

Andrews University
School of Business
FNCE675, Financial Management
Portland MBA Program
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INSTRUCTOR:

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TEXTBOOK: Financial Management, 10th Edition, Keown, Martin, Petty, Scott, Jr., Prentice Hall, 2005.

Course Description:

This course is designed to show how financial data and concepts are used to manage and monitor the operations of the firm so as to maximize the return of the stockholder's investment. The course will also make use of current business events as illustrations of topics being covered. Broad areas of financial management include the financial environment, valuation of financial assets, investment in long-term assets, capital structure and dividend policy, working capital management, and other special topics such as international finance.

Course Objectives:

In this course, we look at the various analytical tools and information available to the financial managers that enable them to make decisions that are consistent with the goal of maximizing the value of the firm. Students can expect to:

- Learn to interpret and analyze financial statements used in assessing the well-being of a business enterprise and in forecasting its prospects.
- Understand how the concept of time value of money is utilized in financial analysis, involving areas such as capital budgeting and capital assets valuation.
- Learn and understand the rationale for the various techniques used in capital budgeting.
- Become familiar with the techniques used in financial planning and funds forecasting.
- Understand the issues behind capital structure decisions and how they relate to the concept of value maximization.
- Understand the workings of capital markets and how companies raise their long-term capital.
- Become knowledgeable about the various approaches to working capital management, involving cash, accounts receivable, and inventory management.

Course Assignments:

Homework problems: There will be a set of problems assigned in each chapter wherever practicable to insure that students can apply the concepts and techniques being learned. These problems are to be turned in every day for the chapters covered the previous day. These assignments are to be done individually and they will be graded and count toward your grade.

Cases: Two short cases will be assigned to the class and are to be worked on individually.

Mutual Responsibilities:

My philosophy as a Christian teacher is that the subject we study should prepare us for usefulness in this world, and where possible serve as an object lesson for eternal realities. It is my aim to make everyone feel valued and provide the assistance needed for each one to succeed if they so desire and put forward the necessary effort. Learning is a cooperative enterprise involving both the teacher and students. I will be available to you by e-mail or by phone. You can expect that you will be fairly treated and that the exams and assignments will be consistent with the learning objectives of the course. Every effort will be made to return your assignments on a timely basis.

As students, you have the following responsibilities:

- Attend classes regularly and come on time, prepared to be an active participant.
- Complete your work on time with appropriate effort.
- Treat others with respect and be considerate of the needs of others to learn.
- Ask questions when you don't understand. You are not expected to fully understand a concept that is new to you. All questions related to the material are legitimate.
- Some topics may be difficult to understand and thus will require additional reviews outside of the classroom.

Important Policies and Procedures:

1. **Missed Exams:**
There will not be any makeup exam without a legitimate excuse. Legitimate excuses involve illness or death in the family. You must notify the teacher in a timely manner in case of a legitimate absence. You will also need to provide a note from a nurse or doctor in case of illness.
2. **Attendance:**
In accordance with university policy, students are required to attend classes for which they are registered. Attendance will be taken in class and absences may affect your grade as specified in the Andrews University bulletin.

Tardiness is disruptive both to the teacher and to other students. Thus, you are expected to be in class on time. If you are late for a quiz or exam, no extra time will be given and make other students wait for you.

3. **Academic Dishonesty:**
Andrews University, as a Seventh-day Adventist institution, expects students to demonstrate the ability to think clearly and exhibit personal moral integrity in every sphere of life. Honesty in all academic matters is a vital component of personal integrity. Breaches in academic integrity principles are taken seriously by the University. Acts of academic dishonesty as described in the University Bulletin are subject to incremental disciplinary penalties with redemptive intent. Such acts are tracked in the office of the Vice President for Academic Administration. Repeated and/or serious offenses will be referred to the Committee on Academic Integrity for further recommendations on penalties.

4. **Extra Credit:**
There will not be any additional work for extra credit for any individual students due to the unfairness of this practice to other students. All students will be evaluated on the same basis.

5. **Disability Accommodations:**
If a student has been diagnosed with some disabilities, the teacher is willing to provide reasonable accommodations to facilitate learning and performance. If you qualify for accommodations under the American Disabilities Act, please see the instructor as soon as possible for referral and assistance in arranging such accommodations.

Grading Information:

Weights: The weights of the requirements will be as follows:

Exam I:	100 pts.
Exam II:	100 pts.
Homework	100 pts.
Integrative Problems:	50 pts.
Total:	350 pts.

Letter Grade: The letter grade in this course will be based on the performance in the various assignments and tests. It will be assigned based on the following percentages:

Above 90%	A
Above 86% to 90%	A-
Above 82% to 86%	B+
Above 78% to 82%	B
Above 74% to 78%	B-
Above 70% to 74%	C+
Above 66% to 70%	C
Above 60% to 66%	C-
Above 50% to 60%	D
Below 50%	F

Think On These Things:

Thus our business or calling is a part of God's great plan, and, so long as it is conducted in accordance with His will, He Himself is responsible for the results. "Laborers together with God" (I Corinthians 3:9), our part is faithful compliance with His directions. Thus there is no place for anxious care. Diligence, fidelity, caretaking, thrift, and discretion are called for. Every faculty is to be exercised to its highest capacity. But the dependence will be, not on the successful outcome of our efforts, but on the promise of God. The word that fed Israel in the desert, and sustained Elijah through the time of famine, has the same power today. "Be not therefore anxious (R.V.), saying, What shall we eat? or, What shall we drink? . . . Seek ye first the kingdom of God, and His righteousness; and all these things shall be added unto you." Matthew 6: 31-33.

Ellen G. White, Education, p. 138.

TENTATIVE CLASS ACTIVITIES SCHEDULE AND ASSIGNMENTS

<u>Date</u>	<u>Discussion</u>	<u>Problems</u>
12-07-2008	Chapter 1	
	Chapter 2	2-2A, 2-6A, 2-8A
	Chapter 3	3-2A, 3-4A, 3-5A
	Chapter 4	4-1A, 4-4A, 4-5A
12-08-2008	Chapter 5	5-10A, 5-16A, 5-25A, 5-32A
	Chapter 6	6-4A, 6-11A, 6-13A
12-09-2008	Chapter 7	7-3A, 7-9A, 7-10A
	Chapter 8	8-6A, 8-15A, 8-18A
12-10-2008	Chapter 9	9-4A, 9-9A, 9-11B
	Chapter 10	10-1A, 10-4A, 10-6A
12-11-2008	Chapter 11	11-3A, 11-5A, 11-7B
	Chapter 12	12-2A, 12-15A
12-14-2008	Exam I	
	Chapter 13	13-2A, 13-3B
	Chapter 14	
12-15-2008	Chapter 15	15-3A, 15-7A, 15-15A, 15-25A
	Chapter 16	16-4A, 16-13A
12-16-2008	Chapter 17	17-7B, 17-9A, 17-11A
	Chapter 18	18-2A, 18-3A, 18-10A, 18-15A
12-17-2008	Chapter 19	19-4A, 19-11A, 19-12A, 19-14A
	Chapter 20	20-6B, 20-7A, 20-11A

12-18-2008	Chapter 21	21-1A, 21A-1A, 21A-3A
	Chapter 22	22-1B, 22-2A, 22-5A
	Review	
12-21-2008	Exam II	
12-27-2008	Integrative Problems Due	