

FIN 331R

AUGSBURG COLLEGE
FINANCIAL MANAGEMENT

SPRING 2008

Instructor: Roger Wiltgen
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Class: Tuesday 5:45 pm to 9:45 pm
2 Saturdays 1-5 pm

Classroom: Bethel Lutheran Church - Rochester

Office Hours: Before and after class, as needed

Pre-requisites: Econ 112 or 113, Acc 221, and MPG 3

Course Rationale: This course is designed for the general business student, not just the finance major. We will begin with a general overview and then go into more detail on several concepts such as time value of money, asset valuation, risk and return, capital cost/budgeting, and dividend policy.

On completion of the course, you will understand the financial environment in which a business firm operates, and the assumptions, tools and techniques used in financial decision making. The concepts and tools used in this course will be applicable to personal financial management.

Text: Required: Essentials of Corporate Finance, 6th Edition, Stephen A. Ross, Randolph W. Westerfield and Bradford D. Jordan, Irwin McGraw Hill,

Requirements Summary: This is a highly quantitative course and requires use of algebra. You must at have a calculator that can handle exponentials.

This course also requires more study time than the average class and since there is a lot of material to be covered, the pace is fast. The number of hours you need to study depends on your background in general and your analytical and quantitative skills in particular. Based on your grade expectations, only you can determine how many hours a week you need to devote to this class. It is recommended that you set aside a minimum of 3 hours study time for each one hour of class time, each week. Most important requirement is that you have regular study hours each week, come to class having read the material and done the homework on your own, and seek immediate help, chapter by chapter, as you discover your own difficulties.

Attendance:

Regular class attendance is required. This includes arriving on time. You must complete the work for a missed class on your own.

Academic Honesty:

It is assumed that the student has read and understood the Augsburg College Academic Honesty Policy. The policy will be strictly enforced.

Evaluation Criteria:

There will be 6 quizzes. You may miss one or drop your worst one. The other five will account for about 70% of your grade and the homework and final will be 30% of your grade. Course grades will be assigned based on the total score on homework, chapter quizzes, and the final exam in approximately the following way:

4.0	92% or more
3.5	87% - 91%
3.0	82% - 86%
2.5	77% - 81%
2.0	72% - 76%
1.5	67% - 71%
1.0	62% - 66%
0.5	57% - 61%
0.0	Below 57%

You will need a 2.0 grade (72% minimum) to get a pass on a Pass/Fail basis.

Homework: Do at least the Self-test, Basic and Intermediate questions and problems at the end of each chapter. You should do as many of the additional problems as you have time for. For each class you must read the assigned chapters, do assigned homework, and attempt the end-of-chapter problems before coming to class. In class we will focus on text materials and problems that you find difficult to understand on your own.

Note: Changes/additional assignments may be made.

Session #	Date	Chapter Assignment
1	04/01/08	Course Introduction Ch. 1 Introduction to Financial Management Ch. 2 Financial Statements, Taxes and Cash Flows Ch. 3 Working with Financial Statements
2	04/15/08	Quiz # 1 on Ch. 1, 2, 3 Hand in assigned homework for Ch. 1, 2, 3 Ch. 4 Introduction to Valuation: Time Value of Money Ch. 5 Discounted Cash Flow Valuation Ch. 6 Interest Rates and Bond Valuations
3	04/29/08	Quiz # 2 on Ch. 4, 5, 6 Hand in assigned homework for Ch. 4, 5, 6 Ch. 7 Equity Markets and Stock Valuation Ch. 8 Net Present Value and other Investment Criteria Ch. 9 Making Capital Investment Decisions

- 4 05/13/08 Quiz # 3 on Ch. 7, 8, 9
 Hand in assigned homework for Ch. 7, 8, 9
 Ch. 10 Some Lessons on Capital Market History
 Ch. 11 Risk and Return
 Ch. 12 Cost of Capital
- 5 05/31/08 Quiz # 4 on Ch. 10, 11, 12
 Hand in assigned homework for Ch. 10, 11, 12
 Ch. 13 Leverage and Capital Structure
 Ch. 14 Dividends and Dividend Policy
 Ch. 15 Raising Capital
- 6 06/10/08 Quiz # 5 on Ch. 13, 14, 15
 Hand in assigned homework for Ch. 13, 14, 15
 Ch. 16 Short-term Financial Planning
 Ch. 17 Working Capital Management
 Ch. 18 International Aspects of Financial Management
- 7 06/21/08 Review
 Quiz # 6 on Ch. 16, 17, 18
 Hand in assigned homework for Ch. 16, 17, 18
 Final

Other: Additional sessions or individual help will be scheduled by
 the instructor based on the class or individual needs.