



BUSI 2501: Business Finance

Winter 2026

Instructor	Dr. Nicole Yang
Email Address	nicoleyang@cunet.carleton.ca
Class Times	Section E: Friday, 8:35 am – 11:25 am Section D: Friday, 11:35 am – 2:25 pm Section C: Friday, 2:35 pm – 5:25 pm
Modality	In-person
Office Hours	Mondays 11:00 am – 12:00 pm (Online) or by appointment
Office Location	NI 5032
TA Name/Email	TBD

Pre-Requisites & Preclusions:

Prerequisites: BUSI 2018 (or BUSI 1005), and ECON 1001 and ECON 1002 (or ECOR 3800).

Restricted to selected Sprott programs.

Preclusions: Precludes additional credit for BUSI 2503, BUSI 2504 (no longer offered).

Course Description/Instructor's Statement

Carleton Calendar Description

Basic issues and practices in finance. Survey of business firms' financing, investment, and payout decisions. Emphasis on understanding the principles, resources, and trade-offs in the financial area of business.

Instructor's Description:

This course introduces the fundamentals of corporate finance with an emphasis on valuation and the relationship between risk and return. Students develop core analytical tools, including discounted cash flow techniques, bond and stock valuation, and methods for measuring risk/return alongside basic portfolio theory. These foundations are then applied to essential investment decisions such as net present value, cash-flow forecasting, and determining the cost of capital. The course provides a strong quantitative base that supports practical financial literacy across business disciplines.

Course Learning Objectives:

1. Understand the principles of time value of money

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2. Apply the principles of time value of money in valuing financial assets, including stocks and bonds.
 3. Learn measures of risk and the relationships between risk and returns
 4. Develop analytical skills to make investment and financing decisions for corporations

Required/Optional Materials & Prices

Required Textbook:

Fundamentals Of Corporate Finance

- By Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan, J. Ari Pandes, Thomas Holloway; 12th Canadian Edition; McGraw-Hill; 2025.
- ISBN: ISBN-10: 1265659591; ISBN-13: 9781265659592.
- PRICE:
 - Print Textbook: \$159.95
 - eBook: (180-day access) - \$69.00 or (lifetime access) - \$99.00

Calculator: Texas Instruments BA II Plus or other non-programable financial calculator (e.g., HP, Sharpe)

Textbook (s) available at the Campus Store in Nideyinàn or order online for pick up:

<https://carletonshop.ca/Course/term>

Grading Scheme

Weekly Reflections	5%
Class Participation Quizzes	10%
Midterm Exam	35%
Final Exam	50%
TOTAL	100%

Policies & Accommodations

<https://students.carleton.ca/course-outline/>

<https://carleton.ca/pmc/current-students/academic-accommodations/>



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Breakdown of evaluation components:

Weekly Reflections

Each week, students will complete a brief reflection identifying:

- One concept you understand well
- One concept you find confusing
- One question you would ask if they had unlimited office hours

These reflections support continuous learning and provide the instructor with timely feedback on areas needing clarification.

To allow for illness or unexpected events, **students are required to complete at least 8 out of 10 reflections to be eligible for full marks.** Partial marks will be awarded based on the number of reflections submitted.

Weekly reflections are **due each Sunday at 11:59 PM**, following our Friday class. The intention of this deadline is to ensure that the class content remains fresh while also preventing reflections from piling up during your busy weekday schedules. Each reflection is designed to take approximately 10 minutes to complete and should be a brief, thoughtful check-in on your understanding of the week's material.

Late submissions are not available, as the built-in flexibility already accommodates occasional illness, emergencies, and unforeseen circumstances.

Class Participation Quizzes

Short in-class participation quizzes will be administered throughout the term to encourage preparation and active engagement. These quizzes are not graded for right or wrong answers; instead, their purpose is to support learning by checking students' immediate understanding of recently covered material.

Quizzes will be delivered via Wooclap at random times during lectures and will take approximately 5–10 minutes to complete. The format may include multiple-choice, true/false, or matching questions, etc.

Students must complete at least 8 out of 10 quizzes to receive full marks. Partial marks will be awarded based on the number of quizzes completed.

Makeup quizzes are not available; the allowed two missed quizzes account for occasional illness, emergencies, and unforeseen circumstances.

Midterm Exam:

(around 30 questions, 2 hours) will be held during class time (see the following Course Schedule for dates). A formula sheet will be provided. Material covered up to and including the class before the midterm exam is eligible to be addressed.

A student who does not write the midterm exam will automatically receive a grade of zero unless this is due to a **medical** reason or an **emergency** with the appropriate **documentation**. Please refer to the following Deferred In-Class Midterms for detailed information about the makeup midterm exam.

Final Exam:

(around 45 questions, 3 hours) will be a comprehensive test, covering material from the entire course. More information about the final exam will be provided in class as the term progresses.

Deferred In-Class Midterms:

In the event that you are unable to write a midterm, test, or other scheduled assessments due to extenuating circumstances (such as a death in the family, illness, etc.), you must provide appropriate supporting documentation to your professor within three days after the scheduled exam date. Upon review, a deferred test may be offered. Please note that students who do not provide valid documentation or fail to offer a reasonable explanation for missing an assessment will receive a grade of 0% for that test.

The deferral will be held on Monday, February 23 at 7:15am.

Deferred Final Exams:

If you wish to defer a **Formal Final Exam**, you – the student – must reach out to the registrar's office with the proper documentation prior to the deadline (please refer to <https://carleton.ca/registrar/deferral/> for dates). Once the request has been put through, your instructor will be notified for their approval.

Guidelines on Ongoing Illness and Non-Retroactive Accommodations

If your illness or circumstances are not occasional—for example, if you experience ongoing or repeated health issues that may affect your ability to complete course requirements—you must contact the instructor as early as possible, ideally at the beginning of the semester. Accommodations cannot be applied retroactively, which means you must communicate your situation and submit the required documentation before assessments are missed or deadlines pass. The built-in flexibility in this course is intended only for occasional illness, emergencies, or unforeseen events.

Use of Generative Artificial Intelligence

In this course, you are welcome to use AI tools (e.g., ChatGPT) as part of your learning process. AI can be helpful for brainstorming, clarifying concepts, and practicing problem-solving. Carleton's AI resources for students can be found here: <https://carleton.ca/ai/students/> However, AI should be used as a tool to support your learning, not as a replacement for your own thinking. Over-reliance on AI can limit the development of the analytical and critical-thinking skills this course aims to build. All graded work in this course must reflect your own independent reasoning and original effort. While AI can help you study or explore ideas, it must not be used to generate answers or submissions. For fairness and consistency, all exams will be closed-book, and the use of AI tools is strictly prohibited.

Tutorials

Tutorials play a vital role in this course, helping students reinforce and deepen their understanding of materials covered in class. They are designed to prepare students effectively for the midterm and final exams. Students are encouraged to attend the tutorial section that best fits their schedule. Please refer to the Tutorial Schedule at the end of this course outline (see below).

- Focus: Tutorials will primarily cover the problems in bold in the Problem List (see below), corresponding to each chapter discussed in class.
- Preparation: Students should attempt all listed problems for each chapter before the tutorial. Students are encouraged to work in groups to complete these problems.
- Participation: Use tutorials to ask questions and clarify any difficulties with the course material.

Note: For questions about course scheduling, exam style, or course content, please contact your course instructor. TAs are not responsible for these topics.

Student Responsibilities:

- Prepare for class by previewing the chapter listed in the Course Schedule.
- Engage actively in lectures and take clear, organized notes.
- Participate in in-class activities, including polls and quizzes through Woodclap.
- Review the lecture slides and assigned textbook chapter after each class.
- Complete the Problem List before tutorials and attempt all questions independently or with peers.
- Attend tutorials to learn effective problem-solving approaches and ask questions.
- Complete Weekly Reflections to consolidate learning and identify areas needing clarification.

This course can be challenging not because the material is inaccessible, but because **it requires steady, consistent practice**. Plan to dedicate 5-7 hours per week (starting from “the Time Value of Money” Lecture) to reviewing content, working on problems, preparing for tutorials, and completing reflective activities, in addition to attending every lecture.

The following information will be posted on Brightspace at the start of Winter 2026:

Tutorial Schedule: TBD

Problem List (updated to reflect the most recent edition of the textbook): TBD

Course Schedule

Date	Topics	Chapters
Jan.09	Overview of Corporate Finance	1
Jan.16	Time Value of Money Discounted Cash Flow Valuation	5, 6
Jan.23	Discounted Cash Flow Valuation (Continued)	6
Jan.30	Interest Rates and Bond Valuation	7
Feb.06	Stock Valuation	8
Feb.13	Midterm Exam	
	Winter break (No Lectures)	
Feb.27	Net Present Valuation and Other Investment Criteria	9
Mar.06	Cash Flows and Capital Cost Allowance Capital Budgeting	2, 10
Mar.13	Cash Flows and Capital Cost Allowance Capital Budgeting (Continued)	2, 10
Mar.20	Lessons from Capital Market History Return, Risk, and the Security Market Line	12, 13
Mar.27	Lessons from Capital Market History Return, Risk, and the Security Market Line (Continued)	12, 13
Apr.08	Cost of Capital Classes follow a Friday schedule (make-up for Good Friday).	14

*Refer to Academic Calendar for dates University Closed Dates and Holidays
<https://calendar.carleton.ca/academicyear/>

Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):

Program Learning Goal	Competencies Not Covered	Competencies Introduced (only)	Competencies Taught But Not Assessed	Competencies Taught and Assessed
CHECK (X) ONE PER ROW				
BC1 Knowledge <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>				X
BC2 Collaboration <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>		X		
BC3 Critical Thinking <i>Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.</i>				X
BC4 Communication <i>Graduates will be effective and persuasive in</i>		X		

<i>their communications.</i>				
BI5 Global Awareness (BIB ONLY) <i>Graduates will be globally-minded.</i>				X

ADDITIONAL INFORMATION

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments, and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Required calculator in BUSI course examinations.

If you are purchasing a calculator, we recommend anyone of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, followership, and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Grading

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100 B+ = 77-79 C+ = 67-69 D+ = 57-59

A = 85-89 B = 73-76 C = 63-66 D = 53-56

A - = 80-84 B - = 70-72 C - = 60-62 D - = 50-52

F = Below 50

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodation

Carleton is committed to providing academic accessibility for all individuals. You may need special arrangements to meet your academic obligations during the term. The accommodation request processes, including information about the *Academic Consideration Policy for Students in Medical and Other Extenuating Circumstances*, are outlined on the Academic Accommodations website (students.carleton.ca/course-outline).

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy Accommodation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: [Pregnancy Academic Accommodation Information - Equity and Inclusive Communities](#)

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: [Academic Regulations for Students with Religious Obligations < Carleton University](#)

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: [Sexual Violence Prevention & Survivor Support - Equity and Inclusive Communities](#)

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated.

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

Sprott Student Services

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at bcom@sprott.carleton.ca or at bib@sprott.carleton.ca.

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas.

Important Information:

- Students must always retain a copy of all work that is submitted.
 - All final grades are subject to the Dean's approval.
 - For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>
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