

GOVERNORS STATE UNIVERSITY
College of Business and Public Administration

Course Number & Title: FIN 301 A Principles of Financial Management

Session: Fall, 2003 Block I
Tuesday/Thursday: 12:30-1:45P.M.

Instructor: Dr. Dale F. Max, CFA

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Office Hours: Monday: 7:00-9:00 P.M.
Wednesday: 9:00-10:00 A.M.
Thursday: 6:00-7:00 P.M.

Office Location: G-191

Credit Hours: Three

Target Group: Undergraduate Business Students

FIN 301
F 103

Description:

An examination of the theory and practice of the financial management function in planning the appropriate amount of funds to employees in the firm, raising these funds on the most favorable terms, and directing the efficient allocation of the funds within the firm. Topics discussed include financial analysis and control, the management of current assets, capital budgeting, short-term and long-term financing.

Prerequisites:

ACCT 301 AND STAT 361

Textbook:

Keown, et. Al., Foundations of Finance, 4th Edition, 2003, Prentice Hall. (Required) Study Guide to accompany text book. (optional)

Periodicals:

Wall Street Journal
Barrons (optional)

RATIONALE:

The proper planning, analysis, and control of funds has a significant influence on the jobs of organization members, the survival of the organization, and the growth of the economy. For example, the financial decisions concerning the profitability of investment in capital equipment influence the degree to which labor resources are needed in the firm. The financial decisions concerning the adoption of new products, the addition of a new plant, and the floating of a bond or stock issue influence the vitality and survival of the organization. The degree to which funds are efficiently allocated within the firm determines the rate at which the economy can grow. Students will learn to apply the tools and concepts of the financial manager to their own careers. In addition, students will be better informed citizens as they view the activities of the financial world.

COURSE OBJECTIVES:

1. Understand the role of the financial manager and the trade-off between risk and return on investments.
2. Understand and apply the methods which a financial manager uses to prepare the external and internal financial analysis.
3. Understand and apply capital budgeting techniques.
4. Plan an optimal financial structure.
5. Can understand the advantages and disadvantages of alternative sources of short-term and long-term funds.

COURSE EVALUATION INFORMATION

Evaluation:	Midterm #1	25%
	Midterm #2	25%
	Homework	15%
	Final	35%

There will be no make-up exams. Late assignments will not be accepted. After four class absences, 1% is subtracted for each class missed.

Syllabus Statement for Persons with Disabilities:

It is the intention of the institution to support full participation of all students, regardless of physical ability level. Therefore, if any student needs consideration of his/her physical abilities in order to complete the course, please notify the instructor as soon as possible:

Traditional Grading Scale:

- 90 - 100 = A
- 80 - 89 = B
- 70 - 79 = C
- 60 - 69 = D
- 0 - 59 = F

COURSE SCHEDULE

<u>Session</u>	<u>Date</u>	<u>Chapter</u>	<u>Topic</u>
1	8/28	1	Introduction, Geometric mean
2	9/02	2	Financial Markets, Interest rates
3	9/04	3	Financial Statements
4	9/09	4	Financial Performance, Ratios
	100% Refund Deadline		Thursday, September 11, 2003
5	9/11	5	Time Value of Money
6	9/16	5	Time Value of Money
7	9/18	6	Risk and Return
8	9/23	6	Risk and Return
9	9/25		Midterm #1 (Ch 1-6)
10	9/30	7	Valuation of Bonds
11	10/02	7	Valuation of Bonds
12	10/07	8	Valuation of Stock
13	10/09	9	Capital Budgeting
14	10/14	9	Capital Budgeting
15	10/16	10	Capital Budgeting
16	10/21	10	Capital Budgeting
17	10/23	11	Cost of Capital
18	10/28	11	Cost of Capital
19	10/30		Midterm 2 (Ch 7-12)
20	11/04	12	Financing Mix
	Withdrawal Deadline		Thursday, November 6, 2003

21	11/06	12	Financing Mix
22	11/11	13	Dividend Policy
23	11/13	13	Dividend Policy
24	11/18		Warrants, Options
25	11/20		Mutual Funds
26	11/25	14	Short-Term Financial Planning
	11/27		Thanksgiving
27	12/02	15	Working Capital Mgt
28	12/04	16	Current Asset Mgt
29	12/09	Part I: Final Exam, (Ch 1-11)	
30	12/11	Part II: Final Exam (Ch 12-16)	