have a working knowledge of college level algebra and business mathematics.

Prerequisites:

ACC 2000

Corequisites:

MATH 1530

Textbook(s) and Other Course Materials:

- TI83 graphing calculator

I. Week/Unit/Topic Basis:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1</td>
<td>An Overview of Financial Management</td>
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<tr>
<td>2</td>
<td>Financial Markets and Institutions</td>
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<td>3</td>
<td>Interest Rates</td>
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<td>4</td>
<td>Risk and Rates of Return</td>
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<tr>
<td>5</td>
<td>Time Value of Money</td>
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<tr>
<td>6</td>
<td>Bonds and Their Valuation</td>
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<tr>
<td>7</td>
<td>Stocks and Their Valuation</td>
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</table>
Sources of Financial Information

Financial Planning and Forecasting

Working Capital Management

The Basics of Capital Budgeting

Cash Flow Estimation and Risk Analysis

Analysis of Financial Statements

Credit Analysis and Loans

Final Exam

II. Course Goals*:

The course will:

A. Guide students to understand the objective of Financial Management. (I,II,III,V,VI)

B. Enhance student understanding of the American Financial System. (I,II,III,V,VI,VII)

C. Enhance effective use of financial statements and cash flow information in analysis of a firm. (I,II,III,V,VI,VII)

D. Guide students to understand the time value of money. (II, III,V,VI)

E. Expand student understanding of how long term investment decisions should be made. (I, II,III,V,VI)

F. Expand student understanding of how long term financing decisions should be made. (I,II,III,V,VI)

*Roman numerals after course objectives reference goals of the Business Administration Program (Career Program Goals and General Education Goals are listed http://www.pstcc.edu/departments/curriculum_and_instruction/syllabi/)

III. Expected Student Learning Outcomes*:

The student should be able to:

1. Describe financial management. A

2. Identify the finance function within a firm. A

3. Discuss maximization of stockholder wealth. A

4. Discuss how interest rates and the cost of capital are determined. B

5. Describe risk, return, and market efficiency. B

6. Determine bond values and yields. B

7. Determine common stock values. B,D
8. Discuss the relationship between risk, return, and market price. B,

9. Describe information conveyed in basic financial statements. C

10. Identify the differences between net cash flow and net income. C

11. Discuss pro forma financial statements.

12. Calculate the present value of a stream of cash flows. D

13. Determine the interest rate of an investment. D

14. Describe portfolio risk. D

15. Discuss the capital asset pricing model. D

16. Define beta. D

17. Discuss the capital budgeting process. E

18. Describe how to estimate cash flows. C,E

19. Explain how capital budgeting projects are selected. E

20. Discuss how replacement decisions should be made. E

21. Identify the sources of long-term funds. E

22. Describe the characteristics of long-term debt. F

23. Identify the characteristics of common stock. F

* Capital letters after Expected Student Learning Outcomes reference the course goals listed above.

IV. Evaluation:

A. Testing Procedures: 80% of grade

A minimum of 4 exams is recommended. The exams will cover financial concepts, terminology, financial statements, and calculations. The exams will be objective and non-cumulative.

B. Laboratory Expectations:

N/A

C. Field Work:

N/A

D. Other Evaluation Methods: 20% of grade

Class participation and homework will also comprise the final grade for the course.

E. Grading Scale:

92 - 100 A
V. Policies:

Attendance Policy:

Pellissippi State expects students to attend all scheduled instructional activities. As a minimum, students in all courses (excluding distance learning courses) must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course. Individual departments/programs/disciplines, with the approval of the vice president of the Learning Division, may have requirements that are more stringent. In very specific circumstances, an appeal of the policy may be addressed to the head of the department in which the course was taken. If further action is warranted, the appeal may be addressed to the vice president of the Learning Division.

Academic Misconduct:

Academic misconduct committed either directly or indirectly by an individual or group is subject to disciplinary action. Prohibited activities include but are not limited to the following practices:

- Cheating, including but not limited to unauthorized assistance from material, people, or devices when taking a test, quiz, or examination; writing papers or reports; solving problems; or completing academic assignments.
- Plagiarism, including but not limited to paraphrasing, summarizing, or directly quoting published or unpublished work of another person, including online or computerized services, without proper documentation of the original source.
- Purchasing or otherwise obtaining prewritten essays, research papers, or materials prepared by another person or agency that sells term papers or other academic materials to be presented as one’s own work.
- Taking an exam for another student.
- Providing others with information and/or answers regarding exams, quizzes, homework or other classroom assignments unless explicitly authorized by the instructor.
- Any of the above occurring within the Web or distance learning environment.

C. Accommodations for Disabilities:

Students who need accommodations because of a disability, have emergency medical information to share, or need special arrangements in case the building must be evacuated should inform the instructor immediately, privately after class or in her or his office. Students must present a current accommodation plan from a staff member in Services for Students with Disabilities (SSWD) in order to receive accommodations in this course. Services for Students with Disabilities may be contacted by going to Goins 127, 132, 134, 135, 131 or by phone: 539-7153 or TTY 694-6429. More information is available at www.pstcc.edu/departments/swd/.

D. Other Policies:

Computer Usage Guidelines:
College-owned or operated computing resources are provided for use by students of Pellissippi State. All students are responsible for the usage of Pellissippi State’s computing resources in an effective, efficient, ethical and lawful manner. (Pellissippi State Community College)