

FINAN 410—Working Capital Management

Sec. 001, 002 – Sp. 12

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Office Hours: MWF 11:30-12:30, M 12:30-2, F 12:30-2

Required Materials: 1. Working Capital Management by Preve and Sarria-Allende. 2. Harvard Business Review Cases (TBD)

COURSE OBJECTIVES: Upon successful completion of this course the student should:

- Have an understanding of the relationships among the firm’s financial statements
- Be able to analyze a firm’s financial statements
- Be able to use historical financial statement relationships to forecast firm funding needs
- Be able to forecast short-term cash surpluses and deficits for the firm
- Understand the elements of cash and marketable securities management techniques
- Understand and analyze possible changes in firm accounts receivable policy
- Understand and analyze possible changes in firm inventory policy
- Be able to calculate and compare the cost of various means of raising short-term capital
- Understand the costs and benefits of various working capital policies

Students in this class will learn or practice the following COBE Core Curriculum concepts, methods, and skills:	
1. Understand and apply analytical and disciplinary concepts and methods related to business and economics:	
<input checked="" type="checkbox"/>	1.1. Accounting
<input checked="" type="checkbox"/>	1.3. Economics
<input checked="" type="checkbox"/>	1.4. Finance
<input checked="" type="checkbox"/>	1.6. International environment of business
<input checked="" type="checkbox"/>	1.7. Legal environment of business
<input checked="" type="checkbox"/>	1.10. Mathematics & Statistics
<input type="checkbox"/>	2.1. Communicate effectively: Write messages and documents that are clear, concise, and compelling
<input type="checkbox"/>	2.2. Communicate effectively: Give oral presentations that use effective content, organization, and delivery
<input checked="" type="checkbox"/>	3. Solve problems, including unstructured problems, related to business and economics
<input type="checkbox"/>	4. Use effective teamwork and collaboration skills
<input checked="" type="checkbox"/>	5. Resolve ethical issues related to business and economics

Assessment: Measuring the extent to which students have achieved the course objectives will be accomplished through examinations consisting of a combination of quantitative and qualitative material. In addition, homework, cases, quizzes, journal articles/presentation, and mini-case assignments can supplement. **Grades:** There will be 3 exams worth 100 points each. 200 pts are

devoted to non-exam assessments. We will be using the +/- grading system on our 500 point scale, so 2.5/5/2.5 is the breakdown.

Do Not: Cell phones must be operated on vibrate mode only! Excessive texting/absences/use of laptop for non-class oriented material will result in penalties. No earphones of any type may be used during class.

Calculator: A calculator is important to the course. Check the student boards and online discount centers for used options. The HP 17 is the most user friendly of all the options, but also the most expensive. Try the HP 10 and 12, or the TI BA 35 series.

Final Exams: If you are in the 9:40 section, your exam is May 7 from 10:30-12:30, if you're in the 10:40 section, your exam is May 9 from 10:30-12:30.

Writing Standards

Writing is an integral part of all of our disciplines, and especially ours. Developing an effective style of writing to convey your thoughts and ideas is one of the most important skills you should attain in college.

The COBE Writing Styles Guide (WSG) will be the writing standard we use in this class. The WSG lays out a set of basic writing standards that will be used across all courses in the College of Business and Economics (COBE). These standards are a subset of rules about good writing taught in English and Communications courses. This subset emphasizes professional communications in the workplace.

Failure to maintain strong writing standards in this class will result in a loss of credit on any given assignment. The amount of credit loss will be a function of the severity of the errors and whether or not they appear to be chronic. In extreme cases, an entire rewrite of an assignment may be required.

Schedule: Week of

***SW Denotes a Short Writing Assignment**

Date	Chapters	Assessment Due
Jan 18	Jan 18 Introduction Jan 20 Review	Time value of Money, CF
Jan 23	Jan 23 Review Jan 25 Ch 1 and 11 Jan 27 Library Day	Cost of Capital BS, IS, CF, RE
Jan 30	Jan 30 Ch 4 Feb 1 Ch 4 Feb 3 Case Research	SW* 1 due Feb 3
Feb 6	Feb 6 Ch 2 Feb 8 Ch 2 Feb 10 Library Day	
Feb 13	Feb 13 Ch 3 Feb 15 Ch 3 Feb 17 REVIEW FOR EX 1	SW* 2 due Feb 17
Feb 20	Feb 20 Pres Day, NO Class Feb 22 Exam Qual Feb 24 Exam Quant	Exam 1 on Feb 22 and 24 over chapters 1-4 , 11, and review
Feb 27	Feb 27 Pro Forms Feb 29 Pro Forms Mar 2 Pro Forms	
Mar 5	Mar 5 Ch 5 Mar 7 Ch 5 Mar 9 Ch 5,6	SW*3 due Mar 9
Mar 12	Mar 12 Ch 6	

	Mar 14 Ch 6 Mar 16 Ch 6,7	
Mar 19	Mar 19 Ch 7 Mar 21 Ch 7 Mar 23 Library Day	SW*4 due Mar 21
Mar 26	Spring Break, No Classes	
Apr 2	Apr 2 Review Apr 4 Exam Qual Apr 6 Exam Quant	Exam 2 Apr 6 and 8 over chapters 5-7, Pro Formas
Apr 9	Apr 9 Ch 8 Apr 11 Ch 8 Apr 13 Ch 9	
Apr 16	Apr 16 Ch 9 Apr 18 Ch 10 Apr 20 Library Day	SW*5 due Apr 18
Apr 23	Apr 23 Ch 10 Apr 25 ST Investments Apr 27 Case Research	
Apr 30	Apr 30 ST Investments May 2 ST Investments May 4 Final Exam Review	Case Due May 2