

X. COURSE SYLLABI

C. FINANCE

FINA 3311: Financial Management Principles

FINA 3312: Financial Institutions

FINA 3313: Money and Banking

FINA 3314: Financial Statements Analysis

FINA 4312: Advanced Financial Management

FINA 4313: Investments

FINA 4314: International Finance

FINA 4315: Security Analysis and Portfolio Management

FINA 4316: Capital Budgeting

FINA 4351: Special Topics in Finance

Course Title: FINA 3311: Financial Management Principles

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course provides the fundamental concepts of finance. An introduction of key aspects of finance including financial planning, objectives, financial analysis, capital budgeting, capital structure, managing current assets, and managing short-term and long-term financing are addressed along with other key financial decisions such as capital structure and dividend policy.

II. PMU Competencies and Learning Outcomes

Writing and oral communications skills are addressed through written assignments, problem solving and case studies. Critical thinking and problem solving skills are sharpened through assigned problems and cases. Teamwork skills are enhanced through group work. Students enhance their technology competencies through use of Microsoft Excel in solving problems and doing calculations and through use of the Internet to look up financial data on companies and to access finance databases.

III. Detailed Course Description

In addition to marketing and operations, finance is one of the key functions of business. Money is the blood of any organization. This course will deal with the fundamentals of financial management. It will emphasize the role of finance in planning and decision making. Specific topics to be covered include the environment of financial management, wealth maximization, understanding financial statements, financial analysis, evaluating a firm's financial performance, risk-return relationship, time value of money, discounted cash flow analysis, risk in capital budgeting, stock and bond valuation, capital structure and cost of capital, working capital management, and valuation of the firm.

IV. Requirements Fulfilled

This course is required for all students in the College of Business Administration. It is taken in the first semester of the junior year.

V. Required Prerequisites

- ACCT 2311: Fundamentals of Financial Accounting
- ACCT 2321: Fundamentals of Managerial Accounting
- ECON 1311: Introduction to Macroeconomics
- ECON 1312: Introduction to Microeconomics

VI. Learning Outcomes

- To understand the role of finance in business decisions.
- To understand the risk-return tradeoff.
- To be able to analyze financial statements.
- To apply capital budgeting techniques to long-term investment decisions.
- To understand basic finance terminology.
- To interpret the results of using various financial tools.
- To develop an understanding of the management of assets and liabilities and their effect on capital structure.

VII. Assessment Strategy

- Examinations (mid-term and final): 70% of final grade
- Homework assignments: 20% of final grade
- Class contributions / Case studies / Presentations: 10% of final grade

VIII. Course Format

Students are expected to read assignments in advance and be prepared to discuss the topics in class. The instructor provides short lectures to address questions raised by students. Students work individually and engage with other students in group work. Problems and short cases are assigned to allow students to learn the concepts and reinforce them. Students use the Internet to access current information on listed companies. Written assignments and cases are used to sharpen students' written communications skills. Students are expected to use Microsoft Excel in financial analysis and calculations. Emphasis is placed on understanding the concepts and being able to interpret the results.

Classroom Hours: (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. Corporate finance-goals, objectives, and operations
- B. Financial statements, taxes, and cash flow
- C. Long-term financial planning and growth
- D. The time value of money
- E. Valuing stocks and bonds
- F. Investment criteria
- G. Project analysis and evaluation
- H. Cost of capital
- I. Financial leverage and capital structure policy
- J. Dividend and dividend policy
- K. Short-term finance and planning
- L. Cash and liquidity management
- M. Credit and inventory management

- N. Mergers and acquisitions
- O. International corporate finance
- P. Risk-management
- Q. Options and corporate securities
- R. Leasing

X. Laboratory Exercises

None.

XI. Technology Component

The Internet and financial databases are used in the course along with Microsoft Excel and Microsoft Word. E-mail is used to communicate with other students and the instructor.

XII. Special Projects / Activities

The instructor may require an analysis of a company as a written assignment.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Keown, Arthur J., Martin, John D., Petty, J. William, and Scott., David F., Jr. *Financial Management: Principles and Applications*, 10th Edition: Pearson Prentice Hall, 2005.
ISBN: 0-13-145065-4

B. Alternative Textbooks

Gitman, Lawrence J., and Madura, Jeff, *Introduction to Finance*: Addison Wesley Longman, Inc., 2001 (or later edition).
ISBN: 0-201-63537-2

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

The text has a companion web site at www.prenhall.com/keown.

Course Title: FINA 3312: Financial Institutions

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course deals with practices and instruments of financial institutions. It covers different types of risk such as interest rate risk, credit risk, and liquidity risk. Modern instruments are studied to provide an understanding of how they work and the implications of their use on different institutions and individuals. Financial market terms are defined.

II. PMU Competencies and Learning Outcomes

Written communications skills are used in preparing assignments and exams. Students enhance their technology competencies through use of computer applications and the Internet to collect data and do the necessary research to relate the information studied to the real world.

III. Detailed Course Description

This course is a study of major financial institutions and the markets in which they operate, with emphasis on financial decision making and risk management. Topics include financial intermediation theory; measurement and management of interest rate risk, credit risk, off-balance-sheet risk, foreign exchange risk, country risk, and liquidity risk; capital adequacy; deposit insurance, securitization, and product/market diversification. The use of derivatives and futures to manage risk and financial analysis of depository institutions are covered.

IV. Requirements Fulfilled

This is a required course for all finance majors. It may be taken as an elective by other business majors.

V. Required Prerequisites

- ACCT 2311: Fundamentals of Financial Accounting
- ACCT 2321: Fundamentals of Managerial Accounting
- ECON 1311: Introduction to Macroeconomics
- ECON 1312: Introduction to Microeconomics
- FINA 3311: Financial Management Principles

VI. Learning Outcomes

- To understand the role of financial intermediaries in the economy.
- To learn key aspects of return and risk in managing financial institutions.
- To appreciate the increasing effect of global markets on financial institutions.
- To explain terms and concepts used in financial markets.
- To recognize and differentiate among different type risks inherent in financial markets and institutions.
- To interpret the results of different analysis techniques used in evaluating financial institutions.

VII. Assessment Strategy

- Examinations: 60% of final grade
- Homework assignments: 10% of final grade
- Case/term paper preparation: 30% of final grade

VIII. Course Format

This course uses lectures, questions, and problems to learn the materials. Three or four guest speakers from financial institutions or regulators are invited to supplement class materials. Students are required to solve problems and use the Internet to get additional relevant data.

Classroom Hours: (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. Overview of financial institutions
- B. Financial inter-mediations
- C. Interest rate risk
- D. Credit risk
- E. Off-balance sheet risk
- F. Operating risk
- G. Foreign exchange risk
- H. Sovereign risk
- I. Liquidity risk
- J. Capital adequacy
- K. Deposit insurance
- L. Product and geographic diversification
- M. Swaps and securitization

X. Laboratory Exercises

None.

XI. Technology Component

Use of the Internet to access financial information. Students use their personal laptop computers in preparing assignments and presentations.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Madura, Jeff. *Financial Markets and Institutions*, 6th Edition, South-Western Publishing Company, 2003.
ISBN: 0-324-16261-8

B. Alternative Textbooks

None.

C. Supplemental Print Materials

The Wall Street Journal or a comparable local business paper.

D. Supplemental Online Materials

Students are encouraged to access financial data such as *Value Line* using the Internet.

Course Title: FINA 3313: Money and Banking

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course provides the student with an understanding of the essential aspects of money, monetary theory, banking and finance, and financial institutions. Local and global financial markets and institutions are addressed.

II. PMU Competencies and Learning Outcomes

Students practice their communications skills through written assignments and examinations. Students build technology competencies through use of the Internet and the computer in preparing reports and doing the research necessary for class assignments and the term paper. Discussions of the ethical dimension of business decisions build professional competencies. Analytical skills and problem solving skills are addressed through assigned problems and homework assignments. Teamwork is sharpened in group work activities.

III. Detailed Course Description

The course addresses the financial industry with special emphasis on money and the banking industry. The financial system and how it is related to the aggregate economy is studied. Monetary policy tools are discussed along with governmental regulations and ways of dealing with local and global issues affecting the money market environment. The course addresses new technology advances and their effects on banking, money and monetary policy. Interest rate targeting and economic activity are studied along with managing risk in a global environment.

IV. Requirements Fulfilled

This is a required course for all finance majors. It may be taken as an elective in other business majors.

V. Required Prerequisites

- ECON 1311: Introduction to Macroeconomics
- ECON 1312: Introduction to Microeconomics

VI. Learning Outcomes

- Understand the meaning of money and the financial environment locally and globally.
- Explain monetary policy tools.
- Recognize the role of banking and finance in the economy.
- Differentiate between different financial institutions with regard to risk and return levels.
- Use the Internet to access financial information about banking and finance.
- Explain the key considerations of monetary policy globally.

VII. Assessment Strategy

- Examinations: 60% of final grade
- Homework assignments: 10% of final grade
- Project/Term Paper: 30% of final grade

VIII. Course Format

The class uses a variety of learning methodologies such as class participation, team activities, class presentations, three to five guest speakers from government and industry, and brief lectures. Students are expected to read the assignments in advance and be ready to discuss the issues raised and ask questions to clarify concepts.

Classroom Hours (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. Overview of the financial system
- B. What is money?
- C. Understanding and behavior of interest rates
- D. Risk and term structure of interest rates
- E. Financial structure
- F. Banking and management of financial institutions
- G. The banking industry
- H. Banking regulations
- I. Non-bank financial institutions
- J. Structure of U.S. Federal Reserve System and central banks
- K. Money supply process
- L. Determinants of the money supply
- M. Tools of monetary policy and central banks
- N. Conduct of monetary policy
- O. International finance and monetary policy
- P. Monetary theory

X. Laboratory Exercises

None.

XI. Technology Component

Use of the Internet in assignments and PowerPoint in presentations.
Students use their personal laptop computers.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Mishkin, Frederic S. *The Economics of Money, Banking, and Financial Markets*. Boston, MA: Pearson Addison Wesley, 2004.
ISBN: 0-321-12235-6

B. Alternative Textbooks

Miller, Roger LeRoy, and VanHoose, David D., *Money, Banking, and Financial Markets*: Thomas South-Western, 2004.
ISBN: 0-324-15993-5

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

None.

Course Title: FINA 3314: Financial Statements Analysis

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course addresses the key components of different financial statements and demonstrates how to analyze these statements. Different tools of analysis such as ratios, common size statements, trend analysis over time, and industry comparisons are studied. Interpretation of the results is highlighted.

II. PMU Competencies and Learning Outcomes

This course develops the student's analytical skills through the use of different techniques. It develops problem solving and critical thinking through the use of problems and cases. Written and oral communications skills are developed through problem solving homework assignments and class participation. Some assignments are completed in group settings to develop teamwork skills. Microsoft Excel is used in calculations to lessen the time to be used on calculations and devote more time to interpreting the results. Exams and assignments emphasize essays, problem solving, and computations to strengthen communications and analytical skills.

III. Detailed Course Description

Financial information is reported in financial statements, which provide a wealth of information if analyzed properly. The course provides a detailed study of financial statements with emphasis upon practical interpretations. Attention is given to financial statement analysis using financial accounting information and its finance implications. Balance sheets, income statements, statements of retained earnings, and cash flow statements are studied and examined as sources of information and the basis of the analyses. Students learn to assess the quality of information, assumptions used in preparing the statements, and cash flow calculations. Financial accounting standards are considered to help understand how the reporting requirements impact the numbers.

IV. Requirements Fulfilled

This is a required course for all finance majors. It may be taken as an elective in other business majors.

V. Required Prerequisites

- ACCT 2311: Fundamentals of Financial Accounting
- ACCT 2321: Fundamentals of Managerial Accounting

VI. Learning Outcomes

- To understand the assumptions used in preparing financial statements.
- To understand how to apply different analysis tools to financial statements.
- To interpret the results of the analysis and use them to reach conclusions about the company under review.
- To understand how statements can be prepared differently based on perspective such as financial accounting, tax accounting or managerial accounting.
- To assess the quality of data.
- To understand how different financial items relate to each other.

VII. Assessment Strategy

- Examinations: 65% of final grade
- Team case studies : 15% of final grade
- Homework: 20% of final grade

VIII. Course Format

The course uses lectures, class discussion, required homework assignments and team case studies.

Classroom Hours (3 hours per week) **Class: 3**
Lab: 0

IX. Topics to Be Covered

- A. Financial statements: map or maze
- B. Quality of financial reporting
- C. Balance sheet-financial condition
- D. Income statement
- E. Statement of retained earnings and stockholders' equity
- F. Statement of cash flow
- G. Calculating cash flow from operations
- H. Sources of information
- I. Tools and techniques of analysis
- J. Ratio analysis
- K. Common size analysis and industry averages
- L. Analyzing the data
- M. Segment reporting
- N. Understanding bank financial statements
- O. Earning quality, inflation, and cash flow
- P. Auditor report
- Q. Accounting policies, estimates-choices and changes

X. Laboratory Exercises

None.

XI. Technology Component

Students are expected to use Microsoft Excel and financial calculators to conduct their analyses. Microsoft Word is used to prepare reports. Microsoft PowerPoint is used to present the results of assigned work.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Fraser, Lyn M., and Ormiston, Aileen, *Understanding Financial Statements*, 7th Edition: Pearson Education, Inc , 2004.
ISBN: 0130458058

B. Alternative Textbooks

None.

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

The Internet is used to access additional information about companies to be studied.

Course Title: FINA 4312: Advanced Financial Management

Semester Credit Hours: 3 (3, 0)

I. Course Overview

Building on the financial management concepts taught in the introductory course, this course applies the concepts to different business situations, develops a more in depth understanding of the financial management tools and interprets the results. Finance policy and its interrelationship to the organization's goals are addressed.

II. PMU Competencies and Learning Outcomes

The course highlights analytical skills. Written and oral communications skills are stressed in homework assignments, term paper, and tests. Teamwork skills are used in group assignments. Technological skills are enhanced through use of the Internet and computer usage in preparing written assignments and in the use of Microsoft Excel in financial calculations.

III. Detailed Course Description

The course provides applications of financial management tools, examination and interpretation of financial statements, and integration of financial policy and structure on overall management of the enterprise. More in-depth coverage of special topics such as financial planning, budgeting, long-term investment decisions, working capital management, cost of capital, valuation, rates of return, and choosing among alternative sources of funds.

IV. Requirements Fulfilled

The course is an elective for finance majors.

V. Required Prerequisites

FINA 3311: Financial Management Principles

VI. Learning Outcomes

- Apply financial management tools to business problems.
- Assess risk and return aspects of various decisions.
- Analyze financial statements and interpret the results.
- Understand and apply capital budgeting techniques in problems and short cases.
- Identify the key elements in capital structure decisions.
- Use working capital management techniques to offer solutions to hypothetical cases or to participating local companies.
- Develop a more in-depth understanding of finance theory.

VII. Assessment Strategy

- Examinations: 60% of final grade
- Homework assignments: 10% of final grade
- Case Preparation: 30% of final grade

VIII. Course Format

Mini-lectures are used and supplemented by class discussion. Students are assigned a project/paper to enhance their learning of the concepts.

Classroom Hours (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. Scope of managerial finance
- B. Operating environment
- C. Long-term funding
- D. Time value of money
- E. Valuation and cost of capital
- F. Risk and return and cost of capital
- G. Leverage and capital structure
- H. Capital budgeting
- I. Dividend policy
- J. Analysis of financial statements
- K. Financial planning
- L. Net working capital
- M. Mergers, LBOs, divestitures
- N. International finance
- O. Ethics

X. Laboratory Exercises

None.

XI. Technology Component

The Internet is used to acquire additional financial information. Students use their personal laptop computers in preparing class assignments, for presentations and in doing calculations using Microsoft Excel.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Brigham, Eugene F., and Ehrhardt, Michael C., *Financial Management: Theory and Practice*, 10th Edition, 2002.
ISBN: 0-03-032992-2

B. Alternative Textbooks

Brigham, Eugene F., and Daves, Phillip R. *Intermediate Financial Management*, 8th Edition, Thomson South-Western, 2004.
ISBN: 0-324-25891-7

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

None.

Course Title: FINA 4313: Investments

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course introduces modern investment concepts and techniques including portfolio management. It highlights the importance of risk and return tradeoff. Other concepts include financial markets, capital markets, valuation of the firm, security analysis, investment equity versus debt, efficiency of market evaluation, diversification efforts, investment goals, and portfolio selection.

II. PMU Competencies and Learning Outcomes

Analytical skills are developed in this course along with the use of communications skills through written reports and class presentations. Use of the Internet and Microsoft Excel software assist students in building technology skills so that they can concentrate on the concepts, understanding, and interpretation of results without spending unnecessary time on tedious computations. Teamwork skills are enhanced in group work. Critical thinking skills are developed in interpreting results and discussing their implications.

III. Detailed Course Description

An understanding of investment concepts, tools and techniques is essential to successful investing. The investing decision is one of the key applications of the concept of risk-return tradeoff. Monitoring the portfolio and continuing to manage effectively is both an art and science. This course provides an introduction to investment management issues. Key financial and technical aspects of stocks, bonds, options and future markets are included. The course also covers buying and selling securities, understanding of securities markets, inflation effect, portfolio analysis and evaluation.

IV. Requirements Fulfilled

This is a required course for all finance majors.

V. Required Prerequisites

- ACCT 2311: Fundamentals of Financial Accounting
- ACCT 2321: Fundamentals of Managerial Accounting
- FINA 3311: Financial Management Principles

VI. Learning Outcomes

- Understand the key characteristics of different type of securities.
- Recognize different capital markets and different exchanges used in trading stock and financial instruments.
- Explain the efficient market hypothesis and how it relates to investment decisions.
- Describe and explain key investment analysis tools.
- Describe portfolio theory and capital asset pricing model.

VII. Assessment Strategy

- Examinations: 70% of final grade
- Homework assignments: 10% of final grade
- Group Project: 15% of final grade

VIII. Course Format

Students are expected to read assignments in advance and be ready to participate in class discussion. Lectures are used to address concepts students identify as not clearly understood by them. Students read the business sections of local news papers and international publications such as Wall Street Journal to keep track of various global issues in investment. In addition three or four invited guest speakers during the semester provide a real-world flavor which is augmented with a group project. The group project is selected from one of the topics covered in the text with the students doing the research necessary to apply the concepts to real companies.

Classroom Hours (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. The investment setting
- B. Security markets (domestic)
- C. Participating in the market
- D. International securities market
- E. Mutual funds
- F. A basic view of technical analysis and market efficiency
- G. Portfolio management and capital market theory
- H. Fixed income fundamentals
- I. Valuation
- J. Introduction to economy, industry and company analysis
- K. Introduction to investments in real assets and options

X. Laboratory Exercises

None.

XI. Technology Component

Students use the Internet to access information about securities, industry data, and do financial research. They make uses of their personal laptop computers in completing assignments.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Bodie, Zvi, Alex Kane, Marcus, Alan J., *Essentials of Investments*, 5th Edition: Irwin, 2004.
ISBN: 0-07-251077-3

B. Alternative Textbooks

None.

C. Supplemental Print Materials

Wall Street Journal or equivalent. *Wall Street Journal* may be accessed at WSJ.com/students.

D. Supplemental Online Materials

Use of the Internet and access to financial data is expected.

Course Title: FINA 4314: International Finance

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course covers financial management from an international perspective. Students are exposed to influences of different currencies on exchange rates, and how international transactions and the exchange rates can affect firm's performance. Global aspects are studied to demonstrate how they affect the flow of funds, financial markets, exchange rate risk, long-term asset management, and short-term asset management.

II. PMU Competencies and Learning Outcomes

The course sharpens the analytical skills of the students through the study of different cultural settings. Problem solving and critical thinking skills are used in problem assignments. Students use their communication skills in writing and oral presentations. Technological skills are reinforced by using the Internet and the computer in assignments and term project preparation.

III. Detailed Course Description

This course is a study of the institutions and relationships of the international financial system as they relate to balance of payments, foreign exchange risk, arbitrage and the Eurocurrency market. The emphasis is on methods of arbitrage, forecasting exchange rates, and hedging against foreign exchange risk. Additionally, the course addresses different financial management topics (such as capital structure and cost of capital, short term and long-term financing) as they apply to the international environment. It considers differences in accounting procedures, governmental regulations, political risk, and exchange rates. Ethics in international transactions are addressed.

IV. Requirements Fulfilled

This is a required course for all finance majors. It may be taken by other business majors as an elective.

V. Required Prerequisites

- ECON 1311: Introduction to Macroeconomics
- ECON 1312: Introduction to Microeconomics
- FINA 3311: Financial Management Principles

VI. Learning Outcomes

- To understand the international environment in which a firm operates.
- To describe and recognize the major international finance markets.
- To develop and understand the meaning of key terms used in international finance.
- To apply some of the commonly used tools to assess different types of risk in international transactions.
- To understand key features of exchange rate calculations, strategic planning in international context, and international banking.
- To understand how hedging and arbitrage work.

VII. Assessment Strategy

- Examinations: 60% of final grade
- Homework assignments: 10% of final grade
- Case preparation: 30% of final grade

VIII. Course Format

The course uses mini-lectures, class discussion, problems, exercises and short cases to present materials. Individual homework and group projects are used to promote learning. Three or four guest speakers from local firms engaged in international trade are invited to supplement class activities.

Classroom Hours (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. International flow of funds
- B. International financial markets
- C. Exchange rate determination
- D. Foreign currency futures and options
- E. Exchange rate parity and arbitrage
- F. Measuring exchange rate risk
- G. Managing exchange rate risk
- H. Financing international trade
- I. Direct foreign investment
- J. Multinational capital budgeting
- K. Multinational capital structure
- L. Country risk analysis
- M. Long-term financing
- N. Short-term financing
- O. Strategic planning
- P. International banking

X. Laboratory Exercises

None.

XI. Technology Component

This is a required course for all finance majors to access the Internet and to prepare assignments using Microsoft Excel and Word.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Madura, Jeff. *International Financial Management*, 7th Edition:
Thomson South-Western , 2003.
ISBN: 0-324-16551-X

B. Alternative Textbooks

None.

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

The Internet is used by students along with the computer in preparing class assignments and project paper.

Course Title: FINA 4315: Security Analysis and Portfolio Management

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course builds on the concepts developed in other courses concerning financial management, investments, and statistics. It is designed to teach the individual how to manage his or her money to get the maximum return for the acceptable risk level. It provides in-depth coverage of how to analyze different securities, select a portfolio, and manage that portfolio.

II. PMU Competencies and Learning Outcomes

The course builds skills of analysis, interpretation, and critical thinking in a quantitative context. Teamwork skills are developed through group securities analysis assignments. Written and oral presentation skills are used in preparing assignments and through tests and class presentations. Students build their technology competencies through use of *Microsoft Excel* and the computer.

III. Detailed Course Description

The course addresses evaluation of investment securities of both private and public institutions through external analysis of financial statements and economic conditions. Portfolio selection, expected return and risk selection, and conditions of market efficiency.

IV. Requirements Fulfilled

This is a required course for all finance majors. It may be taken by other business majors who have acquired the necessary prerequisites.

V. Required Prerequisites

- FINA 3311: Financial Management Principles
- FINA 4313: Investments
- MATH 1313: Statistical Methods

VI. Learning Outcomes

- To understand the asset allocation decision.
- To learn the key developments in investment theory.
- To analyze individual securities.
- To understand and use the asset pricing model.
- To describe and explain derivative securities.
- To evaluate portfolio performance.
- To understand and use company and industry analysis.
- To describe and explain the efficient market hypothesis.

VII. Assessment Strategy

- Examinations: 60% of final grade
- Homework assignments: 10% of final grade
- Case Preparation: 30% of final grade

VIII. Course Format

The course uses mini-lectures supplemented by class assignments individual discussions and group work to let the students learn the concepts and be able to perform the analysis and interpret the results.

Classroom Hours (3 hours per week) **Class: 3**
Lab: 0

IX. Topics to Be Covered

- A. Asset allocation
- B. Risk and return
- C. Portfolio management process
- D. Securities markets
- E. Modern portfolio theory
- F. Fixed income investments
- G. Financial statement analysis
- H. Fundamental equity analysis
- I. Technical equity analysis

X. Laboratory Exercises

None.

XI. Technology Component

The Internet is used to gather company and industry data for the analysis. Students use their personal laptop computers in financial calculations and in written assignments.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Reilly, Frank K., and Brown, Keith C., *Investment Analysis and Portfolio Management*, Thomson South-Western, 7th Edition, 2003.
ISBN: 0-324-17173-0

B. Alternative Textbooks

None.

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

Value Line or other financial databases are used to collect information and readings from the *Wall Street Journal* or local financial publications are assigned by the instructor.

Course Title: FINA 4316: Capital Budgeting

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course addresses the key components of evaluating capital projects including cash flow estimation, methods and evaluations techniques, project and portfolio risk. Related topics such as modified rate of return, net present value, profitability index, payback, disposal decisions, and reinvestment assumption also are included.

II. PMU Competencies and Learning Outcomes

The course sharpens students' analytical skills. Problem solving and use of computers to aid in calculations help apply reasoning and critical thinking skills. Teamwork skills are developed through group discussions to interpret the results of different capital budgeting techniques and to help students appreciate the complexity involved in complex investment decisions.

III. Detailed Course Description

The course addresses methods for evaluating long term investments that involve large sum of money with longer life than regular expenditures. Students study how to estimate relevant cash flows, pros and cons of different methods of evaluation, and how to interpret the results. The course examines risk in investment decisions and how to measure them, risk of a project, and risk in a portfolio. It includes modified rate of return, net present value, profitability index, payback, disposal decisions, reinvestment assumption, and dealing with capital rationing. Once calculations are made, interpretation of the results is highlighted along with the need for post-audits.

IV. Requirements Fulfilled

This course is an elective for finance majors and other business students.

V. Required Prerequisites

- ACCT 2311: Fundamentals of Financial Accounting
- ACCT 2321: Fundamentals of Managerial Accounting
- ECON 1311: Introduction to Macroeconomics
- ECON 1312: Introduction to Microeconomics
- FINA 3311: Financial Management Principles
- MATH 1313: Statistical Methods

VI. Learning Outcomes

- To understand the importance of capital budgeting decisions.
- To understand the meaning of different terms used in capital budgeting.
- To recognize and calculate relevant cash flows.
- To learn how to use different methods and capital budgeting techniques.
- To learn how to assess project risk.
- To identify and assess portfolio risk.
- To describe and interpret the results.
- To develop an awareness of the problems associated with multiple yields, the reinvestment assumption, and decisions under capital rationing conditions.

VII. Assessment Strategy

- Examinations: 60% of final grade
- Homework assignments: 10% of final grade
- Case or Term Project: 30% of final grade

VIII. Course Format

Learning occurs through readings and mini-lectures, three or four guest speakers from local businesses, problem solving, short cases, and written assignments. Students work as individuals and in groups.

Classroom Hours (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

- A. Capital budgeting versus budgeting for operations
- B. Determining relevant cash flows
- C. Time value of money
- D. Methods of evaluation
 1. Payback
 2. NPV
 3. PI
 4. Internal rate of return
 5. Modified internal rate of return
- E. Risk in capital budgeting
- F. Risk in a project sense
- G. Risk in a portfolio sense
- H. Lease versus borrow decisions
- I. Post-audits of projects
- J. Administrative aspects of capital budgeting
- K. Quantitative versus qualitative information and interpretation of results

X. Laboratory Exercises

None.

XI. Technology Component

Students use Microsoft Excel on their personal laptop computers to calculate project return and risk factors.

XII. Special Projects / Activities

None.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Peterson, Pamela P., and Fabozzi, Frank J., *Capital Budgeting: Theory and Practice*: J Wiley, 2002.
ISBN: 0-471-21833-2

B. Alternative Textbooks

Seitz, Neil, and Ellison, Mitch, *Capital Budgeting and Long-term Financing Decisions*, 4th Edition: Thompson South-Western, 2005.
ISBN: 0-324-25808-9

C. Supplemental Print Materials

None.

D. Supplemental Online Materials

None.

Course Title: FINA 4351: Special Topics in Finance

Semester Credit Hours: 3 (3, 0)

I. Course Overview

This course introduces current finance topics that are not covered or not covered in sufficient depth in other finance courses. Special topics to be announced may include corporate finance, financial management, investments, real estate, insurance, or financial institutions and markets.

II. PMU Competencies and Learning Outcomes

The extent to which the course covers different competencies varies depending upon the specific topics offered. However, all finance courses should address analytical and problem solving skills, use computers and the Internet where applicable, and apply reasoning and critical thinking skills. Teamwork skills are addressed through group work.

III. Detailed Course Description

This course covers a selected area in finance. It also provides a method for testing new finance courses to find if they fill a gap in the offerings or serve as a possible elective for finance or non-finance majors. Exact coverage and course requirements are recommended by the faculty and approved by the department and the College of Business through the normal curriculum approval process.

IV. Requirements Fulfilled

This course is an elective for finance majors and other business students.

V. Required Prerequisites

Prerequisites vary depending upon the topic. Admission to the course also may be granted by permission of the instructor.

VI. Learning Outcomes

- To understand new concepts in a finance area.
- To further develop the student's analytical skills.
- Other learning outcomes are determined by the proposed topic.

VII. Assessment Strategy

Assessment varies depending upon the topic covered. It generally follows the norm in finance courses by requiring tests, homework, problem solving, and written assignments to enforce learning outcomes.

VIII. Course Format

The learning occurs through readings, mini-lectures, three or four guest speakers from local businesses, problem solving, short cases, and written assignments depending upon the topic covered. Students work as individuals and in groups.

Classroom Hours (3 hours per week)

Class: 3

Lab: 0

IX. Topics to Be Covered

Details of topics vary depending upon the subject of the course.

X. Laboratory Exercises

None.

XI. Technology Component

Varies depending upon the topic covered.

XII. Special Projects / Activities

Varies depending upon the topic covered.

XIII. Textbooks and Teaching Aids

A. Required Textbook

Varies depending upon the topic covered.

B. Alternative Textbooks

Varies depending upon the topic covered.

C. Supplemental Print Materials

Varies depending upon the topic covered.

D. Supplemental Online Materials

Varies depending upon the topic covered.