COURSE SYLLABUS
FIN 330-PRINCIPLES OF FINANCIAL MANAGEMENT
SUMMER 2015

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Prerequisite: ACCT 200, ECON 202 or ECON 203, and MATH 116
Required Text: ***Principles of Managerial Finance by Gitman and Zutter, Brief Seventh Edition***
Required Calculator: Texas Instruments BA II Plus

Course Outline and Objectives: This is an introductory finance course**.** It exposes students to the basic concepts and practice of financial management. Topics covered include: goal of the firm, financial statements, cash flows, time value of money, risk and return, valuation of assets, capital budgeting, financing, working capital management and international finance.

This course is designed to help students to:

- Demonstrate an understanding of shareholder value maximization as the appropriate goal of the firm
- Demonstrate an understanding of financial statements and ability to do financial analysis
- Demonstrate an understanding of the concepts of risk and return and the trade off between them
- Demonstrate an understanding of how assets are valued in the market
- Demonstrate an understanding of how firms evaluate capital projects and make accept/reject decisions
- Demonstrate an understanding of the techniques for estimating the cost of capital for a company and how dividend policies impact a firm's value

Classroom Activities and Expectations: Classroom activities include lectures, working problems (assigned home work and in-class), and discussions. Some of the activities in the class will be group activities.

Class Attendance and Participation: Although not required, each student is expected to attend all the class meetings and do the assigned homework and in-class problems.

Exams: There will be 3 mid-term exams and a comprehensive final worth 100 pts each. The dates for the exams will be announced in the class. **Make up exams** will be allowed only under extreme hardships.

1st Examination	100
2nd Examination	100
3rd Examination	100
Final	100
Total Points	400

A: 90 - 100% of total points
B: 80 - 89% of total points
C: 70 - 79% of total points
D: 60 - 69% of total points
F: Below 60

Withdrawal from the Course: A grade of "W" indicates that a student, doing passing work, was permitted to withdraw from the course without penalty. Withdrawals without penalty will not be permitted after the last day to drop with a "W".

Students with Disabilities: Students with disabilities who require accommodations (academic adjustments and/or auxiliary aids or services) for this course must contact the Office for Student Disability Services, Room 445, Potter Hall. The OFSDS telephone number is (270) 745-5004 V/TDD. Please DO NOT request accommodations directly from the professor without a letter of accommodation from the Office for Student Disability Services.

Course Outline

Topics	**Chapter**	**Suggested Homework Problems**
Syllabus Introduction		
The Role of Managerial Fin.	1	
Financial Markets	2	ST2-1, P2-1, P2-4, P2-5, P2-6
Fin. Statements Analysis	3	P3-3, P3-5, P3-22, P3-24, P3-26
Firm Cash Flow (P 108-117)	4	P4-2, P4-5
Time Value of Money(Intro)	5	Use of BAII Plus Calculator
Time Value of Money	5	TVM Prob set posted in the Blackboard
Interest Rate & Bond Valuation	6	ST6-1, ST6-2, P6-1, P6-8, P6-15, P6-21, P6-24,P6-26
Stock Valuation	7	P7-5, P7-6 ,P7-7, P7-9,P7-10, P7-11, P7-19
Risk & Return	8	P8-2, P8-7, P8-11, P8-20, P8-21, P8-24, Warm-up exercises 8-4, 8-5

The Cost of capital	9	Warm up Exercises 9-2, 9-3,9-4,9-5, P9-3, P9-7, P9-10, P9-13
Capital Budgeting Techniques Capital Budgeting Cash Flows Payout Policy Working Capital Mgt	10 11 13	P10-4, P10-10, P10-16,P10-19, P10-21, P10-21,P10-22 CF estimation for Expansion Projects Warm-up 13-1, P13-9,P13-13
FINAL EXAM (University calendar).		

Coverage of specific topics related to Financial Planning:

FIN 330, Principles of Financial Management is required as part of Western Kentucky University's (1) B.S. in Finance—Financial Planning Track and the (2) Certificate in Financial Planning. These programs are both offered in the Finance Department of the Gordon Ford College of Business and are registered with the CFP® Board. As such, this course is required to cover the following topics, which are part of the 78 Topic List published by the CFP® Board, which can be found at the Board's website (www.cfp.net)

The specific topics by number and name that will be covered are the following:

2. Financial Statements
3. Cash flow management
4. Financing strategies
5. Function, purpose, and regulation of financial institutions
8. Economic concepts
9. Time value of money concepts and calculations
10. Financial services regulations and requirements
11. Business law
12. Consumer protection laws
24. Characteristics, uses and taxation of investment vehicles
25. Types of investment risk
26. Quantitative investment concepts
27. Measures of investment returns
28. Bond and stock valuation concepts
29. Portfolio development and analysis
31. Asset allocation and portfolio diversification
37. Basis

Assignment Schedule

Topic	**Textbook Reading Assignments** (Problems will assigned in class)
Introduction & Financial Markets	Ch. 1 & Ch. 2
Financial Statements and Analysis	Ch. 3
Analyzing the Firm's Cash Flows	Ch. 4
Time Value of Money	Ch. 5
Interest rate & Bond Valuation	Ch. 6
Valuation of Common Stocks & Preferred Stocks	Ch. 7
Risk & Return	Ch. 8
Capital Budgeting Techniques	Ch. 10
Capital Budgeting Cash Flows	Ch. 11
The Cost of Capital	Ch. 9
Leverage & Capital Structure	Ch. 12
Dividend Policy	Ch. 13
Working Capital Management	Ch. 14 & 14