

BUS 436 – Spring 2009
Malone University
SHORT-TERM FINANCIAL MANAGEMENT
John Zietlow, D.B.A., CTP
Online class

TEXT: While there is only one required textbook for this course, you will select from among two texts the text that fits your primary objective for the course. If you **are not** planning on sitting for the Certified Treasury Professional exam this summer or in the future, your text is:

- (1) Maness and Zietlow, **Short-Term Financial Management**, 3rd edition, South-Western, 2005.

If you **are** planning on sitting for the Certified Treasury Professional exam this summer or at a future date, the text to purchase is:

- (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. (Assuming you have less than two years of business experience, you will be eligible to sit for the exam as a CTP-A candidate. If you pass the exam, you will be certified as a CTP-A, or CTP-Associate, with this revolving to a CTP upon your achievement of two years of business experience. If you currently have two or more years of business experience, you will be certified as a CTP if you pass the exam.)

OTHER REQUIRED MATERIALS: If you are not planning on sitting for the CTP exam, please make sure to have a financial calculator, preferably HP-10BII. CTP exam takers are not permitted to use a financial calculator on the CTP exam, so we will prep based on use of a basic four-function calculator (financial calculator not required).

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.

[Additional information: 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>). Students should recognize that substantial additional effort will be required on their part to be successful on the CTP exam.]

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 will also be a service learning class consulting project during the term for those not in the test prep cohort.*)
- Gain a moderate understanding of the content areas covered by the Certified Treasury Professional (CTP) exam. Students focusing on the *Essentials of Treasury Management, 2nd edition* text obviously will have an even greater understanding of those content areas.

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

- PowerPoint presentations with supplemental written notes or oral transcripts
- Online Discussion Board discussions
- Case Studies (Excel-based as well as based on material in *Essentials of Treasury Management*)
- Class Consulting Project (Service Learning) – Spring 2009 with [Refuge of Hope](#)
- Homework Assignments (to include Quiz Item Construction for test prep cohort)

V. RESPONSIBILITIES OF STUDENTS

- Read assigned materials
- Solve assigned problems and cases
- Communicate with target organization (service learning consulting project)
- Be active in online discussions
- Collaborate with other students in the class

VI. EVALUATION

A. Evaluation Activities

1. <u>For Non-Test Prep Cohort:</u>	<u>Pct.</u>	<u>Pts.</u>
Assigned Case	10%	60 points
Service Learning: Class Consultancy*	25%	150 points
Two Midterms & Final Exam (16.7% each)	50%	300 points
Excel and Written HW	10%	60 points
Cash Budget (software assignment)	5%	30 <u>points</u>
	<u>100%</u>	<u>600</u> points

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

2. For CTP Test Prep Cohort:	Pct.	Pts.
Two Application Cases from <i>Essentials</i>	10%	60 points
Quizzes on material in <i>Essentials</i>	45%	270 points
Midterm and Final Exams (<i>Essentials</i>)	20%	120 points
Quiz Writing (Exam Item Construction)	10%	60 points
Discussions (some to include problem solutions)	15%	90 points
	<u>100%</u>	<u>600</u> points

CTP test prep students will be reading through and studying the entire *Essentials of Treasury Management*, 2nd edition.

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; the absence of any such communication indicates your acceptance of processing of your papers and grade entry by a student grader.

B. Grading Scale

Grades will be based on the following scale:

Percent Range	Minimum Points Required	Grade
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

As this is an entirely web-based class, attendance *per se* is not an issue. However, students pursuing the *non-test prep* track will have three or four meetings that entail mandatory attendance.

VIII. OFFICE & CONTACT INFORMATION

- A. **Office Hours:** *TBA.*
- 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 University 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 University 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).