



**COWLEY COLLEGE
& Area Vocational Technical School**

COURSE PROCEDURE FOR

**FINANCIAL MANAGEMENT
LED1451 3 Credit Hours**

Student Level:

This course is open to students on the college level in either the freshman or sophomore year.

Catalog Description:

LED1451 - FINANCIAL MANAGEMENT (3 hrs)

This course is designed to help the student increase his/her knowledge in utilizing financial management as a leadership tool. The course covers the scope and environment of financial management, the valuation of financial assets, investments in long-term assets, capital structure, and working-capital management.

Prerequisite:

None.

Controlling Purpose:

This course is designed to help the student increase his/her knowledge in utilizing financial management as a leadership tool.

Learner Outcomes:

Upon completion of the course, the student will be able to describe the scope and environment of financial management, the valuation of financial assets, investment in long-term assets, capital structure and working-capital management.

Units Outcomes and Criterion Based Evaluation Key for Core Content:

The following defines the minimum core content not including the final examination period. Instructors may add other content as time allows.

Evaluation Key:

- A = All major and minor goals have been achieved and the achievement level is considerably above the minimum required for doing more advanced work in the same field.
- B = All major goals have been achieved, but the student has failed to achieve some of the less important goals. However, the student has progressed to the point where the goals of work at the next level can be easily achieved.
- C = All major goals have been achieved, but many of the minor goals have not been achieved. In this grade range, the minimum level of proficiency represents a person

who has achieved the major goals to the minimum amount of preparation necessary for taking more advanced work in the same field, but without any major handicap of inadequacy in his background.

- D = A few of the major goals have been achieved, but the student's achievement is so limited that he is not well prepared to work at a more advanced level in the same field.
- F = Failing, will be computed in GPA and hours attempted.
- N = No instruction or training in this area.

UNIT 1: THE SCOPE AND ENVIRONMENT OF FINANCIAL MANAGEMENT

Outcomes: The student will gain an understanding of the scope and environment of financial management.

A	B	C	D	F	N	Specific Competencies
						The student will demonstrate the ability to:
						Explain the ten principles that form the foundations of financial management.
						Define what has led to an era of the multinational corporation.
						Identify the goal(s) of a firm.
						Compare the various legal forms of business organization and explain why the corporate form of business is the most logical choice for a business that is large or growing.
						Describe the corporate tax features that affect business decisions.
						Describe financial markets and interest rates.
						Briefly describe how to measure a company's cash flow.
						Explain the purpose and importance of financial analysis.
						Describe the limitations of financial ratio analysis.

UNIT 2: VALUATION OF FINANCIAL ASSETS

Outcomes: The student will gain an understanding of the principles used to determine the valuation of financial assets.

A	B	C	D	F	N	Specific Competencies
						The student will demonstrate the ability to:
						Briefly explain the mechanics of how money grows over time when it is effectively invested.
						Demonstrate how to move money through time using time value of money

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						tables, financial calculators, and spreadsheets.
						Define and measure the expected rate of return on an individual investment.
						Explain the relationship between and investor's rate of return on an investment and the level of risk of the investment.
						Briefly describe the process for valuing assets.
						Calculate a stock's expected rate of return.
						Identify the basic characteristics and features of common and preferred stock.

UNIT 3: INVESTMENT IN LONG-TERM ASSETS

Outcomes: Students will gain an understanding of the concepts pertaining to the investment in long-term assets.

A	B	C	D	F	N	Specific Competencies
						The student will demonstrate the ability to:
						Briefly describe capital budgeting techniques and practices.
						Describe guidelines by which cash flows are measured.
						Describe the concepts underlying a firm's cost of capital and the purpose for its calculation.
						Briefly describe how to use the cost of capital to evaluate new investment opportunities.

UNIT 4: CAPITAL STRUCTURE

Outcomes: The student will gain an understanding of capital structure.

A	B	C	D	F	N	Specific Competencies
						The student will demonstrate the ability to:
						Describe the difference between business risk and financial risk.
						Define the concept of an optimal capital structure.
						List and describe the basic tools of capital structure management.
						Describe how business risk and global sales impact the multinational firm.
						Define how to calculate a firm's degree of operating leverage, financial leverage, and combined leverage.

						Briefly describe the basic concepts of capital structure theory.
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UNIT 5: WORKING-CAPITAL MANAGEMENT						
Outcomes: The student will gain an understanding of working-capital management.						
A	B	C	D	F	N	Specific Competencies
						The student will demonstrate the ability to:
						Define the percent of sales forecast method.
						Describe how a cash budget can be used to evaluate the amount and timing of a firm's financing needs.
						Describe the risk-return trade-off involved in managing a firm's working capital.
						Briefly describe the determinants of net working capital.
						List and describe the basic sources of short-term credit.
						Describe why a firm holds cash.
						Briefly define various cash management objectives and decisions.
						Discuss the reasons for carrying inventory and how inventory management decisions are made.

Projects Required:

Projects may vary according to the instructor.

Textbook:

Contact Bookstore for current textbook.

Materials/Equipment Required:

Computers and printers.

Internet.

Attendance Policy:

Students should adhere to the attendance policy outlined by the instructor in the course syllabus.

Grading Policy:

The grading policy will be outlined by the instructor in the course syllabus.

Maximum class size:

Based on classroom occupancy

Course Timeframe:

The U.S. Department of Education, Higher Learning Commission and the Kansas Board of Regents define credit hour and have specific regulations that the college must follow when developing, teaching and assessing the educational aspects of the college. A credit hour is an amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutionally-established equivalency that reasonably approximates not less than one hour of classroom or direct faculty instruction and a minimum of two hours of out-of-class student work for approximately fifteen weeks for one semester hour of credit or an equivalent amount of work over a different amount of time. The number of semester hours of credit allowed for each distance education or blended hybrid courses shall be assigned by the college based on the amount of time needed to achieve the same course outcomes in a purely face-to-face format.

Refer to the following policies:

[402.00 Academic Code of Conduct](#)

[263.00 Student Appeal of Course Grades](#)

[403.00 Student Code of Conduct](#)

Disability Services Program:

Cowley College, in recognition of state and federal laws, will accommodate a student with a documented disability. If a student has a disability which may impact work in this class and which requires accommodations, contact the Disability Services Coordinator.