

SYLLABUS
ECON/MGMT 231
FINANCIAL MANAGEMENT
FALL TERM 2013

Instructor: Dr. Linda L. Ravelle
Comenius 217
861-1453
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Hours: M,W 12:00 – 1:00 PM
T 10:00 – 11:30 AM
Also by appointment

Prerequisites: ECON 152, ECON 156, ACCT 157

Textbook: ESSENTIALS OF CORPORATE FINANCE 8e, Ross, Westerfield, Jordan,
McGraw-Hill Irwin, 2014.

Course Objectives: This course is designed to develop your understanding of basic financial concepts, such as time value of money, financial statement analysis, and risk measurement, and to help you understand how to incorporate these concepts into an analysis of the major long-term investment, financing, and dividend decisions made by financial managers. The course uses lectures, class discussion, assignments, and exams to help you develop the skills necessary to accomplish these objectives.

Class Times: M,W 1:10 – 2:20

Classroom: Comenius 201

Grades: The course grade will be calculated according to the following formula:

Exams	55%
Assignments	25%
Term Project	10%
Class Participation	10%

Exams: You will take two midterm exams and one final exam. The lowest exam grade will be worth 15%, and the two highest exam grades will each be worth 20%, of your final grade. The exam dates are noted on the syllabus and will not be changed. Exams consist of problems and short answer questions. Formula sheets copied from KEY EQUATIONS found in Appendix B) and tables will be provided, but you must bring calculators to all exams. Please learn how to use your calculator before you take an exam. You cannot share calculators, and you cannot use cell phones as calculators. Makeup exams are given only in EMERGENCY situations and are significantly different than the original exam. Cell phones must be turned off and kept out of sight during all exams.

Assignments: The end-of-chapter assignments are listed in the following pages alongside an associated date, chapter and topic (CT: Critical Thinking and Concepts Review, QP: Questions and Problems, WEB: What's on the Web?, EXCEL: Excel Master It! Problem). These assignments must be turned in upon completion of the relevant chapter on due dates announced in class. The assignments will be graded, and homework turned in late (after the class period in which it is due) will be penalized one letter grade per day late. Missing assignments will receive a zero, which can significantly lower your overall assignment grade. Assignments may be changed as announced in class.

If you miss class you are responsible for finding out about due dates and changes in assignments. Failure to attend class is NOT a valid excuse for turning in assignments late. You should SHOW ALL WORK on the assignments and provide complete, well-written explanations of your answers when appropriate. Please put all answers in your own words.

HELPFUL HINTS: Answers to the odd-numbered problems can be found in Appendix C at the end of the textbook. If you do not understand an assigned even-numbered problem, try a similar odd-numbered problem first. Please feel free to ask me questions about these assignments in person or via email, but be sure to do so well in advance of the due dates. The Economics and Business department also provides tutors for this class.

Project: The project is designed to help you apply financial principles learned in class to the analysis of an actual company. A detailed description will be distributed in class.

Attendance and Participation: I take attendance at the beginning of each class. If you come in late you are responsible for letting me know that you are in class. You should read the assigned chapter and do required assignments before coming to class so that you can participate in classroom discussions and ask questions about the assignments. Bring your textbook to every class. You may not use cell phones in class.

Honesty: All students are expected to adhere to the College's Policy on Academic Honesty as outlined in the Student Handbook. Students who violate the Policy must accept the consequences dictated by this policy. If you have any questions about this policy, please see me.

Disabilities: Students who wish to request accommodations in this class for a disability should contact Elaine Mara, assistant director of learning services for academic and disability support at 1307 Main Street or by calling 610-861-1510. Accommodations cannot be provided until authorization is received from the office of Learning Services.

Classroom Behavior: Please be considerate. Do not arrive late, leave early, or walk out during class. Turn off cell phones before coming to class. Do not engage in personal conversations during class and respect your fellow classmates' opinions.

Caveat: This syllabus is subject to change, as announced in class.

DATE	TOPIC	CHAPTER	ASSIGNMENTS
Aug 26	Introduction to Financial Management	1	
28	Financial Statements, Taxes, And Cash Flow	2	CT: 2.5, 2.9 QP: 14, 16, 22 WEB: 2.2
Sept 2	LABOR DAY: NO CLASS		
4	Working with Financial Statements	3	CT: 3.1(explain), 3.6, 3.7 QP: 6,20,21,34,35,36,37,38 WEB: 3.1 EXCEL
9			
11	Introduction to Valuation: Time Value of Money	4	CT: 4.6, 4.7 QP: 6, 8, 10, 12, 20, 24
16	Discounted Cash Flow Valuation	5	QP: 4, 14, 18, 22, 24, 30, 32, 34, 46, 52, 55
18			
23			
25	EXAM 1		
30	Interest Rates and Bond Valuation	6	CT: 6.14, 6.15 QP: 4,6,12,16,18,22,23,31 WEB: 6.1, 6.2
Oct 2			
7	Equity Markets and Stock Valuation	7	CT: 7.1, 7.2, 7.3, 7.12 QP: 2,4,8,12,14,16,22,24,26 WEB: 7.1
9			
14	FALL RECESS		
16	Net Present Value and Other Investment Criteria	8	CT: 8.2, 8.12 QP: 2,4,10,14,22,24
20			
23	Making Capital Investment Decisions	9	CT: 9.2, 9.10 QP: 6,8,14,16,17,20
28			
30	EXAM 2		

DATE	TOPIC	CHAPTER	ASSIGNMENTS
Nov 4	Lessons from Capital Market History	10	CT: 10.4 QP: 4, 6, 8, 18, 20, 22
6	Risk and Return	11	CT: 11.1, 11.8, 11.10 QP: 2, 7, 10, 18, 28, 32 WEB: 11.1
11			
13	Cost of Capital	12	CT: 12.2, 12.8 QP: 2, 4, 6, 12, 18, 24
18			
20	Leverage and Capital Structure	13	TBA
25,27,29	THANKSGIVING BREAK		
Dec 2	Dividends and Dividend Policy	14	TBA
4			
9	FINAL EXAM	1:30 PM	