

**MOS 2310B SEC 530: FINANCE  
FOR  
MANAGEMENT AND ORGANIZATIONAL STUDIES**

**CONTACT INFORMATION**

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**CLASS INFORMATION**

Tuesday, 12:30 – 2:30 pm  
Brescia - 304  
Thursday, 12:30 – 1:30 pm  
Brescia - 304

**COURSE DESCRIPTION**

Students taking this course will examine various topics that will introduce them to the theories, techniques, and practices of Corporate Finance – as viewed from the perspective of a Chief Financial Officer (CFO). Topics will include such items as: (1) Time Value of Money, (2) Capital Budgeting, (3) Working Capital Management, (4) Financial Planning & Forecasting, (5) Valuation of Long-Term Sources of Funding, and (6) Cost of Capital.

**COURSE LEARNING OBJECTIVES**

At the end of this course, students will be able to:

1. Understand Time Value of Money calculations
2. Add to their understanding of capital budgeting, short-term financial planning, personal planning, and long-term financing decision-making.
3. Understand the relationship between working capital management and short-term financing.
4. Understand the private and public sources of capital – both short-term and long-term sources – to which a firm may have access. Students will be able to identify the pros and cons of each source of capital. Students will be able to identify the effective cost of that capital to the firm.

**COURSE MATERIALS**

- Brighman, Ehrardt, Gessaroli, Nason. Financial Management: Theory & Practice. Nelson 1st Edition
  - Print Editions: UWO Bookstore, or
  - Online Edition (book or by chapter): <http://www.nelsonbrain.com/shop/isbn/9780176440183>
- Extra reading material as provided by instructor
- Access to Microsoft Excel
- Optional ... Financial Calculator (e.g., TI BA II or II Plus)

**COURSE PREREQUISITES AND ANTIREQUISITES**

- Enrolment in BMOS program
- Business Administration 2257 - Accounting & Business Analysis

## EVALUATION

<b>Component</b>	<b>Timing</b>	<b>Weight</b>
Online Quizzes	Friday 10 Weeks	20%
Midterm Exam	In Class: Thursday 16-Feb	30%
Final Exam	April Exam Period	30%
Participation	Every Class & Online	20%

### *Online Quizzes*

This course material will be absorb best if students are on top of the material as it is being presented. Accordingly, on Friday of each week students are expected to complete an on-line quiz that will demonstrate that the students have done the required reading and exercise material. These quizzes will be posted on WebCT. The on-line quizzes will consist of mathematical and theory questions.

### *Exams*

Exams will consist of a combination of true/false, multiple choice, calculation, and short essay question. Attached to the exam, students will be provided formula sheets that include all of the formulas required by the students to complete the exam. Exams will be two hours in length. Students are permitted to bring only calculators, pens, and pencils to the exams.

Each exam is autonomous – the topics covered in each exam will not be retested in a subsequent exam.

### *Participation*

Contribution will be graded on a daily basis. Students' contribution to this course is initiated through thorough class preparation. Contribution is expected to be relevant to the current discussion and includes answering direct questions, volunteering answers, advancing the discussion to a new issue, developing one side of an argument, clarifying difficult concepts and asking questions pertinent to the topic. Just as important is listening attentively to your classmates and analyzing ideas constructively.

Attending class is important but minimal credit will be given for attendance alone. If you are unable to attend a class for any reason, you must advise your instructor in advance so that your absence will not negatively affect your contribution grade.

Under University regulations, your instructor can determine at which point absenteeism has become excessive and approach the Dean who may prevent you from writing the final exam, thus preventing you from passing the course. **At the discretion of individual instructors, any student who misses more than 25% of scheduled classes will receive a class contribution grade of 0 out of 10 for the course.**

**Grading**

Students must complete all elements of evaluation in order to receive a passing grade in the course. There will be no reweighting of components within the course. Please note that grades cannot be adjusted on the basis of need. Your mark in the course will be the mark that you earn based on your demonstrated understanding of the course content. Extra credit assignments are not available and tests and exams cannot be rewritten to obtain a higher mark. Once a student has written a test or examination, she is committed to the mark earned.

Students are encouraged to speak to the instructor if they have concerns about their performance or if they would like to discuss strategies to support regular contribution.

**LECTURE TOPICS**

Introduction	
Cash Financials	SCFP (Statement of Changes in Financial Positions)
	Proformas
	Cash Budgets
Time Value	PV / FV / PVA / FVA
	Annuity Due, Perpetuity, Mix Streams, Inflation, EAR
Capital Budgeting	Capital Budgeting Worksheets
	Evaluating Single Projects: Payback, NPV, IRR, Sensitivity, Scenarios
	Evaluating Multiple Projects: Independent / Mutually Exclusive / Replacement / Different Life schedules / Profitability Index
Working Capital	Short-Term Financing
	CCC (Cash Conversion Cycle) & Float
	Inventory, A/P, A/R
Valuations	Issuing Stocks & Bonds: Market & VCs
	Valuing Bonds based on DVM (Dividend Valuation Model)
	Valuing Stocks based on DVM (Dividend Valuation Model) & P/E
	Valuing Stocks based on Beta (Relative Risk)
Cost of Capital	WACC
	MCC (Break Points) & Evaluation of IOS & Optimal Capital Structures
	Dividends & Stock Repurchases

**Lecture Schedule**

The lecture schedule will be posted on the WebCT Calendar

## **ETIQUETTE**

### **Readings & Exercises**

A list of readings and exercises for each topic is posted on WebCT. Students are expected to have all required readings completed prior to class. The solutions to the exercises will be made visible to students after the class in which they are discussed. Students are expected to do all exercises using calculators but should also be able to do them with excel.

### **Lecture Notes**

Lecture slides are posted on WebCT. Please note that the lecture adds valuable clarification to these slides. Students skipping the lectures will not find the slides complete. If a student misses any classes, it is the student's responsibility to cover any materials missed.

### **Communications with Advisor**

Questions related to the course material should be posted on the WebCT Discussion boards.

Questions of a private nature or requests for office visits should be sent to the instructor via email on WebCT

If you wish to meet, please make an appointment. Appointments can be arranged by approaching your instructor after class or by sending an email to set up a mutually convenient time. Make sure to be on time, have an objective for the discussion and bring a copy of your paper or exam if you wish to discuss it.

### **Student Use of Technology in Class**

Talking privately with classmates or using your computer during class for personal activities such as reading/writing e-mail, surfing the Web, playing games, etc. is distracting for others, is not conducive to your own learning, and is disrespectful to the instructor. In addition, cell phones ringing during class will not be tolerated: please ensure your phones are turned OFF prior to entering the classroom and placed inside a bag (not on desk or in your pocket).

### **A Note Regarding Email**

Email is a useful communication tool, especially if used for sharing information; however, it is not a good tool for discussion or for decision making. Therefore, please follow these guidelines regarding the use of email in this course:

1. Email is fine for sharing info (e.g., you will be absent or late for class, or about what assignments are planned for class that week).
2. Email is fine for setting up meetings and appointments.
3. It is useful for simple questions of clarification regarding assignments, but do not use it for anything that requires more than a one or two sentence response. Instead, make an appointment with your instructor to discuss questions that are more complex.
4. Email is not an appropriate way to discuss grades or an issue with group dynamics, please make an appointment to discuss in person.

5. Email, although informal, still requires a tone of respect and proper language. Rudeness and disrespect will not be tolerated.
6. I will check email on a daily basis Monday through Friday during the term. I will try to respond to your emails as promptly as possible, usually within 24 hours. Instantaneous responses will not be provided.

### **Privacy**

In order to respect privacy laws, and the privacy of individual students, student grades will be communicated only via WebCT, direct contact with your professor, or on a test/exam/report/essay paper. Your professor is not able to email your grade to any email address.

Student grades are confidential. Please take this into consideration when sharing your grades or asking others to share their grades. Your choice to share your grades will not be taken into consideration in any grading decision made by your professor and in order to respect the privacy of each student, the professor will only discuss individual grades with the student in question.

The University is committed to protecting specific types of information, which, if disclosed, could reasonably be expected to result in harm to the University, an identifiable individual, or a third party. As a result, your professor is not able to release any information including, but not limited to, a student's personal information, attendance, or grade records, to anyone other than the individual involved.

### **ACADEMIC ACCOMMODATION**

If on medical or compassionate grounds a student is unable to complete a course component worth **greater than 10 per cent** of the final course grade, it is the responsibility of the student to consult with an Academic Advisor and follow the procedures documented in the “**POLICY REGARDING MAKEUP EXAMS AND EXTENSIONS OF DEADLINES**”.

For academic accommodation to be considered for any course component worth **less than 10 per cent** of the final course grade, it is the responsibility of the student to approach the course instructor(s) in a timely fashion. Documentation may be required to be submitted to the academic advisor. If documentation is required, the request for accommodation will be decided by the academic advisor in consultation with the instructor. If documentation is not required, the instructor will make the final decision. The policies governing requests for academic accommodation for course components worth 10 per cent or more of the course grade are outlined in the Academic Policies section included at the end of the course outline.

### **Dropping a Course**

In order to drop your courses without academic penalty, you must drop the course by February 15. For further details, check the online academic calendar in the registrar's website or check with your academic advisor.

To book an appointment with one of Brescia's Senior Academic Advisors, call 519.432.8353, extension 28266 or email Michelle Prestwich at [mprestwi@uwo.ca](mailto:mprestwi@uwo.ca) or Jennifer Coghlin at [jennifer.coghlin@uwo.ca](mailto:jennifer.coghlin@uwo.ca).

## BRESCIA UNIVERSITY COLLEGE ACADEMIC POLICIES AND REGULATIONS

### 1. POLICY REGARDING MAKEUP EXAMS AND EXTENSIONS OF DEADLINES

When a student requests academic accommodation (e.g., extension of a deadline, a makeup exam) for work representing 10% or more of the student's overall grade in the course, it is the responsibility of the student to provide acceptable documentation to support a medical or compassionate claim. All such requests for academic accommodation **must** be made through an Academic Advisor and include supporting documentation. Academic accommodation on medical grounds will be granted only if the documentation indicates that the onset, duration and severity of the illness are such that the student could not reasonably be expected to complete her academic responsibilities. Appropriate academic accommodation will be determined by the Dean's Office in consultation with the student's instructor(s). Please note that personal commitments (e.g., vacation flight bookings, work schedule) which conflict with a scheduled test, exam or course requirement are not grounds for academic accommodation.

If supporting documentation is from a family physician, Hospital Urgent Care Centre or Emergency Department, or a walk-in clinic a UWO Student Medical Certificate (SMC) is **required**. To download an SMC go to <https://studentservices.uwo.ca/secure/index.cfm> and follow the link under "Medical Documentation". Documentation should be obtained at the time of the initial visit. If it is not possible to have an SMC completed by the attending physician, the student must request documentation sufficient to demonstrate that her ability to meet academic responsibilities was seriously affected. Please note that under University Senate regulations document-ation stating simply that the student "was seen for a medical reason" or "was ill" is **not** considered adequate to support a request for academic accommodation. If documentation is from Student Health Services, the student should sign a release of information form. All documentation is to be submitted to an Academic Advisor.

Whenever possible, requests for academic accommodation should be initiated in advance of due dates, examination dates, etc. Students must follow up with their professors and Academic Advisor in a timely manner.

The full statement of University policy regarding extensions of deadlines or makeup exams can be found at <http://www.westerncalendar.uwo.ca/2010/pg117.html>.

### 2. ACADEMIC CONCERNS

If you feel that you have a medical or personal problem that is interfering with your work, contact your instructor and Academic Advisor as soon as possible. Problems may then be documented and possible arrangements to assist you can be discussed at the time of occurrence rather than on a retroactive basis. Retroactive requests for academic accommodation on medical or compassionate grounds may not be considered.

If you think that you are too far behind to catch up or that your work load is not manageable, you should consult an Academic Advisor. If you consider reducing your workload by dropping one or more courses, this must be done by the appropriate deadlines (refer to the Registrar's website, [www.registrar.uwo.ca](http://www.registrar.uwo.ca), for official dates). You should consult with the course instructor and the Academic Advisor who can help you consider alternatives to dropping one or more courses. *Note that dropping a course may affect OSAP eligibility and/or Entrance Scholarship eligibility.*

The Dean may refuse permission to write the final examination in a course if the student has failed to maintain satisfactory academic standing throughout the year and or for too frequent absence from the class or laboratory.

### 3. ABSENCES

**Short Absences:** If you miss a class due to a minor illness or other problems, check your course outline for information regarding attendance requirements and make sure you are not missing a test or assignment. Cover any readings and arrange to borrow notes from a classmate. Contact the course instructor if you have any questions.

**Extended Absences:** If you have an extended absence, you should contact the course instructor and an Academic Advisor. Your course instructor and Academic Advisor can discuss ways for you to catch up on missed work and arrange academic accommodations, if appropriate.

### 4. POLICY ON CHEATING & ACADEMIC MISCONDUCT

Students are responsible for understanding the nature of and avoiding the occurrence of plagiarism and other academic offences. Students are urged to read the section on Scholastic Offences in the Academic Calendar. Note that such offences include plagiarism, cheating on an examination, submitting false or fraudulent assignments or credentials, impersonating a candidate, or submitting for credit in any course without the knowledge and approval of the instructor to whom it is submitted, any academic work for which credit has previously been obtained or is being sought in another course in the University or elsewhere. Students are advised to consult the section on Academic Misconduct in the Western Academic Calendar.

If you are in doubt about whether what you are doing is inappropriate or not, consult your instructor, the McCann Student Services Centre, or the Registrar. A claim that "you didn't know it was wrong" is not accepted as an excuse.

The penalties for a student guilty of a scholastic offence (including plagiarism) include refusal of a passing grade in the assignment, refusal of a passing grade in the course, suspension from the University, and expulsion from the University.

#### **Plagiarism:**

Students must write their essays and assignments in their own words. Whenever students take an idea, or a passage from another author, they must acknowledge their debt both by using quotation marks where appropriate and by proper referencing such as footnotes or citations. Plagiarism is a major academic offence (see Scholastic Offence Policy in the Western Academic Calendar).

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com (<http://www.turnitin.com>).

#### **Computer-marked Tests/exams:**

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating. Software currently in use to score computer-marked multiple-choice tests and exams performs a similarity review as part of standard exam analysis.

### 5. PROCEDURES FOR APPEALING ACADEMIC EVALUATIONS

All appeals of a grade must be directed first to the course instructor. If the student is not satisfied with the decision of the course instructor, a written appeal signed by the student must be sent to the Department Chair. If the response of the department is considered unsatisfactory to the student, she may then submit a

signed, written appeal to the Office of the Dean. Only after receiving a final decision from the Dean may a student appeal to the Senate Review Board Academic. A Guide to Appeals is available from the Ombudsperson's Office, or you can consult an Academic Advisor. Students are advised to consult the section on Academic Rights and Responsibilities in the Western Academic Calendar.

## **6. PREREQUISITES AND ANTIREQUISITES**

Unless you have either the requisites for this course or written special permission from your Dean to enroll in it, you will be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

Similarly, you will also be deleted from a class list if you have previously taken an antirequisite course unless this has the approval of the Dean. These decisions may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course because you have taken an antirequisite course.

## **7. SUPPORT SERVICES**

The Brescia University College Registrar's website is at <http://www.brescia.uwo.ca/current/registrar/>, Academic Support and Advising is at <http://www.brescia.uwo.ca/current/advising/> and the McCann Student Services Centre is <http://www.brescia.uwo.ca/current/services/>. The University of Western Ontario Registrar's website is <http://www4.registrar.uwo.ca>.

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Portions of this document were taken from the Academic Calendar, the Handbook of Academic and Scholarship Policy and the Academic Handbook of Senate Regulations. This document is a summary of relevant regulations and does not supersede the academic policies and regulations of the Senate of the University of Western Ontario.