FIN—FINANCE

COLLEGE OF BUSINESS ADMINISTRATION

FIN U201 Financial Management 4 SH
Designed to develop the financial skills and logical thought processes necessary to understand and discuss financial policy decisions in a global economy. Specific objectives include developing an understanding of the time value of money; using financial statements in decision making; and understanding the nature of financial markets, the cost of capital, valuation of stocks and bonds, management of short-term assets, short-term and long-term financing, capital markets, and multinational financial management. Addresses the impact of legal, social, technological, and ethical considerations on efficient economic outcomes. Requires a financial calculator and provides an opportunity to develop computer spreadsheet skills. Prereq. ACC U201.

FIN U209 Financial Management 4 SH
Does not count as credit for business majors. Counts as FIN U201 for business minors only. Prereq. ACC U201 or ACC U209.

FIN U301 Corporate Finance 4 SH
Designed to develop the skills needed to make and implement financial policy decisions in a global economy. Specific objectives include developing an understanding of financial analysis; company valuation; capital markets; cost of capital; capital asset pricing and risk management; short- and long-term financial policies; working capital management; multinational financial management; and special topics including lease financing, debt refunding, mergers and acquisitions, and bankruptcy and restructuring. Offers opportunities to consider many broader issues including the relevance of globalization; the world economy; technological advances; and legal, social, and ethical issues related to the practice of corporate finance. Stresses written and oral communication skills and teamwork. Uses cases and spreadsheets extensively. Prereq. FIN U201 and MSC U201.

FIN U303 Investments 4 SH
Focuses on investment management as the study of risk and return of financial securities and real assets. Students design and assess models that evaluate investments while recognizing the constraints of the real world. Explores domestic and international financial markets and the securities traded therein. Discusses techniques for valuation of financial assets. Analyzes qualitative concepts such as market efficiency, intrinsic value, and risk. Provides the ability to build unique valuation models to suit the particular investment alternative that students wish to scrutinize. Also stresses portfolio construction, management, and protection, as well as performance assessment. During the semester, students have an opportunity to create and manage a stock portfolio. Prereq. FIN U201 and MSC U201.

FIN U310 Working Capital Management 4 SH
Examines strategies and analytical approaches to managing current assets and current liabilities. Explores corporate cash management under changing money market conditions. Discusses the use of interest rate futures and working capital management in a multinational context. Provides a summary overview of entrepreneurial finance, with a focus on small businesses, corporate ventures, and intrapreneurship. Applies knowledge of corporate finance in the context of starting, acquiring, managing, and divesting a business or a business unit within a corporation. Topics include analyzing the financial needs of new ventures, exploring sources of financing, managing decline, determining valuation, and reviewing exit strategies. Prereq. FIN U201.

FIN U312 Issues in Corporate Governance 4 SH
Examines the nature of conflicts over control of the corporation. Applies modern finance theory and practice to the issues raised and draws on seminal works in the finance and economics literature that influence the current debate in this area. Discusses legal and ethical considerations that are especially important in corporate-control issues. Uses cases involving well-known takeovers, as well as current hostile takeover battles, to illustrate the theories discussed. Prereq. FIN U201.

FIN U314 Management of Financial Institutions 4 SH
Studies the decision-making problems faced by financial institutions, such as commercial banks, savings and investment institutions, and finance companies when viewed as competitive, profit-seeking business entities. Topics include the nature and scope of the capital markets confronting institutions, specialized problems regarding the sources and uses of funds of financial institutions, the nature of competition, the regulation of financial institutions, and strategic policy planning of financial institutions. Prereq. FIN U201.

FIN U320 International Financial Management 4 SH
Introduces international financial markets including balance of payments, history of the international monetary system, exchange-rate determination, foreign-exchange-exposure hedging strategies, and international capital markets. Examines how the financial strategies and policies of multinational corporations differ from domestic corporations and how financial management is utilized in an international setting to achieve corporate goals. Prereq. FIN U201.
FIN U410 Valuation and Value Creation 4 SH
Explores recent developments in financial management and financial analysis through the use of modern finance theory to make capital allocation decisions that lead to long-run value maximization for the corporation. Focuses on applications and financial model building. Examines risk analysis by building spreadsheet models for valuation and risk-analysis applications. Utilizes valuation analysis models to merge financial, corporate, and business strategies to measure and manage corporate value. Develops an understanding of the mechanics of the valuation process, along with an understanding of the drivers of value and development of strategies for value creation. Topics covered are relevant to value consultants, corporate managers, and securities analysts. Prereq. FIN U201 and junior or senior standing; FIN U301 recommended.

FIN U512 Financial Risk Management 4 SH
Explores the concepts of financial futures, options on financial futures, and listed options markets as developed to help corporations and financial institutions manage financial risk. Covers financial derivatives and standard hedging techniques first, followed by a study of market risk and strategies in managing market risk. Prereq. FIN U303.

FIN U514 Investment Banking 4 SH
Examines the investment banking business. Investment bankers are one of the most important conduits through which funds flow from savers to corporations needing to invest in plant and equipment. Offers an opportunity to examine the major functions of large investment banks in regard to their investment banking, market making, and asset management businesses; to determine the financing needs of domestic and international corporations, not-for-profit organizations, and government entities by using concepts learned in earlier courses; and to learn to link these financing needs with products that are available in the capital markets, usually through the investment banking houses. Prereq. FIN U303.

FIN U516 Real Estate Finance 4 SH
Surveys the field of real estate including principles of real estate law, transactions brokerage, management, development, valuation, taxation, finance, and investment. Provides a framework of real estate finance and investment, in both theory and practice. Examines all aspects of real estate financing including the primary and secondary mortgage markets, real estate financial institutions, regulations, and mortgage-backed securities. Analyzes the return, risk, and various strategies in real estate investments with financial methods and techniques. Uses case discussions, spreadsheet analysis, and investment projects to make learning effective. Prereq. FIN U303.

FIN U518 Risk Management and Insurance 4 SH
Emphasizes the functional area of corporate risk management. Covers such areas as organizing and controlling the risk management function; identifying, measuring, controlling, and financing risk; selecting the best method of risk treatment; and implementing and monitoring risk management. Topics of exposure analysis include property, liability (public, employer, products, officers and directors, and professionals), income, and extraordinary expense losses. Covers treatment methods such as self-insurance, offshore captive, retention groups, and commercial insurance. Includes recent developments such as tort reform integration of risk management with modern financial theory, as well as implications and analysis of recent tax reforms. Prereq. FIN U201.

FIN U602 Turnaround Management 4 SH
Examines strategies for identifying companies likely to fail and selecting and implementing remedial actions. Topics include business turnarounds, troubled companies, workouts, bankruptcies, and liquidations, using case studies and readings. Students evaluate a turnaround plan. Prereq. FIN U201.

FIN U604 Fixed-Income Securities 4 SH
Exposes students to the theory, application, and evidence concerning highly sensitive interest rate products. Explores recent developments in pension fund management, asset/liability management, duration matching, “gap” management, and other important issues confronting domestic and international financial and corporate management. Offers students the opportunity to learn how to customize a risk management program. Prereq. FIN U303.

FIN U606 Issues in Corporate Control 4 SH
Examines the nature of conflicts over control of the corporation, which often erupt as proxy fights or hostile takeover attempts. Such conflicts cause scholars, managers, shareholders, and legislators to reexamine fundamental beliefs regarding the nature of the publicly held corporation. While applying modern finance theory and practice to understand the issues raised, the course also draws on seminal works in finance and economics literature that influence current debates in this area. Addresses the legal and ethical considerations especially important in corporate control issues. Uses cases involving well-known takeovers, as well as current hostile takeover battles, to illustrate the theories discussed. Prereq. Honors program participation.
FIN U608 Advanced Financial Strategy 4 SH
Covers strategic financial decision making in dynamic and technology-driven organizations operating in domestic and international settings. Through case studies, discussions with senior financial executives, and student projects, students gain insight into capital investing and financing decisions in the new economy. An analytical paradigm linking business strategy, financial management, and valuation is utilized to explore financial decision making throughout the life cycle of companies, intended to optimize shareholder value creation. Topics include fundamental financial analysis, capital budgeting under conditions of high risk and uncertainty, start-up financing, creative financing, mega-mergers, risk management, and valuation. Prereq. Honors program participation.

FIN U921 Directed Study 1 SH
FIN U922 Directed Study 2 SH
FIN U923 Directed Study 3 SH
FIN U924 Directed Study 4 SH
Allows students who have received approval to undertake independent study in lieu of any course required in the various concentrations. Students present proposals to an Independent Studies Committee for evaluation and approval. Every proposal requires a detailed outline of the objectives and plan of study and must be accompanied by a supporting statement from the supervising faculty member under whose direction the study takes place. A copy of the final report prepared by the student is presented to the appropriate Independent Studies Committee. Further information about the Independent Studies Program can be obtained from concentration coordinators. Prereq. Permission of instructor.