

# FIN 303 - Financial Management

## Spring 2020

Section #13616; TR 9:30-10:45, Room: NA 101

Section #14023; TR 12:30-1:45, Room: BB 1238

Section #13752; TR 12:30-1:45, Room: BB 1238, Business Honors

## Professor James Dow

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Office Hours: TR 9:00-9:30, 10:45-12:00, and by appointment.

## Course Description:

*Prerequisites: [ACCT 220](#); [ECON 160](#); [SOM 120](#) (may be taken concurrently). [BUS 302/L](#) are co/prerequisites for Business majors.* Analysis of the financial decision making process of a firm from both internal and external points of view. Topics include valuation, working capital management, capital budgeting, financial forecasting, capital structure and sources of capital and dividend policy in both a domestic and international context.

## Text and Calculator:

My notes serve as the text for the course and can either be bought from the bookstore or downloaded as PDF files from the class website: <http://www.csun.edu/~jpd45767/303/fin303.html>. You are required to have a financial calculator such as the HP 10bii+ or the TI BA II Plus (graphing calculators and other calculators capable of storing formulas are not allowed in exams). These run between \$25 and \$35.

## Grading:

The course grade is determined as the weighted average of the letter grades on the exams (where A=4, B=3, etc.). The two midterms are worth 30% of your grade and the final is worth 40%. +/- grading is used. Exams are cumulative. There are no early or makeup exams unless for medical reasons. You may not enter the classroom 30 minutes after the start of an exam. Problems sets do not need to be turned in.

## Other:

Please turn cell phones off or to vibrate. Please do not text-message during class.

## **COBAE Ethics Statement & CSUN Academic Honesty Policy**

The College of Business and Economics at California State University, Northridge, prepares students to be ethical decision makers. The college maintains high standards of ethical conduct that students are expected to maintain throughout their academic and professional careers. Please view the "core values" at <http://www.csun.edu/busecon>.

The CSUN policy on academic dishonesty will be strictly enforced. A statement of the policy can be found in the CSUN 2006-2008 Catalog, Appendix C, p.536. (URL: <http://www.csun.edu/catalog/>) Any student violating the academic dishonesty policy with respect to any aspect of this class will not receive credit for the course and will be reported to the appropriate authorities.

**Class Topics:**

<p><b>Financial Markets and Institutions</b></p> <p>What do financial markets do? How to read the financial news. Finance in the global economy.</p>	<p><b>Finance in the Business Plan</b></p> <p>The role of finance in the business plan. Review of financial statements. Pro-forma financial statements and financial forecasting. Financial statement analysis.</p>
<p><b>Valuation</b></p> <p>Time value of money. Risk and return. Valuing stocks and bonds.</p>	<p><b>Capital Budgeting</b></p> <p>Determining if a project is worthwhile. Evaluating the risks of a project.</p>
<p><b>Corporate Financial Policy</b></p> <p>How firms raise money. The cost of capital. Managing working capital. Choosing the best mix of equity and debt. Dividend policy.</p>	<p><b>Personal Finance &amp; Investing</b></p> <p>Having a financial plan. A basic approach to investing. Mutual funds and asset allocation.</p>

**Course Schedule** (subject to revision)

Readings, powerpoints and problem sets are available on the class website.

<b>Class</b>	<b>Lecture</b>	<b>Reading</b>	<b>Problem Set</b>
1/21	Financial Decisions	Chap 1	
1/23	Financial Markets	Chap 2	
1/28	Financial Markets		
1/30	Financial Institutions	Chap 3	
2/4	Global Financial Markets	PPT	Global Finance 1
2/6	Time Value of Money	Chap 4	TVM 1
2/11	Time Value of Money		TVM 2
2/13	Risk	Chap 5	Risk
2/18	Risk		
2/20	Valuation	Chap 6	Valuation
2/25	<i>Midterm</i>		
2/27	Valuation		
3/3	Financial Plans	PPT	
3/5	Financial Statements	PPT	
3/10	Financial Ratios	PPT	Financial Ratios
3/12	Financial Forecasting	PPT	
3/16-3/20	<i>Spring Break</i>		
3/24	Working Capital	PPT	
3/26	Capital Budgeting	Chap 7	Capital Budgeting
3/31	<i>Holiday</i>		
4/2	Capital Budgeting	Chap 8	
4/7	Capital Budgeting		
4/9	<i>Midterm</i>	Chap 9	Cost of Capital
4/14	Corporate Finance		
4/16	Corporate Finance		
4/21	Corporate Finance	Chap 10	
4/23	Corporate Finance	PPT	Global Finance 2
4/28	Global Financial Markets	Chap 11	
4/30	Corporate Control	PPT	
5/5	Investments		
5/7	Investments		
5/x	<i>Final: TBA</i>		