

**NOTRE DAME DE NAMUR UNIVERSITY
SCHOOL OF BUSINESS**

BUS 2224 FINANCIAL MANAGEMENT I

Spring Intensive Term I, 2010

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Office Hours	Tuesday & Thursday, 4:30 PM to 5:30 PM at CU 15, or by Appointment
Classes	Tuesday, 6:00 PM to 10:15 PM,
Prerequisite	Financial Accounting, Statistics.

Course Description Introduction to the field of finance, including principles, techniques and uses of finance as a business function. Study of financial analysis, planning and decision-making. Focuses on the firm's balance of financial risk and return.

Course Objective To develop a sound knowledge of the essentials of corporate financial management. Upon completion of the course, you should have acquired an understanding of cash flow analysis and the ability of using financial calculator.

Required Text

Ross, Westerfield and Jordan, **Essentials of Corporate Finance**. 6th Ed. Boston: McGraw-Hill Irwin, 2008.

(Visit the publisher's Online Learning Center at www.mhhe.com/rwj)

Required Calculator: Texas Instruments BA II Plus ¹

Suggested Reading: The Wall Street Journal²

¹ This is a required item. You can buy it at local office suppliers like Staple or from Amazon.com for under \$30. Please get it before school begins.

² Student subscriptions are available. Ask your instructor for detail.

Class Administration and Assignments

1. Attendance is required. Please contact the instructor if a conflict should prevent you from attending the class.
2. Please sign on the email list at the first class. So all the future lecture notes will be emailed to you before the lecture. The PowerPoint slides files can be very large. Please make sure your email box has enough space to receive them.
3. This is an intensive course. We cover a large number of subjects in 7 weeks. The class schedule gives the reading assignments. Students **must** read the chapters before they are covered in class.
4. You don't need to turn in your homework. But they should be done in the week as indicated in the schedule. We will review some of the problems at the end of next class, if time permits.
5. In addition to the homework problems, students are encouraged to read the "Critical Thinking and Concepts Review" sections at the end of each chapter.
6. Selected questions and problems from each chapter are assigned as exercises. Those are good indications as to what will be tested in the exams.
7. The publisher has provided updated self-study software for you to download on their web page. With this program, you can test your knowledge by using self-grading questions written specifically for this textbook.
8. For Excel users, FN136 is a good course to take after this class. We will study spreadsheet modeling skills in that class.
9. For the first class, please read the chapters as indicated in the syllabus. Please start learning how to use the financial calculator ASAP!

Exams

Both midterm and final will be open-book.

Students should consult the current university bulletin for university policies regarding incomplete and withdrawals. In addition, students should refer to the bulletin for university policies regarding academic integrity.

Grading

Midterm	45%
Final	45%
Participation	10%

Grades	Score	Grades	Score	Grades	Score	Grades	Score
100	A+	88-89	B+	78-79	C+	60-69	D
93-99	A	83-87	B	73-77	C	< 60	F
90-92	A-	80-82	B-	70-72	C-		

Class Schedule and Assignments³

Week	Topics and Readings	Assignments ⁴
1	<p style="text-align: center;">Overview of Financial Management</p> Ch. 1 Introduction to Financial Management Ch. 2 Financial Statements, Taxes, and Cash Flow	1(Critical Thinking) - 1, 3,5, 6; 2- 1, 2, 5, 6, 8, 10, 15, 19.
2	<p style="text-align: center;">Valuation of Future Cash Flows</p> Ch. 4 Introduction to Valuation: the Time Value of Money Ch. 5 Discount Cash Flow Valuation <i>Appendix D: Using the TI BAII Plus Financial Calculator</i>	<i>Bring in your TI BA II Plus calculator!</i> 4- 2, 3, 4, 5, 8, 10, 17, 24. 5- 1, 4, 5, 8, 10, 13, 15, 19 <i>“TVM Exercises”</i>
3	<p style="text-align: center;">Valuing Bonds</p> Ch. 6 Interest Rates and Bond Valuation	6- 1, 3, 4, 5, 6, 18.
	<i>Midterm Exam (take-home)</i>	
4	<p style="text-align: center;">Capital Budgeting</p> Ch. 8 NPV and Other Investment Criteria	8- 1, 5, 6, 7, 8, 9, 13, 16.
5	<p style="text-align: center;">Risk and Return</p> Ch.10 Some Lessons from Capital Market History Ch.11 Risk and Return	10- 7, 8, 17, 21; Chapter Review 11.1, 11- 5, 7, 13, 14, 15.
6	<p style="text-align: center;">Long-Term Financing</p> Ch.12 Cost of Capital	Chapter Review 12.1, 12.2; 12- 1, 6, 7, 9, 10.
7	<i>Final Exam</i>	

³ The above schedule and assignments are for guidance only and may change in the event of extenuating circumstances.

⁴ Unless it is specified as from the section of “Critical thinking and Concept Review” or “Chapter review”, all home assignments are from the end-of-chapter “Questions and Problems” sections. You can check Appendix C for answers, or see the solutions posted online.