

<b>Course</b>	<b>FINC 5000</b> - Finance Summer 2009													
<b>Instructor</b>	Name:	Neil Kuritzky Phone: (949) 608-1722 Email: kuritzky@webster.edu												
<b>Catalog Description</b>	The student examines the general nature of financial management, the U.S. financial system, taxes and financial decisions of corporations. Specific attention is given to present value and capital budgeting; risk and asset pricing; financial analysis and forecasting; financial decisions and marketing efficiency; and capital structure. Problem-solving methodology is used to illustrate the theories and tools in financial decision making.													
<b>Prerequisites</b>	BUSN 5600													
<b>Learning Outcomes</b>	<table border="1"> <thead> <tr> <th data-bbox="415 884 818 947"><b>Outcome</b></th> <th data-bbox="824 884 1455 947"><b>Expectation</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="415 955 818 1058">1. Students can determine the value of fixed income securities</td> <td data-bbox="824 955 1455 1058">Students can use equations and financial calculators to solve for all variables within the bond pricing equation.</td> </tr> <tr> <td data-bbox="415 1066 818 1169">2. Students can determine the value of equity securities</td> <td data-bbox="824 1066 1455 1169">Students can compute the value of equity using the Gordon Growth Model.</td> </tr> <tr> <td data-bbox="415 1178 818 1323">3. Students can discuss market functioning and the role efficient markets play in security valuation</td> <td data-bbox="824 1178 1455 1323">Students can identify the three levels of market efficiency, and are able to distinguish between the three when presented with a scenario.</td> </tr> <tr> <td data-bbox="415 1331 818 1465">4. Students can evaluate capital budgeting decisions using standard methodologies</td> <td data-bbox="824 1331 1455 1465">Students can employ NPV, IRR, and payback methods to analyze potential capital investments.</td> </tr> <tr> <td data-bbox="415 1474 818 1638">5. Students can explain the impact of capital structure decisions on financial performance and the cost of capital</td> <td data-bbox="824 1474 1455 1638">Students can explain the affect of varying the firm's debt and equity levels on the weighted average cost of capital.</td> </tr> </tbody> </table>		<b>Outcome</b>	<b>Expectation</b>	1. Students can determine the value of fixed income securities	Students can use equations and financial calculators to solve for all variables within the bond pricing equation.	2. Students can determine the value of equity securities	Students can compute the value of equity using the Gordon Growth Model.	3. Students can discuss market functioning and the role efficient markets play in security valuation	Students can identify the three levels of market efficiency, and are able to distinguish between the three when presented with a scenario.	4. Students can evaluate capital budgeting decisions using standard methodologies	Students can employ NPV, IRR, and payback methods to analyze potential capital investments.	5. Students can explain the impact of capital structure decisions on financial performance and the cost of capital	Students can explain the affect of varying the firm's debt and equity levels on the weighted average cost of capital.
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	6. Students can identify agency problems within a corporation and formulate strategies to address them	Students can explain the conflicts of interest that exist between shareholders and managers in firms with less than 100% ownership by the manager of the firm. They can discuss a methods used by corporations (profit sharing, employee stock options, takeovers, etc.) to align manager and shareholder interests.												
	7. Students can evaluate credit and interest rate risk	Students can explain the impact of interest rate risk on risk premiums. They can discuss factors which increase interest rate risk.												
	8. Students can utilize financial analysis to assess an organization's financial condition	Students can compute ratios from the information on financial statements. The ratios are in the categories of liquidity, profitability, market valuation, and efficiency. Students can apply the DuPont Model.												
<b>Materials</b>	<p><b>Text:</b> Financial Management: Theory and Practice (12<sup>th</sup> ed)  <b>Authors:</b> Brigham &amp; Ehrhardt,  <b>Publisher:</b> Cengage  <b>ISBN:</b> 9780324422696</p> <p><b>Supplemental Readings:</b>  Wall Street Journal and any other financial publications/websites to keep abreast of developments in the markets</p>													
<b>Grading</b>	<table> <tr> <td>Participation:</td> <td>10%</td> </tr> <tr> <td>Homework:</td> <td>15%</td> </tr> <tr> <td>Midterm:</td> <td>25%</td> </tr> <tr> <td>Project &amp; Presentation:</td> <td>25%</td> </tr> <tr> <td><u>Final:</u></td> <td><u>25%</u></td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </table>		Participation:	10%	Homework:	15%	Midterm:	25%	Project & Presentation:	25%	<u>Final:</u>	<u>25%</u>	Total	100%
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<b>Activities</b>	<p><b>Case Analysis</b></p> <p>Select a company of your choice. Research your topic, using at least sources with recent information. The Internet is generally the best source for a public company. Prepare a typewritten paper not less than 5 pages, double spaced. The paper should include:</p> <ul style="list-style-type: none"> <li>• A brief background of the company, e.g., where it is located, when it was established, name of the CEO, and what the company does.</li> <li>• A ratio analysis of strengths and weaknesses.</li> <li>• Other factors affecting the company, including competitive factors, macro-economic factors, new products, etc.</li> <li>• Your assessment of the future of the company.</li> <li>• Whether you would recommend purchasing stock in the company (if a public company).</li> <li>• Bibliography. This is a separate page, not included in the 5 page minimum.</li> <li>• You may attach as many exhibits as you want to support your paper, e.g.,</li> </ul>													

	<p>financial statements and other information you obtain from the Internet or elsewhere; however you are not required to – the choice is yours. APA guidelines must be used.</p> <p><b>Presentation:</b></p> <p>Ideally there should be a PowerPoint slide presentation (not to exceed 15 slides, excluding back-up) and 20 minute Analyst’s Briefing: an oral presentation analyzing the selected firm and providing an evaluation of the firm’s financial situation, prospects, rating and current recommendation.</p>
<p><b>Policy Statements: University Policies</b></p>	<p>University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university’s published policies. The following policies are of particular interest:</p> <p><b>Academic Honesty</b></p> <p>The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the university’s academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.</p> <p><b>Drops and Withdrawals</b></p> <p>Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the university policies on drops and withdrawals (published elsewhere) to find out what the deadlines are for dropping a course with a full refund and for withdrawing from a course with a partial refund.</p> <p><b>Special Services</b></p> <p>If you need accommodations for a disability, please let the instructor know at the beginning of the course so that they can be provided.</p> <p><b>Disturbances</b></p> <p>Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course.</p> <p><b>Attendance</b></p> <p>Sometimes circumstances beyond one’s control require that a student miss a scheduled class. It is the student’s responsibility to advise the instructor and submit any required work.</p>

<b>Course Policies</b>	Students are expected to attend class prepared – the appropriate chapter(s) read and having researched current events – and the required homework completed, ready to turn in.
<b>Weekly Schedule</b>	<p><b><u>CLASS 1</u></b>  Course overview and objectives.  Chapter 1 &amp; 3 (Overview of Financial Management &amp; Analysis of Financial Statements)</p> <p><b><u>CLASS 2</u></b>  Chapter 2 (Time Value of Money)  Project: Discussion, Preparation</p> <p><b><u>CLASS 3</u></b>  Chapter 4 (Risk &amp; Return - Basics)</p> <p><b><u>CLASS 4</u></b>  Chapter 5 (Risk &amp; Return - Advanced)</p> <p><b><u>CLASS 5</u></b>  Chapter 6 &amp; 7 (Valuation Models)  Midterm  Case Analysis &amp; Discussion</p> <p><b><u>CLASS 6</u></b>  Chapter 9 &amp; 10 (Capital Budgeting &amp; Cash Flow Evaluation)  Case Analysis &amp; Discussion</p> <p><b><u>CLASS 7</u></b>  Chapter 11 (Cash Flow &amp; Risk Analysis)  Case Analysis &amp; Discussion</p> <p><b><u>CLASS 8</u></b>  Chapter 13 &amp; 14 (Financial Statements &amp; Ratios)  Presentations</p> <p><b><u>CLASS 9</u></b>  Final Examination – Open Book – laptop computer or financial calculator permitted.</p>
<b>Additional Information</b>	Research can be conducted using Passports, Webster University's online library. Passports integrate Internet resources, online databases and library services for student and faculty research. Passports is accessible from campus, home or office, providing 24 hours access to: Library catalogs and collections, free databases and internet resources, support and training sections and research paper writing tips and help.

	<p>Students are encouraged to use the Webster University Writing Center which offers free and friendly writing advice to all students, staff, and faculty. Coaches will help with every stage of the writing process, from brainstorming ideas to documenting sources.</p>
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