1. Course Information

Course Title: Financial Management                                Course number: MBAE 5318
Course Section: MBAE                                                     Credit Hours: 3
Semester: Summer 2015                                                    Prerequisites: None
Room #: Welder 116                                               Days & hours: Monday 5:30 pm-9:45 pm

2. Instructor Information

Name: Peter Obitade, Ph.D.
Office hours: Appointment ONLY
E-mail: petetola@hotmail.com

Important note: Please make sure that you indicate the course number, “MBAE 5318”, in the subject line of your
emails before sending them to me.

3. Course Catalog Description

The purpose of this course is to provide the student with a comprehensive study of the core concepts of
financial management for managers. Topics include financial statement analysis, financial performance
evaluation, valuation of assets, capital budgeting analysis, risk and return, short-term financial planning
and budgeting, and long-term financial planning and forecasting. The course introduces the student to
financial responsibilities and the methods required to effectively meet these responsibilities. Students are
required to perform case analyses or written projects.

4. Program Goals and Objectives:

The Masters of Business Administration in Education program has five goals. When students complete
the MBAE degree at the University of St. Thomas:

Goal 1. They will be professional communicators.
   • Objective 1: Graduates will deliver compelling oral presentation.
   • Objective 2: Graduates will create professional documents.

Goal 2. They will be effective collaborators, sensitive to diversity and social justice concerns.
   • Objective 1: Graduates will demonstrate appropriate group techniques to participate in a team
task that results in effective performance.
   • Objective 2: Graduates will develop an effective program of community relation that involves
and informs multiple stakeholders.
• **Objective 3:** Graduates will demonstrate effective leadership skills in an educational situation.

**Goal 3.** They will be ethical decision makers.

• **Objective 1:** Graduates will recognize the ethical issues implicit in an ‘instructional business’ situation.
• **Objective 2:** Graduates will develop a variety of ethical alternatives for resolving or at least addressing, a problem in ‘instructional business’.
• **Objective 3:** Graduates will assess the implications and sustainability of selected ethical alternative.

**Goal 4.** They will be critical thinkers, with a global mindset.

• **Objective 1:** Graduates will analyze problems in-depth.
• **Objective 2:** Graduates will evaluate data thoroughly.
• **Objective 3:** Graduates will present feasible solutions for problems.

**Goal 5.** They will be knowledgeable about instructional business issues and processes.

• **Objective 1:** Graduates will demonstrate competencies in school community leadership domain.
• **Objective 2:** Graduates will demonstrate competencies in instructional leadership domain.
• **Objective 3:** Graduates will demonstrate competencies in administrative leadership domain.
• **Objective 4:** Graduates will demonstrate knowledge of accounting.
• **Objective 5:** Graduates will demonstrate knowledge of economics.
• **Objective 6:** Graduates will demonstrate knowledge of finance.
• **Objective 7:** Graduates will demonstrate knowledge of management.
• **Objective 8:** Graduates will demonstrate knowledge of marketing.

**5. Course Learning Objectives**

Students are expected to:

1. Familiarize themselves with general guiding principles underlying the process of financial management decision (Address goal 5).
2. Learn the techniques and methods of financial analysis and develop the ability to use them as tools for problem solving (Address goals 4 and 5).
3. Gain the ability to communicate clearly—to describe in words what the techniques of financial management contribute to decision making (Address goal 1).
4. Acquire an understanding of the functioning of financial markets and institutions and their role in financial management decision-making (Address goal 5).
5. Broaden their knowledge beyond the excessively clear-cut concepts and problems of the textbook by approaching managerial decisions using the messier and less complete data typically encountered in practice by engaging in empirical studies of actual firms or engaging in case studies as assigned in the course. Whichever of these is assigned, it will involve written analysis and oral discussion (Address goals 1 and 4).
6. Texts, Readings, Materials


**Required tools:** A financial calculator or a laptop computer equipped with MS Excel program is required for the course (Texas Instruments BAII Plus recommended and will be demonstrated in class). The BA II Plus does everything that is required in the course but other calculators with similar capabilities are acceptable as well. You cannot share calculators with other students during exams. Make sure to learn how to use your calculator prior to the scheduled exams. Calculations will also be demonstrated using spreadsheets in MS Excel.

**Supplementary readings:** The Wall Street Journal, The Economist, The Financial Times (You are not required to subscribe for these magazines for our class. You can view limited free versions online or use our library resources for printed versions.)

7. Instructional methods:

Class time will be devoted to lecture, discussion, presentations, case studies, and analysis of problems. Finance is a subject highly problem oriented. Assigned problems will be collected but will not be returned to you. The solutions to the homework problems will be posted on BB. We will discuss the solutions for the problems in class as our time permits. Active participation in class is encouraged and required.

8. Technology

Students are expected to be able to perform the following:
1) Online data retrieval and/or research on the World Wide Web;
2) Online communication or collaboration with each other;
3) Use of Microsoft Office programs to complete assignments;
4) Use of a calculator (regular and/or financial);
5) Use of BlackBoard learning platform

**BlackBoard**
The Blackboard Resource Sites for Graduate and Undergraduate students include resources recommended by CSB faculty and librarians for CSB students. All graduate and undergrad students are enrolled in the respective BB courses at the beginning of the semester. If you do not have access to the Resource site, please contact your course instructor at your earliest convenience. Students do not need to contact the IT Department for access to these two sites. Once the initial setup is completed by the IT Department at the beginning of the semester, additional students are added to the courses manually at CSB.
9. Course Tentative Schedule:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic*</th>
<th>Chapter</th>
<th>Homework</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/1/2015</td>
<td>Introduction</td>
<td>Introduction</td>
<td></td>
</tr>
<tr>
<td></td>
<td>An Overview of Financial Management</td>
<td>Chapter 1 – Brigham &amp; Houston</td>
<td></td>
</tr>
<tr>
<td>6/8/2015</td>
<td>Understanding Nonprofit Organization</td>
<td>Chapter 1</td>
<td>Article Review</td>
</tr>
<tr>
<td></td>
<td>Financial Markets and Institutions</td>
<td>Chapter 2 - Brigham &amp; Houston</td>
<td>Questions 2-1 to 2-6</td>
</tr>
<tr>
<td>6/15/2015</td>
<td>Understanding Accounting Basics and Financial Statements</td>
<td>Chapter 6</td>
<td>Article Review</td>
</tr>
<tr>
<td></td>
<td>Liquidity Management</td>
<td>Chapter 2</td>
<td>TBD</td>
</tr>
<tr>
<td>6/22/2015</td>
<td>Liquidity Management (Cont.)</td>
<td>Chapter 2</td>
<td></td>
</tr>
<tr>
<td>6/29/2015</td>
<td>Mid-term exam review</td>
<td>Chapters 1, 1, 2, 2, 6,</td>
<td></td>
</tr>
<tr>
<td>7/6/2015</td>
<td>MIDTERM!!!!</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7/13/2015</td>
<td>Developing Operating and Cash Budgets</td>
<td>Chapter 8</td>
<td>Article Discussions</td>
</tr>
<tr>
<td>7/20/2015</td>
<td>Time Value of Money</td>
<td>Chapter 5- Brigham &amp; Houston</td>
<td>Problems: 5-1, 2, 3 &amp; 5</td>
</tr>
<tr>
<td></td>
<td>Interest rates</td>
<td>Chapter 6- Brigham &amp; Houston</td>
<td>Questions 6-1 to 6-5</td>
</tr>
<tr>
<td>7/27/2015</td>
<td>Investment Policies and Guidelines</td>
<td>Chapter 12</td>
<td>Article Review</td>
</tr>
<tr>
<td>8/3/2015</td>
<td>Group Presentation &amp; Review for Final</td>
<td></td>
<td>Problems and</td>
</tr>
<tr>
<td>8/10/2015</td>
<td>FINAL EXAM!!!!</td>
<td>Chapters 8, 5, 6, &amp; 12</td>
<td>Article Discussions</td>
</tr>
</tbody>
</table>

* The above schedule and procedures in this course are subject to change in the event of circumstances beyond the instructor’s and department’s control. Please notice that the instructor can make changes to the tentative course schedule anytime during the Summer 2015 semester.
10. Course Policies

1) **Pre-class readings**
   Although the textbook is good reference for review and studying, many students reflect that it is hard to understand without first learning the material in class. To promote in-class understanding and discussion, I encourage you to read the each chapter before the class period to familiarize yourself with the topics. **Reading it before class is mandatory and counts towards class participation.**

   Please start the homework and study for homework early in the week, otherwise you will be “triple-busy” (HW, quiz-prep, and reading) before the class.

1. Your regular attendance is strongly encouraged and mandatory. An important part of your final grade depends on your class participation which can only be achieved by regularly attending and contributing to the class.

2. Make up exams will **not** be permitted unless I am notified of your absence on an exam **before** the exam date. Make up exams from excused absences will be scheduled at a time mutually agreeable to the instructor and the student.

3. You should prepare for ALL regularly scheduled classes prior to class meeting. Also, you are expected to arrive on time and stay in class until the class period ends. If you know in advance that you will need to leave early, please notify me **before** the class period begins.

4. Comments and questions are encouraged to share with the whole class. Private discussion or chatting with your peers are **discouraged** and will be viewed as destructive for the learning environment. Please respect the class by not doing so.

5. Participation performance is determined by your contribution to the learning process in class. It includes, but not limited to, comments, personal insights, constructive questions, work experience, and answers to assignments and cases.

6. The use of cell phones and other electronic devices such as laptops, electronic reading devices, and smart phone features is discouraged during the class period. Unless for important reasons, please try not to use it.

7. Your team’s consistent dedication for the group project is essential to complete the course successfully. Contribution of each team member to the project is expected and evaluated.
11. Student Evaluation Procedures:

Grades of this class will be determined based on three exams, homework assignments, group project, and class participation. There are three exams and they will in total count for 50% of the total course grade. Group project, homework assignments, and class participation count for 10%, 10%, 5%, respectively. Class participation includes, but not limited to, comments, feedback, answers to class discussion and in-class problem solving sessions.

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage of total grade</th>
<th>Grade</th>
<th>Grade letter</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 exams : Mid-term and Final</td>
<td>Each account for 25% (50% of total grade)</td>
<td>93-100</td>
<td>A</td>
</tr>
<tr>
<td>Homework</td>
<td>10%</td>
<td>90 - 93</td>
<td>A-</td>
</tr>
<tr>
<td>Group Project</td>
<td>20%</td>
<td>87 - 89</td>
<td>B+</td>
</tr>
<tr>
<td>Weekly Business News Report</td>
<td>10%</td>
<td>84 - 86</td>
<td>B</td>
</tr>
<tr>
<td>Movie Review</td>
<td>5%</td>
<td>80 - 83</td>
<td>B-</td>
</tr>
<tr>
<td>Class Participation</td>
<td>5%</td>
<td>77-79.9</td>
<td>C+</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>74-76.9</td>
<td>C</td>
</tr>
<tr>
<td></td>
<td></td>
<td>70-73.9</td>
<td>C-</td>
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<tr>
<td></td>
<td></td>
<td>60-69.9</td>
<td>D</td>
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<tr>
<td></td>
<td></td>
<td>Below 60</td>
<td>F</td>
</tr>
</tbody>
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12) Business Article Review: Read business articles, opinions or news in the follow business media listed below (ONLY). Reading these magazines/opinions will help you relate topics covered in class to the real business world and will be instrumental in preparing you for career in business/education. Submit total of 5 articles for the semester.

After reading the article, summarize the content and submit one-page paper by answering these 3 questions:
   A) What is the topic discussed in the article?
   B) Why is the topic important or why should we care about the topic?
   C) How will the knowledge gained from this article help you prepared for future career in finance or business?

Cite your sources in APA format

CNNMoney.com
Marketwatch.com
Yahoo Finance
CNBC TV
Nightly Business News Report (PBS)
Wall Street Journal,
Improve your presentation skill – As part of the 10% grade for this review, you are required to create a 3-page PowerPoint to be presented in the class during the semester: one presentation per student. More information to follow........

13) Required movies: There will be 2 movies for you to watch outside the class. Our library has these movies and you can check out these movies from our library. You will then submit a 1-2 pages synopsis of each movie as homework assignments via BB. The names of the movies are:
   A) Inside Job (Director: Charles Ferguson) — Synopsis is due on July 27, 2015.
   B) Enron: The Smartest Guys in the Room (Director: Alex Gibney, Release date: 9 March 2006) --- Synopsis is due on August 3, 2015.

14) Exams: There will be 2 exams throughout the course. Each of the exams will be worth the same points. Chapters that will be included in each exam are clearly indicated in the tentative class schedule. Exams will contain some or all forms of multiple choice, short answer, and fill-in-the-blank questions as well as numerical problems.

15) Group Presentation: Students are expected to make 20-minute group presentations on financial analysis of a corporation at the end of the semester. Students will work in teams consisting no more than 5 students per group. Each group will conduct a financial research on a company and compare it to its industry/rivals. Students have to approach me to discuss and finalize their companies/industries before June 29, 2015. By this time, the teams must be formed, the companies/industries must be decided and requests will not be entertained beyond this date. On July 6, 2015 students are expected to submit a word file that consists of the names of the team members along with their proposed companies/industries for the project via BB. Further details of this assignment will be provided in class. Presentations will be scheduled for the last couple weeks of classes.

The group presentation and the term paper should include the following (MINIMUM requirements):

- Name and brief history of the company
- Brief introduction of the products and divisions
- Industry analysis
  - The industry name
  - Key players or companies in this industry
  - The market leader
  - Market share of the company under review
  - Main challenges of this industry
  - Would you like to work for this industry – why and why not?
- SWOT analysis
- Calculate and compare financial ratio of your company to:
  - Main competitor
  - Industry as a whole
Other important information about this company from SEC filing 10k (including management discussions)

Additional information

The term paper should be 15 pages long (double spaced) and cited with APA format

**Scoring:**

There will be 2 scores: individual (5 points) and group (15 points);

*Individual* – Every student in each group must participate in the presentation. Each student will receive 5 points based on:
  a) Presentation skill
  b) Knowledge of the material
  c) Additional information

*Group* – The group score is divided into two – Group cohesion/presentation material (PowerPoint) and the quality of group term paper

**16) Homework Assignments:** There will be several problem and two movie assignments during the semester. It is imperative that each of you tries to solve all the questions and understands the solutions provided. The questions that will appear on exams will be very similar to those on the assignments. Homework will be assigned most weeks after class and will pertain to material covered during that week. Homework has to be submitted by Sunday night of each week. Each student is expected to do all the homework. Some questions from the homework may be discussed in class and input from the students will count toward class participation. Students will be given credit points for all attempted homework at the end of the term. Late homework will be accepted with some restrictions.

**Class Participation**

Participation to the class is a must for each MBAE student. I highly value student-peer-instructor interactions. Please come prepared for the classes and share/voice your comments and questions with the class. The following criteria will be used to judge and grade your participation performance:

- **Content Mastery:** The student makes evident by classroom comments and/or responses to questions, an understanding of the facts, concepts, and theories presented in the assigned readings and problems.

- **Communication Skills:** The student informs other students in a clear and constructive manner what he/she knows. Communication skills include listening to others and understanding what they have said, responding appropriately, asking clear, constructive questions, avoiding rambling discourses or class domination, building on the ideas of others, etc.

- **Synthesis/Integration:** The student shows the connections between this material and other material. For example, the student could take several ideas from the readings or class discussions and combine them to produce a new perspective on an issue, or the student could take outside materials (personal experiences, other classes etc.) and combine them to create insights.
• **Creativity:** The student shows further implications of the material by finding new ways of articulating or setting the materials which produce significant insights, etc.

• **Valuing:** The student identifies values inherent to the material and offer rationales based on some value system.

**Academic Honesty**

Academic integrity is very highly regarded at the University of St. Thomas. Using someone else’s work as your own is a grave violation of this principle. Ethical conduct is essential to a community of scholars and students searching for truth. Anything less than total commitment to honesty and honorable conduct undermines the efforts of the entire community. In the Cameron School of Business, students and faculty are expected to commit to a code that exemplifies each individual's honor and integrity. Any conduct that violates this standard and betrays the respect of others is a matter of grave concern and, accordingly, is deemed unacceptable.

**12. Accommodations**

If you have a documented disability that will impact your work in this class, please contact me to discuss your needs. Additionally, you will need to register with the Counseling and Disability Services Office in Crooker Center. This office can be reached at (713) 525-2169 or 6953.

**13. Other Items**

Drops: Please refer to a current University catalog for details. For fall and spring semester courses officially dropped through the 17th class day are not recorded on transcripts. From the 18th day and ending with the last day of the 9th week of each semester, official drops are recorded with a “W”, and no grade is computed in GPA. Unofficial drops can result in an “F” for the course. The times differ for summer school classes.

Withdrawals: Students may officially withdraw from the University by completing the appropriate form from the Registrar’s office. A “withdrawal from the university” notice will appear on the transcript for that semester.

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**The Cameron School of Business at University of St. Thomas**

**MISSION STATEMENT**

Inspired by the Basilian Fathers’ motto of *Goodness, Discipline and Knowledge*, the Cameron School of Business provides a comprehensive, high quality, ethically-oriented business education to a diverse student body enabling graduates to serve as leaders of faith and character in a global economy.