

BUS 436 – Spring 2008
SHORT-TERM FINANCIAL MANAGEMENT

John Zietlow, D.B.A., CTP
Mitchell Hall #209 ▪ MWF 1:00-1:50 p.m.

TEXT: There is one required textbook for this course:
(1) Maness and Zietlow, **Short-Term Financial Management**,
3rd edition, South-Western, 2005.

There is one *recommended* exam study manual for this course:

(2) Association for Financial Professionals, **Essentials of Treasury Management**, 2nd
edition, 2008. This is the body of knowledge one must master in order to sit for the
Certified Treasury Professional (CTP) Exam. (You will be certified as a CTP-A,
or CTP-Associate, if you pass, with this revolving to a CTP upon your
achievement of two years of business experience.)

OTHER REQUIRED MATERIALS: Financial calculator, preferably HP-10BII.

CATALOG DESCRIPTION: This course covers how to make decisions about cash and liquidity positions, credit extension and collections, payables, bank relations, short-term investing and borrowing, managing interest rate and foreign exchange risks, and developing near-term financial plans. Each of those issues is addressed with analytical routines, valuation analysis, and description and evaluation of current business practices. Financial spreadsheet modeling provides hands-on, usable skills. The class will also provide *partial* preparation for students wishing to take the Certified Treasury Professional (CTP) exam (for more information on the CTP consult <http://www.afponline.org>).

Prerequisites: BUS 332, Business Finance or permission of the instructor.

Credit Hours: 3

I. PURPOSE

This course is intended to prepare the student for a successful career in financial analysis, credit and lending, cash management, credit management, or other areas of corporate treasury management. Job positions related to these areas may be in businesses (including financial institutions), government agencies, sports organizations, or nonprofit organizations.

For more on treasury management positions, go to www.afponline.org.

II. OBJECTIVES OF COURSE

A. General Learning Objectives

This course seeks to:

- Introduce the student to the area of short-term financial management/treasury management, while integrating global and multicultural perspectives.
- Assist the student in developing a conceptual framework upon which to base decisions in treasury and working capital management.
- Assist the student in achieving an advanced knowledge of techniques for analyzing financial data, for purposes of managerial decision-making.

B. Specific Behavioral Objectives

As a result of the activities and study in this course, the student should be able to:

- Understand the goals and functions of treasury and working capital management.
- Understand how to apply the time value of money and the implications thereof to short-term financial decisions.
- Analyze, project and control cash flow.
- Utilize the tools of short-term finance in analyzing one or more extended case studies to provide solutions for identified problems. *(One or more of these case studies may be in the nonprofit arena, and there may also be a service learning class consulting project during the term.)*
- Gain a moderate understanding of the content areas covered by the Certified Treasury Professional (CTP) exam.

III. TOPICS TO BE COVERED

- Overview of Short-Term Finance and Treasury Management, including introduction to accrual versus cash basis statements, liquidity and solvency analysis, and valuation
- Cash Collection, Concentration and Disbursement
- Payment System and Financial Institution Relationship Management
- Accounts Receivable Management
- Cash Forecasting
- Short-Term Investments and Borrowing
- Electronic Commerce and Treasury Information Systems
- Financial Risk Management
- Global Cash Management

IV. INSTRUCTIONAL PROCEDURES

- Lectures
- Class Discussion
- Case Studies (Excel-based)
- Class Consulting Project (Service Learning)
- Homework Assignments
- In-class exercises

V. RESPONSIBILITIES OF STUDENTS

- Read assigned materials
- Solve assigned problems and cases
- Communicate with target organization (service learning consulting project)
- Complete course project

VI. EVALUATION

A. Evaluation Activities

Assigned Cases & Service Learning	25%	150 points
Course Project*	10%	60 points
Two Midterms & Final Exam (16.7% each)	50%	300 points
Excel, Written HW, Quizzes**	10%	60 points
KnowledgeSpace or SAP ERP or Cash Budget (software assignment)	5% _____	30 <u>points</u>
	100%	600 points

* See Course Schedule (“Game Plan”) or other handout(s) for details.

** Unannounced, over material assigned for that day or that has been covered in previous class(es).

Note: A student grader will be marking papers. If you not comfortable with a student grader seeing your grades, we can arrange to have you put a code instead of your name on your papers. It is your responsibility to let the instructor know if this is your preference by no later than one week after the beginning of the class; no such communication indicates your acceptance of student grader processing of your papers and grade entry.

B. Grading Scale

Grades will be based on the following scale:

<u>Percent Range</u>	<u>Minimum Points Required</u>	<u>Grade</u>
92-100%	552	A
90-91	540	A-
87-89	522	B+
83-86	498	B
80-82	480	B-
77-79	462	C+
73-76	438	C
70-72	420	C-
67-69	402	D+
63-66	378	D
60-62	360	D-
Below 60	---	F

VII. ATTENDANCE POLICY

Class attendance will be extremely important. A student coming to class more than 10 minutes late or leaving more than 10 minutes early will be considered absent. Coming in after roll is called and before 10 minutes late counts as $\frac{1}{2}$ absence, but since roll will already have been called, you must check with me at the end of that class to ensure you are not counted absent. More than five absences may result in a one-letter grade reduction in the course grade; any student missing more than eight classes will not receive credit for this course.

VIII. OFFICE INFORMATION

- A. **Office Hours:** MWF 11am-12pm; MW 3pm-5pm;
Some Fridays 10-11 am
TT by appointment.
- B. **Location:** Mitchell Hall, 200A (second floor).
- C. **Telephone:** Office: 330-471-8190 (leave voice
mail if no answer)
- D. **Email:** (Send to both) jzietlow@malone.edu and
drzfinance@gmail.com
- E. **Web page:** Online Syllabus, Course Schedule, Handouts,
and Possibly Homework Check Figures:
<http://www.johnzietlow.com>
(then click on Short-Term Financial Mgmt. link)

IX. STUDENTS WITH DISABILITIES:

Malone College is committed to the provision of reasonable accommodations for students with disabilities as defined in section 504 of the rehabilitation act of 1973. Students who think they may qualify for these accommodations should notify their instructor immediately. Special services are provided through the academic support program.

X. ACADEMIC INTEGRITY:

As a Christian community of scholarship, we at Malone College are committed to the principles of truth and honesty in the academic endeavor. As faculty and students in this Christian community, we are called to present our academic work as an honest reflection of our abilities; we do not need to defraud members of the community by presenting others' work as our own. Therefore, academic dishonesty is handled with serious consequences for two fundamental reasons: it is stealing – taking something that is not ours; it is also lying – pretending to be something it is not. In a Christian community, such pretense is not only unnecessary, but it is also harmful to the individual and community as a whole. Cheating should have no place at a campus where Christ is king because God desires us to be truthful with each other concerning our academic abilities. Only with a truthful presentation of our knowledge can there be an honest evaluation of our abilities. To such integrity, we as a Christian academic community are called. Any papers or projects may be turned into www.turnitin.com for plagiarism checking. *(Source: modified from the Lee University Academic Integrity Policy)*

“Inasmuch as electronic devices pose a serious risk to academic integrity, and because mobile phones are disruptive to the learning environment, the instructor reserves the right to control the use of all electronic devices in class (phones, pda's, calculators, etc.). Students are not permitted to use mobile phones, pda's or other devices for sending/receiving calls and/or text messages during class. Students are asked to switch all such devices to “off” at the beginning of each exam period. Under no circumstances will students turn on electronic devices or keep them on during tests or quizzes. Students who send/receive text messages during an exam, engage in any kind of communications activity which threaten the integrity of the test environment, or photograph on electronic devices test materials or other materials the instructor deems inappropriate for copy are subject to failure in the course at the discretion of the instructor.”
(Source: modified from the Southwestern Assemblies of God University Policy)

Note: Other than the service learning consulting project, all assignments are closed book, individual work only (unless specified otherwise).