

# Bemidji State University

## BUAD 3772: Advanced Financial Management

### A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: \*.\*

Lab Hours/Week: \*.\*

OJT Hours/Week: \*.\*

Prerequisites:

This course requires the following prerequisite

BUAD 3771 - Financial Management

Corequisites: None

MnTC Goals: None

An in-depth analysis of financial management in corporations with emphasis on decision making. Working capital management, short-term and long-term financing, mergers, business failures, and reorganizations are considered in depth with an extension of the valuation concepts presented in the basic financial management course. Prerequisite: BUAD 3771.

**B. COURSE EFFECTIVE DATES:** 08/20/1997 - Present

### C. OUTLINE OF MAJOR CONTENT AREAS

1. Review of Capital Budgeting Concepts
2. Review of Cost of Capital
3. Project Analysis and Evaluation
4. Raising Capital
5. Financial Leverage and Capital Structure Policy
6. Dividends and Payout Policy
7. Short-Term Finance and Planning
8. Cash and Liquidity Management
9. Credit and Inventory Management
10. Risk Management: An Introduction to Financial Engineering
11. Options and Corporate Finance
12. Mergers and Acquisitions
13. Leasing

#### **D. LEARNING OUTCOMES (General)**

1. be able to determine and interpret how operating and financial leverage affect cash flows of a project
2. be able to measure the impact of dividends and stock repurchases on firm value
3. be able to prepare short-term financial plans to meet organizational goals
4. be able to analyze the decision to grant credit
5. be able to calculate costs and optimal levels of inventory
6. be able to recommend ways to manage different types of exchange rate risks
7. be able to judge the shortcomings and limitations to market efficiency from a behavioral view
8. be able to recommend forward and option contracts to hedge risk
9. be able to evaluate factors that affect option values
10. be able to formulate the impact of capital rationing on capital budgeting decisions
11. be able to determine the value of rights
12. be able to evaluate the impact of taxes and bankruptcy costs on capital structure choice
13. be able to evaluate the impact of leverage on firm value
14. be able to calculate the net advantage of leasing

#### **E. Minnesota Transfer Curriculum Goal Area(s) and Competencies**

None

#### **F. LEARNER OUTCOMES ASSESSMENT**

As noted on course syllabus

#### **G. SPECIAL INFORMATION**

None noted