

# Minnesota State University Moorhead

## FINC 340: Financial Management

### A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: 3

Lab Hours/Week: 0

OJT Hours/Week: \*.\*

Prerequisites:

This course requires both of these prerequisites

ACCT 231 - Principles of Accounting II

MATH 234 - Introduction to Probability and Statistics

Corequisites: None

MnTC Goals: None

Students are introduced to the principles of finance. Basic issues of business finance including investment, financing and dividend policies are explored. Students learn about the functioning and regulations of financial markets. Students must have Junior standing.

**B. COURSE EFFECTIVE DATES:** 06/01/1995 - Present

### C. OUTLINE OF MAJOR CONTENT AREAS

1. Financial Management Process
2. Financial Statements and Cash Flows
3. Time Value of Money
4. Discounted Cash Flows
5. Interest Rates and Bond Valuation
6. Equity Markets and Stock Valuation
7. Net Present Value and Other Investment Criteria
8. Capital Investment Decisions
9. Capital Markets History
10. Risk and Return
11. Cost of Capital and Capital Structure
12. Dividends and Dividend Policy

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

1. Describe the financial management process
2. Compute and evaluate free cash flow of a firm
3. Apply the time value of money concepts in various situations
4. Apply the asset valuation framework for bonds
5. Apply the asset valuation framework for stocks
6. Apply Net Present Value and other investment criteria
7. Evaluate capital budgeting proposals by generating pro forma financial statements and cash flows
8. Review capital market history
9. Apply the capital asset pricing model to estimate required return on investments
10. Estimate the cost of capital for a corporation
11. Evaluate effects of alternative capital structure proposals
12. Evaluate effects of alternative dividend policies
13. Estimate the intrinsic value of an actual stock, evaluate its investment potential, and write an investment recommendation report

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

None

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

As noted on course syllabus

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

None noted