Florida Institute of Technology

This course is available for student registration only after the approval process has been completed.

Subject AVM  Course No. 2401  Credit Hours 3  Term to be added to the file (e.g., Fall 2005)

Class Hours  Lecture Hours  Lab Hours  Contact Hours (CEU only)

Department  (e.g., Computer Sciences)  Schedule Type  (e.g., lecture, lab or special project)

College/School  ☑ College of Aeronautics–23  ☑ College of Psychology and Liberal Arts–25
  ☐ College of Business–24  ☐ College of Science–26
  ☐ College of Engineering–01  ☐ University College/SEGS–90

Computer Title (restricted to 25 spaces, including blanks) AVIATION FISCAL MGMT

Catalog Title AVIATION FISCAL MANAGEMENT

Catalog Description of Course (limited to 350 characters, including spaces)

Introduces basic financial management principles in an aviation industry context. Topics include financial documents analysis, forecasting, financing, asset management, and mergers. Spreadsheet, presentation, word processing, and Internet search software tools are used to prepare and analyze financial reports and solve financial problems. (CL)

In addition, you may attach a course syllabus and/or more detailed description.

Restrictions  ☑ Prerequisite  (course number)  ☑ Corequisite  (course number)
  ☐ Prerequisite  (course number)  ☑ Corequisite  (course number)
  ☐ Prerequisite  (course number)  ☑ Corequisite  (course number)

Grades to be issued  ☑ A, B, C, D, F  ☑ S, U
  ☑ P, F  ☑ Other

Additional Restriction  Course description change only to add (CL) designator and highlight use of computers (e.g., major, class level, department head approval)

If this course replaces a course currently offered in BANNER, please indicate old course information

Subject Alpha Prefix (e.g., CSE)  Course No. (e.g., 1301)

APPROVALS

Upon completion of appropriate department approvals, submit form to Chair, Graduate Council, or Chair, Undergraduate Curriculum Committee for approval below and forward to Catalog Coordinator.

Originator  4-21-06

Chair, Graduate Council  Date

Department Head/Program Chair  4/21/06

OR

Dean or Associate Dean  4/21/06

Chair, Undergraduate Curriculum Committee  Date

REGISTRAR'S USE ONLY

Catalog Coordinator  Date

SCACRSE  SCADETL  SCAPREQ  SCABASE

SCARRES  Operator Init  Date

Florida Institute of Technology • Office of the Registrar

150 West University Boulevard, Melbourne, FL 32901-6975 • (321) 674-8136 • Fax (321) 674-7827

RG-134-3051
SYLLABUS

AVM 2401 - Aviation Fiscal Management

Fall 2006

Catalog Course Description:

AVM 2401 AVIATION FISCAL MANAGEMENT (3 credits). Introduces basic financial management principles in an aviation industry context. Topics include financial document analysis, forecasting, financing, asset management, and mergers. Spreadsheet, word processing, presentation, and Internet search software tools are used to prepare and analyze financial reports and solve financial problems. (CL)

Course Objectives:

Introduces the student to basic financial management concepts with an emphasis on application to the aviation industry including airlines, airports, and general aviation operators. Topics include time value of money, income statements, cash flow, balance sheets, ratio analysis, forecasting, working capital, financing, asset management, capital budgeting, and mergers. In conjunction with the concepts, students learn and use word processing, spreadsheet, and presentation software applications including advanced functions in MSWord, Excel, and PowerPoint to prepare and present financial reports and papers and solve financial problems. Students also make extensive use of the internet to research aviation corporations and obtain financial information.

Lead Instructor:

D. F. Wilt, Ph.D., Associate Professor of Aeronautics.

Program Chairman:

J.H. Cain, Ph.D., Assistant Dean.

Text:


Instructional Format:

Lecture.
<table>
<thead>
<tr>
<th>Topical Content</th>
<th>Classroom Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction, business organization, and the financial environment of publicly-owned major air carriers, government-owned airports, aircraft manufacturers, and other aviation-related businesses.</td>
<td>3</td>
</tr>
<tr>
<td>Brief study of accounting principles with emphasis on the current and fixed assets typical to aviation industries, and tax differences for government-owned airports.</td>
<td>3</td>
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<tr>
<td>Financial analysis with emphasis on financial statements, the information content conveyed by the statements, and financial ratio analysis.</td>
<td>4</td>
</tr>
<tr>
<td>The budget cycle and operating budget characteristics of a typical airport, airline, or aviation business operation.</td>
<td>2</td>
</tr>
<tr>
<td>Financial budgeting and forecasting using pro forma statements and cash budgets with emphasis on the cyclic nature of the aviation industry.</td>
<td>4</td>
</tr>
<tr>
<td>Operating and Financial leverage with an emphasis on the airline industry.</td>
<td>3</td>
</tr>
<tr>
<td>Capital budgeting techniques. Large investments of fixed capital are made by the airline industry and the managers of airports requiring familiarization with net present value and internal rate of return techniques.</td>
<td>4</td>
</tr>
<tr>
<td>Cost of capital, working capital, and utilization of these funds.</td>
<td>4</td>
</tr>
<tr>
<td>Sources of capital including Capital markets and common stock financing available to the aviation industry.</td>
<td>4</td>
</tr>
<tr>
<td>Sources of capital including Federal Grants and debt financing--general obligation and revenue bonds, and short term financing</td>
<td>4</td>
</tr>
<tr>
<td>Mergers, bankruptcy and bankruptcy remedies and their impact on the airline industry.</td>
<td>4</td>
</tr>
<tr>
<td>Financial risk, risk management and its importance on financial decisions in aviation-related industries.</td>
<td>4</td>
</tr>
<tr>
<td>Examinations and critiques.</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>47</strong></td>
</tr>
</tbody>
</table>

**Notable student requirements or experiences:**

Students prepare budgets, cost analysis, ratio analysis, income statements, cash flows, and balance sheets using Excel.
Students make extensive use of the internet to research aviation corporations and obtain financial information.
Students research a publicly traded aviation corporation and prepare a professional-quality report using the advanced functions in MSWord, and a professional quality presentation using PowerPoint.