

# Bemidji State University

## BUAD 3771: Financial Management

### A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: \*.\*

Lab Hours/Week: \*.\*

OJT Hours/Week: \*.\*

Prerequisites:

This course requires the following prerequisite

ACCT 1102 - Principles of Accounting II

Corequisites: None

MnTC Goals: None

An investigation of the financial management of corporate organizations. Basic principles of analysis, planning, and control are considered for determining the best combinations of obtaining and investing capital. Prerequisites: ACCT 1102, BUAD 2231, and ECON 2100, or consent of instructor and junior standing.

**B. COURSE EFFECTIVE DATES:** 08/20/1997 - Present

### C. OUTLINE OF MAJOR CONTENT AREAS

1. Introduction to Corporate Finance
2. Financial Statements, Taxes and Cash Flow
3. Working with Financial Statements
4. Introduction to Valuation: The Time Value of Money
5. Discounted Cash Flow Valuation
6. Interest Rates and Bond Valuation
7. Stock Valuation
8. Net Present Value and Other Investment Criteria
9. Making Capital Investment Decisions
10. Some Lessons from Capital Market History
11. Return, Risk, and the Security Market Line
12. Cost of Capital

#### **D. LEARNING OUTCOMES (General)**

1. be able to define the primary goal of the firm and explain the role of financial management within the firm.
2. be able to explain the difference between accounting income and cash flow, and compute cash flows from a company's financial statements
3. be able to compute and interpret a firm's financial ratios as well as evaluate financial strengths and weaknesses
4. be able to calculate present and future values of lump sums and annuities as well as summarize how changes in variables affect the analysis
5. be able to measure financial asset values, required rates of return on investments, and the overall cost of financing a firm
6. be able to recommend capital budgeting projects for investment
7. be able to determine the rate of return that a firm must earn on its new investments (also known as cost of capital) to maximize its value
8. be able to summarize the risk/return tradeoff as it impacts the security market line
9. be able to identify components of the financial markets and explain lessons from capital market history

#### **E. Minnesota Transfer Curriculum Goal Area(s) and Competencies**

None

#### **F. LEARNER OUTCOMES ASSESSMENT**

As noted on course syllabus

#### **G. SPECIAL INFORMATION**

None noted