

# Finance

Finance drives business, which makes finance specialists integral to every business decision. The finance program addresses issues in the financial services and securities area, including topics related to high technology firms, large corporations, and entrepreneurial companies. The finance program is designed to provide students with in-depth exposure to the background necessary for entry-level positions in various areas of financial management. Students study financial management, money and capital markets, investments and derivative securities, and financial institutions.

This program enables students to develop the ability to evaluate financial problems and formulate sound financial decisions and policies. Although emphasis is on financial management of profit-oriented organizations, the principles and concepts covered are applicable to nonprofit and governmental organizations.

The school recommends that finance students use their business electives to take additional accounting courses beyond the business core, such as ACCT 3220 and 3230.

## Required Courses

*These two 3--- level courses are prerequisites for all 4--- level courses.*

- FNCE 3010** Corporate Finance (3)  
**FNCE 3020** Financial Markets and Institutions (3)

*Choose three of the following courses, two of which must be completed before enrolling in FNCE 4850:*

- FNCE 4000** Financial Institutions Management (3)  
**FNCE 4020** Applied Business Finance (3)  
**FNCE 4030** Investment and Portfolio Management (3)  
**FNCE 4040** Derivative Securities (3)  
**FNCE 4050** Capital Investment Analysis (3)  
**FNCE 4060** Special Topics in Finance (variable credit)  
**FNCE 4820** Special Topics in Business Finance (Business Elective Only)  
**FNCE 4825** Experimental Seminar (variable credit)\*  
 \*(Students may count only 3 credits of 4825 toward their area of emphasis.)

*Required Capstone Course*

- FNCE 4850** – Business Senior Seminar in Finance (3)

## Career Opportunities

Through the finance program, students acquire the skills to work in corporate finance, consulting, financial markets, and investment and commercial banking. Graduates are able to handle job responsibilities such as financial analysis, cash management, securities analysis, or trading. Jobs may be very lucrative, even in non-management positions such as currency trading.

Larger businesses generally divide finance activities into treasury and control functions, while smaller firms often combine the two. Treasury activities include managing cash, acquiring assets, raising funds through securities issues, and negotiating bank loans to finance assets. Early career opportunities are often in cash management, financial analysis, or asset acquisition activities. Starting positions in investment management include securities analysts or traders for investment banking firms.



**Course Descriptions****FNCE 3010-3: Corporate Finance**

Covers the theory and practices governing the management of capital in a business firm. Examines the determinants of capital requirements, methods of obtaining capital, problems of internal financial management, and methods of financial analysis. *Prerequisite: BCOR 2200*

**FNCE 3020-3: Financial Markets and Institutions**

Examines the economics of financial markets and the management of financial institutions, both domestic and international. Topics include an overview of U.S. and international financial markets, pricing and risk factors, interest rates, markets for securities and financial services, and markets for derivative financial instruments. *Prerequisite: BCOR 2200*

**FNCE 4000-3: Financial Institutions Management**

Analyzes the structure, markets, and regulations of financial institutions. Studies problems and policies of internal management of funds, loan practices and procedures, investment behavior, deposit and capital adequacy, liquidity, and solvency. *Prerequisite: FNCE 3010 and 3020*

**FNCE 4020-3: Applied Business Finance**

Develops analytical and decision-making skills in the context of problems that confront financial management. Topics include planning, control, and financing of current operations and longer term needs, expansion, leasing, valuation, and capital structure policies. Uses a combination of lecture and cases. *Prerequisite: FNCE 3010 and 3020*

**FNCE 4030-3: Investment and Portfolio Management**

Develops modern portfolio theory and applies it to pricing both individual assets and portfolios of assets. Specific topics include the Markowitz portfolio-selection model, the Capital Asset Pricing Model, Arbitrage Pricing theory, options, futures, bonds, portfolio performance measurement, and issues of market efficiency. *Prerequisite: FNCE 3010 and 3020*

**FNCE 4040-3: Derivative Securities**

Develops the modern theory of contingent claims in a mathematical framework oriented toward applications. Examines how to use derivatives for risk management and to tailor portfolio payoffs. Provides an in-depth analysis of the properties of options and discussion of other derivative securities such as futures and forwards. *Prerequisite: FNCE 3010 and 3020*

**FNCE 4050-3: Capital Investment Analysis**

Focuses on capital budgeting and investment issues. Emphasizes issues relating to cash flows, capital rationing, the investment versus financing decision, leasing, fluctuating rates of output, investment timing, capital budgeting under uncertainty, and investment decisions with additional information. *Prerequisite: FNCE 3010 and 3020*

**FNCE 4060-variable credit: Special Topics in Finance**

Presents new subject matter in finance. The summer offering is the London Seminar in International Finance and Business. *Prerequisites: vary depending upon course offering; see advising office.*

**FNCE 4820-variable credit: Special Topics in Business Finance**

Offered irregularly, topics vary. (Need Departmental approval) Only 3 credits may count towards Area.

**FNCE 4825 – 3: Experimental Seminar**

Offered irregularly to provide opportunities for investigation of New Frontiers in Finance. Restricted to Juniors/Seniors. *May only use 3 credits towards Area of Emphasis.*

**FNCE 4850-Business Senior Seminar in Finance (3)**

Develops analytical and decision making skills necessary to address real-world business finance situations. Topics include financial analysis and forecasting, capital budgeting, valuation, capital structure policy, international finance, and financial ethics. Uses a combination of lecture and cases; team and individual work. *Prerequisites: FNCE 3010, 3020, two additional 4000-level FNCE courses, and 102 hours completed. Restricted to graduating senior FNCE majors. Formerly BCOR 4002 and FNCE 4020.*