

**Common Course Outline**  
**ACCT/MNGT 257**  
**Financial Management**  
**The Community College of Baltimore County**

**Description**

**ACCT/MNGT 257 – Financial Management** examines the concepts, strategies, and tools used in making financial and business decisions. Primary concepts include the valuation of various financial instruments, firm valuation, application of debt and equity financing, bonds, stocks, raising capital, short and long term financing, and capital budgeting.

**3 Credits**

**Prerequisites:** ACCT 102 and MATH 082

**Overall Course Objectives**

Upon completion of this course students will be able to:

1. examine the strategies and techniques associated with effective financial management;
2. apply a reasoned approach to financial management;
3. explain and apply the time value of money valuation techniques;
4. prepare and analyze common size, vertical and horizontal financial statements;
5. prepare and evaluate the statement of cash flows;
6. evaluate the financial impact of growth upon firm;
7. compare the aspects, uses, and combinations of debt and equity financing;
8. evaluate the use of capital budgeting techniques;
9. discuss the impact of taxes upon the firm;
10. examine the historical significance of capital market history;
11. apply discounted cash flow valuation models;
12. assess the impact of interest rates upon the firm;
13. identify and apply valuation methods to common stocks and bonds;
14. apply financial ratios to assess the performance and condition of the firm;
15. evaluate the validity of various internet sites to research financial management data; and
16. identify financial challenges unique to small, startup businesses and diverse groups.

**Major Topics**

- I. Financial statements
  - A. Working with financial statements
  - B. Statement of cash flows
  - C. Financial ratios analysis
  - D. Common size financial statements
  - E. Income taxes

- II. The mathematics applied to financial management
  - A. Time value of money
  - B. Compound annual return
  - C. Discounted cash flows
  - D. Required rate of return
- III. Investments
  - A. Valuation of common stocks
  - B. Valuation of bonds
  - C. Valuation of other investments
- IV. Risk and Return
  - A. Capital markets and capital market history
  - B. Risk and return
- V. Capital budgeting
  - A. Net present value, internal rate of return, payback
  - B. Capital investment decision making
- VI. Capital Structure
  - A. The use of debt and equity financing
  - B. The impact of leverage upon the firm
- VII. Long term financing
  - A. Cost of capital
  - B. Dividends
  - C. Raising capital
- VIII. Short term financial planning
  - A. Working capital management
  - B. Cash budgeting and forecasting

### **Course Requirements**

Grading procedures will be determined by the individual faculty member but will include the following:

Evaluations of student progress will be evenly spaced over the course of a semester, culminating in at least four independent measures of student performance (not including attendance and class participation).

### **Grading/exams**

- At least two tests or exams; one may be administered as a comprehensive final exam.
- Required participation such as oral reports, discussion, or peer instruction.
- A written and or oral semester project that incorporates a term paper consisting of a financial analysis or case.
- Required homework and / or case study assignments.

**Written Assignments:** Students are required to use appropriate academic resources. A semester written project (noted above), worth at least 20% of the total course grade, will be required for students to demonstrate at least 5 of the 7 following General Education Program outcomes:

1. Written/Oral Communication;
2. Critical Analysis and Reasoning;
3. Technological Competence;
4. Information Literacy;
5. Scientific and Quantitative or Logical Reasoning;
6. Local and Global Diversity; and
7. Personal and Professional Ethics.

***Other Course Information***

Students can earn credit for ACCT 257 or MNGT 257 but not both courses.