

SE 01
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CHAMINADE UNIVERSITY COURSE SYLLABUS

COURSE TITLE: **BU352⁰**, Management of Financial Resources
TERM: 6 April-8 June 2001
DAY AND TIME: Fridays, 5:30-9:40 PM
PLACE: Schofield Barracks, Yano Hall-Bldg 560, Room #227
INSTRUCTOR: James Seidl, MBA
HOME PHONE: 422-5977 evenings/weekends (before 9PM)
HOME E-MAIL: seidlj001@hawaii.rr.com

COURSE DESCRIPTION This is an introductory course covering the essential tenets of financial management. Topics will include, but not be limited to, security markets, interest rates, time value of money, the cost of capital, risk and return, and financial analysis.

OBJECTIVES The main objectives of this course are to enable the student to understand and apply:

- i. The basic principles of the time value of money
- ii. The core concepts of equity valuation, allowing the student to calculate the value of common stock when given the appropriate inputs
- iii. The fundamentals of preferred stock valuation, enabling the student to calculate the value of a preferred stock when given appropriate inputs
- iv. The key principles of bond valuation enabling the student to find the value of a bond when given the appropriate inputs
- v. The basic principles of capital budgeting
- vi. The key methods of solving for a company's cost of capital
- vii. The basic concept of risk and how to measure it using standard deviation
- viii. The core concepts of the capital markets and investment banking
- ix. The major principles of dividend policy and retained earnings
- x. The basic principles of convertible securities such as convertible bonds
- xi. The basic principles of exchange rates in the global environment
- xii. The integration of cross-cultural diversity

GRADING

Seven Weekly Quizzes (5% each)	35%
Midterm Exam	25%
Final Exam	25%
Research <u>Project/Presentation</u>	15%
<u>Total</u>	<u>100%</u>

A total score of 90-100% = A

A total score of 80-89% = B

A total score of 70-79% = C

A total score of 60-69% = D

A total score below 60% = F

Note: You will lose the equivalent of one quiz score (5% of course grade) for the first non-excused absence. A second non-excused absence will result in a failing grade.

WEEKLY QUIZZES (35% total) There will be a quiz each Friday on the material learned in the prior week. Each is worth 5 percentage points, for a total of 35 points.

MIDTERM AND FINAL EXAMS (25% each) The midterm will cover Chapters 1 through 10 and the final exam will cover Chapters 11 through 21. Although the final is not intended to be cumulative, given the nature of the material, subject matter will necessarily overlap, and learning that occurs in the earlier weeks of the class may be needed to answer questions in the final.

RESEARCH PROJECT AND PRESENTATION Each student must prepare a two- to three-page research paper and deliver a 3-5 minute presentation from their research. Each student may choose the date they wish to deliver their project. They may use any topic that is germane to the textbook material delivered on the same evening.

TEXTBOOK AND READING ASSIGNMENTS The textbook for BU352 is, "Foundations of Financial Management," Stanley Block and Geoffrey Hirt, Irwin, Ninth Edition, 2000. All Reading assignments will be taken from the assigned textbook. All quiz and exam material will be drawn from information presented in this text.

SPRING 2001 SCHEDULE AND ASSIGNMENTS BU352, PRINCIPLES OF FINANCE

WEEK 1: Friday, 6 April 2001

Assignment for this week: Textbook, Chapters 1-3
"The Goals and Functions of Financial Management"
"Review of Accounting"
"Financial Analysis"

WEEK 2: Friday, 13 April 2001 (Yes, there is class Good Friday)

Assignment for this week: Textbook, Chapters 4-5
"Financial Forecasting"
"Operating and Financial Leverage"

Weekly Quiz #1, Chapters 1-3

WEEK 3: Friday, 20 April 2001

Assignment for this week: Textbook, Chapters 6-7
"Working Capital and the Financing Decision"
"Current Asset Management"

Weekly Quiz #2, Chapters 4 and 5

WEEK 4: Friday, 27 April 2001

Assignment for this week: Textbook, Chapters 9-10 (Skip Chapter 8)
"The Time Value of Money"
"Valuation and Rates of Return"

Weekly Quiz #3, Chapters 6 and 7
Mid Term Exam Review

WEEK 5: Friday, 4 May 2001

Assignment for this week: Midterm Examination Chapters 1-10 (Skip Chapter 8)
Introduction (part 1) Chapter 11 "Cost of Capital"

WEEK 6: Friday, 11 May 2001

Assignment for this week: Textbook, Chapters 11-12
"Cost of Capital"
"The Capital Budgeting Decision"

Weekly quiz #4, Chapter 11 (Part I)

WEEK 7: Friday, 18 May 2001

Assignment for this week: Textbook, Chapters 13-15
"Risk and Capital Budgeting"
"Capital Markets"
"Investment Banking"

Weekly Quiz #5, Chapter 11-12

WEEK 8: Friday, 25 May 2001

Assignment for this week: Textbook, Chapters 17-18 (Skip Chapter 16)
"Common and Preferred Stock Financing"
"Dividend Policy and Retained Earnings"

Weekly Quiz #6, Chapters 13-15

WEEK 9: Friday, 1 June 2001

Assignment for this week: Textbook, Chapters 19 and 21 (Skip Chapter 20)
"Convertibles and Warrants"
"International Financial Management"

Weekly Quiz #7, Chapters 17 and 18

Final Exam Review Chapters 11-21 (Less Chapters 16 and 20)

WEEK 10: Friday, 8 June 2001

Assignment for this week: **Final Examination**
Course Critique