American Public University System

The Ultimate Advantage is an Educated Mind

School of Business
FINC 400
Principles of Financial Management
3 Credit Hours
8 weeks
Prerequisite: None

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Course Description (Catalog)

This course is an overview study of the concepts and techniques in corporate finance. Topics include investments, financial environment, securities markets, financial markets, financial statements and analysis, working capital management, capital budgeting, cost of capital, dividend policy, asset valuation, and decision-making.

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Course Scope

The primary goal of the Principles of Financial Management course is to help students achieve better financial outcomes for businesses with which they might be associated. This course provides an in-depth analysis of a wide range of topics on financial planning and analysis. Topics include the basics of financial statements, forecasting, budgeting, time value of money, stock and bond valuation, capital budgeting, maximizing shareholder value, and raising capital.

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Course Objectives

After successfully completing this course, you will be able to:

- **LO 1.** Identify the concepts of financial management and apply those concepts to various financial situations.
- LO 2. Assess the role of accounting in finance and how it is applied to financial analysis.
- **LO 3.** Examine business operations and evaluate financial forecasting, and operational and financial leverage.
- **LO 4.** Evaluate the financing and current asset management of a firm.
- LO 5. Differentiate the fundamentals of time value of money, valuations, and cost of capital.
- LO 6. Identify the fundamentals of capital budgeting decisions and evaluate capital expenditures.
- **LO 7.** Describe the role of capital markets and investment banking and examine the security legislations that protect investors.
- LO 8. Analyze the methods of raising capital through long-term debt or equity financing.

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Course Delivery Method

This course, delivered via distance learning, will enable students to complete academic work in a flexible manner, completely online. Course resources and access to an online learning management system will be made available to each student. Online assignments are due each week as noted and include forum questions (accomplished in groups through a threaded forum), examinations, and individual assignments submitted for review by the Faculty Member. Assigned faculty will support the students throughout this eight-week course.

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Course Resources

Required Course Textbook

Block, S. B., Hirt, G. A., & Danielsen, B. R. (2011). *Foundations of financial management* (14th ed.). New York, NY: McGraw-Hill Irwin. (e-book links found in Lessons)

Additional Resources (In Lessons)

- APA Writing
- Excel
- Turnitin

Websites

In addition to the required course texts, the following public domain Websites are useful. Please abide by the university's academic honesty policy when using Internet sources as well. Note web site addresses are subject to change.

Site Name	Website URL/Address	
<u>TeachMeFinance</u>	http://www.teachmefinance.com/	
Khan Academy http://www.khanacademy.org/#core-finance		
Investopedia	http://www.investopedia.com/university/concepts/	

American Psychological Association (APA)	http://www.apastyle.org/
Purdue Online Writing Lab	http://owl.english.purdue.edu/owl/resource/560/01/
<u>Turnitin</u>	http://www.turnitin.com

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Evaluation Procedures

Grade Instruments	Points	Percentage
Forums (Week 1-7)	100 points each	28
Homework Problems (Week 1-7)	100 points each	30
Quiz (Week 1-5, 7)	100 points each	18
Writing Assignment (Week 6)	100 points	4
Quiz (Week 8)	100	20
Final Course Grade		100

Forums

Please join the forums during weekly sessions. Students must post a main response to the weekly discussion question by Day 3, and at <u>least two replies to other students by Day 7</u>. Active participation is required by replying to classmates during the week of discussion. Therefore, replies after the end of the each week <u>will not</u> be graded. The forums are for student interaction and submitting input after the end of the week serves no learning objectives and does not constitute as participation. Students should demonstrate their own knowledge in the forums and avoid copying and pasting from web sites. Responses will be graded directly from the Forums.

Your grade earned for your responses will be based on the Forums Grading Criteria:

Forums Grading Criteria	Requirements		
Quality Guidelines (50%):	 All discussion questions are answered completely. Responses are original in content with a minimum of one external reference. All posts demonstrated analysis of the topic. Responses to classmates are significant and advanced the discussion. 		
Participation Guidelines (30%):	 Main response is posted by Day 3. Main response is no less than 250 words. Reply to at least two of their classmates by Day 7. Responses to classmates are at least 100 words. 		
Clarity, Organization & Professionalism Guidelines (20%):	 Responses were organized and logical. No spelling or grammatical errors. References were used and cited properly. Appropriate language, respect and consideration toward peers/instructor. 		

Homework Assignments

Assigned problems should demonstrate an understanding and thorough application of chapter objectives. Excel homework templates can be found in Course Materials in order to make it easier to complete the problems assigned. If preferred, you may complete your homework in a Word file. Ensure that your work is organized and properly formatted (for numeric solutions, please highlight your answer). Please name your assignment file as 'lastnamefirstinitial-FINC400-wk#", and submit **by midnight EST, Day 7.**

Your homework exercises/problems will be evaluated according to the following Homework Grading Criteria:

Grade	Homework Problems Grading Criteria
	Assigned exercises/problems are completed in full.
90-100%	Work demonstrates effective application of the concepts/principles covered in the chapter.
30-100/0	 Work thoroughly explains answers and calculations.
	Solutions are calculated with no errors or insignificant errors.
	 Assigned exercises/problems are completed in full or are significantly complete.
	 Work demonstrates effective application of most concepts/principles covered in the
80-89%	chapter.
	 Work thoroughly explains most answers and calculations.
	Solutions are calculated with insignificant errors.
	 Assigned exercises/problems are mostly complete.
	 Work demonstrates effective application of some concepts/principles covered in the
70-79%	chapter.
	Work explains some answers and calculations.
	Solutions are calculated with significant errors.
	 Assigned exercises/problems are fairly complete.
	 Work demonstrates effective application of a few concepts/principles covered in the
60-69%	chapter.
	 Work explains a few answers and calculations.
	Solutions are calculated with significant errors.
	 Assigned exercises/problems are less than 50% complete.
0-59%	 Work does not demonstrate effective application of the concepts covered in the chapter.
0-35/6	 Work submitted does not thoroughly explain answers and calculations.
	 Solutions are not calculated or are calculated with significant errors.

Writing Assignment

The writing assignment will demonstrate writing across the curriculum responding to the topic selected in a 500-700 words paper. Please name your assignment file as 'lastnamefirstinitial-FINC400-WA6", and submit **by midnight, Day 7.**

You are required to have your writing assignment reviewed by Turnitin before you submit it to the professor. Please review the Turnitin section at the end of the Syllabus. Setup and use instructions are available in Additional Resources in Lessons.

Your assignment will be evaluated according to the following Writing Assignment Grading Criteria:

Guidelines	Writing Assignment Grading Criteria
Content (60%)	 Response demonstrate a clear understanding of the key elements of assignment questions. Responses thoroughly cover the elements in a substantive manner. Response demonstrates critical thinking and analysis. Content is complete and accurate. Introduction and conclusion provides adequate information on the given topic.
Organization (20%)	 Paper structure is clear and easy to follow. Ideas flow in a logical sequence. Introduction provides a sound introduction to the topic and previews major points. Paragraph transitions are logical and support the flow of thought throughout the paper. The conclusion thoroughly reviews the major points.
Writing Style, Grammar, APA Format (20%)	 Sentences are well constructed, complete, clear, and concise. Words used are specific and unambiguous. The tone is appropriate to the content and assignment. Grammar, spelling and punctuation are correct. APA guidelines (6th edition) are followed, such as headers, citations, references, etc. Effective use of aids, such as sections, summaries, table of contents, indices, and appendices (if appropriate)

Quizzes

The Quizzes will consist of 20 true/false, multiple choice questions of the chapters covered during each week. Each quiz is accessible only once and is available for a 1.5-hour time period. Once a quiz is accessed, you will not be able to access it again if you disconnect. Therefore, allocate time to complete your quiz. Weekly quizzes must be submitted **by midnight EST, Day 7.**

In **Test & Quizzes**, you will find Practice Quizzes designed to help you review concepts and applications, and to get you prepared for the Quizzes.

Quiz (Week 8)

The Assessment will consist of 25 multiple choice questions covering all the chapters assigned. It will be accessible only once, for a period of 2-hours. Once the quiz is accessed, you will not be able to reenter it again if you disconnect. It is due **by midnight EST, Day 7.**

Submission of assignments and grading

Be sure to turn in assignments and exams as scheduled. Assignments will be graded within five days after the end of the week according to APUS policy. **Assignments submitted three days after their due date will be assessed a 10% late penalty.** If your assignment is submitted after the weekly grading, it will be graded during the next grading period for our class. It is preferred that students refers to the 8-Week Course Outline for a weekly schedule of assignments and their due date.

Refer to the Student Handbook for policies relevant to academic honesty and other procedures and policies related to this course. Refer to Online Resource Center for any research assistance. Plagiarized papers or incidents of academic dishonesty will receive an F.

APUS Grading System

Grade	Quality Points/ Grading Percent
Α	4.0/ 100 - 94
A-	3.67/ 93 - 90
B+	3.33/ 89 - 87
В	3.0/ 86 - 84
B-	2.67/ 83 - 80
C+	2.33/ 79 - 77
С	2.0/ 76 - 73
C-	1.67/ 72 - 70
D+	1.33/ 69 - 67
D	1.0/ 66 - 64
D-	.67/ 63 - 60
F	0.0/ 59 - 0

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8 - Week Course Outline

Please see the <u>Student Handbook</u> to reference the University's grading scale

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Week	Topic	Learning Objectives	Readings	Assignment
	The Goals and	LO 1: Identify the concepts	Text Readings:	Forum
	Functions of Financial	of financial management	Block, Chapters 1-3	Post your Introduction
	Management	and apply those concepts to		
		various financial situations.	In Course Resources:	Why are institutional investors
	Review of Accounting		Homework Template	important in today's business
		LO 2: Assess the role of	Selected Practice Problems	world?
	Financial Analysis	accounting in finance and	PPT Chapter 1-3	
		how it is applied to financial		Submit main response by
1		analysis.		midnight EST, Day 3, and respond
				to at least two other students'
				posts by midnight EST, Day 7.
				Homework Problems
				Chapter 2: 2-11, 2-15, 2-25
				Chapter 3: 3-21, 3-22, 3-28

2	Financial Forecasting Operating and Financial Leverage	LO 1: Identify the concepts of financial management and apply those concepts to various financial situations. LO 3: Examine business operations and evaluate financial forecasting, and operational and financial leverage.	Text Readings: Block, Chapters 4-5 In Course Resources: Homework Template Selected Practice Problems PPT Chapter 4-5	Submit in homework template by midnight EST, Day 7. Practice Quiz Get prepared for the Quiz. Quiz 20 True/False and Multiple Choice Questions. Quiz is accessible only once for a period of 1.5-hours. Submit by midnight EST, Day 7. Forum If we divide users of ratios into short-term lenders, long-term lenders, and stockholders, in which ratios would each group be most interested, and for what reasons? Submit main response by midnight EST, Day 3, and respond to at least two other students' posts by midnight EST, Day 7. Homework Problems Chapter 4: 4-14, 4-17, 4-27 Chapter 5: 5-8, 5-11, 5-15 Submit in homework template by midnight EST, Day 7.
				Practice Quiz Get prepared for the Quiz. Quiz 20 True/False and Multiple Choice Questions. Quiz is accessible only once for a period of 1.5-hours. Submit by midnight EST, Day 7.
3	Working Capital and the Financing Decision Current Asset Management Sources of Short-Term Financing	LO 1: Identify the concepts of financial management and apply those concepts to various financial situations. LO 4: Evaluate the financing and current asset management of a firm.	Text Readings: Block, Chapters 6-7-8 In Course Resources: Homework Template Selected Practice Problems PPT Chapter 6-7-8	Forum Explain the significance of the following statements: A firm that uses short-term financing methods for a portion of permanent current assets is assuming more risk but expects higher returns than a firm with a normal financing plan.

5	The Capital Budgeting Decision	LO 1: Identify the concepts of financial management	Text Readings: Block, Chapters 12-13	Forum Discuss the concept of risk and
4	The Time Value of Money Valuations and Rates of Return Cost of Capital	LO 1: Identify the concepts of financial management and apply those concepts to various financial situations. LO 5: Differentiate the fundamentals of time value of money, valuations, and cost of capital.	Text Readings: Block, Chapters 9-10-11 In Course Resources: Homework Template Selected Practice Problems PPT Chapter 10-11	midnight EST, Day 3, and respond to at least two other students' posts by midnight EST, Day 7. Homework Problems Chapter 6: 6-4, 6-8, 6-10 Chapter 7: 7-2, 7-7, 7-13 Chapter 8: 8-10, 8-14, 8-17 Submit in homework template by midnight EST, Day 7. Practice Quiz Get prepared for the Quiz. Quiz 20 True/False and Multiple Choice Questions. Quiz is accessible only once for a period of 1.5-hours. Submit by midnight EST, Day 7. Forums Does inflation have anything to do with making a dollar today worth more than a dollar tomorrow? Submit main response by midnight EST, Day 3, and respond to at least two other students' posts by midnight EST, Day 7. Homework Problems Chapter 9: 9-17, 9-19, 9-27 Chapter 10: 10-6, 10-13, 10-24 Chapter 11: 11-7, 11-15, 11-19 Submit in homework template by midnight EST, Day 7. Practice Quiz Get prepared for the Quiz. Quiz 20 True/False and Multiple Choice Questions. Quiz is accessible only once for a period of 1.5 hours. Submit by midnight EST, Day 7.
				Submit main response by

	Risk and Capital Budgeting	and apply those concepts to various financial situations. LO 6: Identify the fundamentals of capital budgeting decisions and evaluate capital expenditures.	In Course Resources: Homework Template Selected Practice Problems PPT Chapter 12-13	how it might be measured. Submit main response by midnight EST, Day 3, and respond to at least two other students' posts by midnight EST, Day 7. Homework Problems Chapter 12: 12-10, 12-13, 12-21 Chapter 13: 13-3, 13-10, 13-15 Submit in homework template by midnight EST, Day 7. Practice Quiz Get prepared for the Quiz. Quiz
	Capital Markets	LO 1: Identify the concepts	Text Readings:	20 True/False and Multiple Choice Questions. Quiz is accessible only once for a period of 1.5-hours. Submit by midnight EST, Day 7.
	Investment Banking: Public and Private Placement	of financial management and apply those concepts to various financial situations. LO 7: Describe the role of capital markets and investment banking and examine the security legislations that protect investors.	Block, Chapters 14-15 In Course Resources: Homework Template Selected Practice Problems PPT Chapter 14-15	The efficient market hypothesis is interpreted in a weak form, a semi-strong form, and a strong form. How can we differentiate its various forms? Submit main response by midnight EST, Day 3, and respond to at least two other students' posts by midnight EST, Day 7.
6				Homework Problems Chapter 15: 15-5, 15-10, 15-14 Submit in homework template by midnight EST, Day 7. Writing Assignment In 600-750 words APA 6th ed. format, respond to the following question: Distinguish between internal and external sources of funds. Do corporations rely more on external or internal funds as sources of financing?

7	Long-Term Debt and Lease Financing Common and Preferred Stock Financing	LO 1: Identify the concepts of financial management and apply those concepts to various financial situations. LO 8: Analyze the methods of raising capital through long-term debt or equity financing.	Text Readings: Block, Chapters 16-17 In Course Resources: Homework Template Selected Practice Problems PPT Chapter 16-17	See Week 6 Writing Assignments for details. Follow Writing Guidelines Rubrics. Submit by midnight EST, Day 7. Forum Discuss the relationship between bond prices and interest rates. What impact do changing interest rates have on the price of longterm bonds versus short-term bonds? Submit main response by midnight EST, Day 3, and respond to at least two other students' posts by midnight EST, Day 7. Homework Problems Chapter 16: 16-5, 16-7, 16-11 Chapter 17: 17-7, 17-13, 17-16 Submit in homework template by midnight EST, Day 7. Practice Quiz Get prepared for the Quiz. Quiz 20 True/False and Multiple Choice Questions. Quiz is accessible only once for a period of 1.5-hours. Submit by midnight EST, Day 7.
8	Final Week	LO 1-8	All Chapters Assigned	Forum How will this course benefit your personal and/or professional development? What did you find most beneficial about the course? (This is a non-graded discussion) Quiz 25 Questions from all chapters assigned. The quiz is accessible only once, for a period of 2-hours. Submit by midnight EST, Day 7.

Policies

Please see the <u>Student Handbook</u> to reference all University policies. Quick links to frequently asked question about policies are listed below.

Drop/Withdrawal Policy
Plagiarism Policy
Extension Process and Policy
Disability Accommodations

Citation and Reference Style

Note: Students will follow the APA 6^{th} edition as the sole citation and reference style used in written work submitted as part of coursework to the University. Assignments completed in a narrative essay or composition format must follow the citation style cited in the APA 6^{th} edition.

Late Assignments

Students are expected to submit classroom assignments by the posted due date and to complete the course according to the published class schedule. As adults, students, and working professionals, I understand you must manage competing demands on your time. Should you need additional time to complete an assignment, please contact your instructor before the due date to discuss the situation and determine an acceptable resolution. Routine submission of late assignments is unacceptable and may result in points deducted from your final course grade.

Netiquette

Online universities promote the advancement of knowledge through positive and constructive debate - both inside and outside the classroom. Discussions on the Internet, however, can occasionally degenerate into needless insults and "flaming." Such activity and the loss of good manners are not acceptable in a university setting - basic academic rules of good behavior and proper "Netiquette" must persist. Remember that you are in a place for the fun and excitement of learning, and that does not include descent to personal attacks or student attempts to stifle the discussion of others.

Humor Note: Despite the best of intentions, jokes and – especially - satire can easily get lost or taken seriously. If you feel the need for humor, you may wish to add "emoticons" to help alert your readers: ;-), :), ©, etc.

Disclaimer Statement

Course content may vary from the outline to meet the needs of this particular group.

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Academic Services

The Online Library is available to enrolled students and faculty from inside the electronic campus. This is your starting point for access to online books, subscription periodicals, and Web resources that are designed to support your classes and are generally not available through search engines on the open Web. In addition, the Online Library provides access to special learning resources, which the University has contracted to assist with your studies. Questions can be directed to librarian@apus.edu.

- Charles Town Library and Inter Library Loan: The University maintains a special library with a limited number of supporting volumes, collections of our professors' publications, and services to search and borrow research books and articles from other libraries.
- *Electronic Books:* You can use the Online Library to uncover and download over 50,000 titles, which have been scanned and made available in electronic format.
- *Electronic Journals:* The University provides access to over 12,000 journals, which are available in electronic form and only through limited subscription services.
- **Tutor.com:** AMU and APU Civilian and Coast Guard students are eligible for 10 free hours of tutoring provided by APUS. <u>Tutor.com</u> connects you with a professional tutor online 24/7 to provide help with assignments, studying, test prep, resume writing, and more. Tutor.com is tutoring the way it was meant to be. You get expert tutoring whenever you need help, and you work one-on-one with your tutor in your online classroom on your specific problem until it is done.

Request a Library Guide for your course (http://apus.libguides.com/index.php)

The AMU/APU Library Guides provide access to collections of trusted sites on the Open Web and licensed resources on the Deep Web. These are specially tailored for academic research at APUS:

- Program Portals contain topical and methodological resources to help launch general research in the degree program. To locate, search by department name or navigate by school.
- Course Lib-Guides narrow the focus to relevant resources for the corresponding course. To locate, search by class code (e.g., ACCT100) or class name.

If a guide you need is not available yet, let us know by emailing the APUS Library: librarian@apus.edu.

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Turnitin.com

You are required to have your writing assignment reviewed by Turnitin before you submit it to the professor. Please review **ADDITIONAL RESOURCES in Lessons** for Turnitin assistance.

Turnitin.com is an excellent resource to check the content and quality of writing assignments and to avoid plagiarism. Students are required to create an account and submit <u>all</u> writing assignments to <u>Turnitin.com</u>. An Originality Report will be generated upon paper submission, which must be submitted with your assignment. Writing Assignments will not be graded if the Originality Report is not submitted to the assignment drop box with the assignment. Your instructor will provide you with a course ID and password to enroll in the class.

The Originality report does not actually recommend changes. It does point out where you may need to add a citation or quotation marks (if not already cited). Once you use it a few times, you will appreciate this tool, as it will assist you in improving quality and content, as well as avoid plagiarism. Your goal is to keep direct quotations to a minimum and to make sure that you do not just cut and paste material. Ensure that all your references are cited. A report less than 25% similarity index is acceptable for undergraduate level work.

Turnitin access codes

class ID: **See course Announcement for details** password:

Selected Bibliography

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