

**ADAMS STATE COLLEGE
DIVISION OF EXTENDED STUDIES
SCHOOL OF BUSINESS**

**BUS 416
BUSINESS FINANCIAL PROBLEMS**

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TEXTBOOK AND SUPPLEMENTS

1. Required Text:

Keown, A. J., Martin, J. D., Petty, J. W., & Scott, .D. F., Jr. (2002). *Financial management: Applications and principles* (9 ed.). Upper Saddle River: Prentice Hall. ISBN 013-034205-X

Bruner, R. F. (2002). *Case studies in finance: Managing for corporate value creation* (4th ed). New York: McGraw-Hill, 2002. ISBN 0-07-233862-8

2. Supplements

- a. Handouts (Study Guide & Supplemental Problems)
- b. Financial Calculator Texas Instruments model # BAI PLUS

COURSE DESCRIPTION

General examination of financial problems faced by business firms with the purpose of developing integrated theories of financial policy at the firm level.

COURSE OBJECTIVES

This course is the sequel to the Bus 363 Managerial Finance. The primary objective of this course is to study and understand the functions of the financial manager; that is planning, raising, and investing of funds in ways that maximize the efficiency of the organization's operation. Among the responsibilities of the financial manager are:

1. Long-term planning, i.e. estimating industry trends, forecasting revenues and costs, evaluating sources of capital, and capital budgeting;
2. Participating in dividend policy decisions, the acquisition of other firms, the refinancing of maturing debts; and
3. Managing the firms working capital, i.e. arranging of short-term loans, preparing the cash budget, distributing funds, supervising the extenuation of credit, and the collection of receivables.

The secondary objective of this course is to provide students with the opportunity to apply the principles of financial management as well as social and ethical issues to realistic business problems.

HOMEWORK PROBLEM

Homework problems are assigned in the tentative course outline. These homework problems are constructed so as to numerically illustrate many of theoretical issues that are covered in this class. **The importance of doing these homework problems cannot be stressed enough.** To do well in this course, you must learn to practice; and the only way to accomplish this is to do the homework problems and supplemental problems.

The solutions to the assigned problems from the textbook and the supplemental problems are provided. You are, however, expected to attempt to solve the problems before looking at the solutions.

CASE ASSIGNMENT

Students are assigned three cases. These cases are selected from your text, Bruner, Robert F., *Case Studies in Finance: Managing for Corporate Value Creation*. Case-analysis information, case-report format, and suggested questions for each case are provided in the total package.

EXAMS

There will be two exams over specific chapters in your text and a final comprehensive exam covering all 12 chapters. The exams consist of multiple-choice questions and problems (may be a few short essays). The first exam will cover Chapters 13 – 16. The second exam covers Chapters 17 – 20. The final exam is comprehensive and covers Chapters 13 – 24.

The exams will be proctored; closed book and closed notes. Pre-calculated time value of money tables (Appendixes B-E) will be provided with the tests. Students may use a financial calculator or a simple calculator, but not a scientific calculator.

GRADING POLICY

Your course grade will be determined based on combination of three exams and three individual case assignments.

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|--|--------------------------|
| Exam # 1 | 100 points |
| Exam # 2 | 100 points |
| Final Exam | 200 points |
| Three Cases, 50 points <u>each for total of</u> | <u>150 points</u> |
| <u>Total</u> | <u>550 points</u> |

PERCENTAGE OF TOTAL POINTS

COURSE GRADE

| | |
|-----------|---|
| 90 and up | A |
| 80 to 89 | B |
| 70 to 79 | C |
| 60 to 69 | D |
| Below 60 | F |