

This course is a prerequisite to

BUSI 2002 & BUSI 2505	(with a grade of C or higher)
BUSI 4000	(with a grade of C- or higher)
BUSI 4609	(with a grade of D- or higher)

Course Objectives

This is an introductory course in finance. It addresses topics in finance that are important for all managers in organizations to understand. In addition to informing managers generally, these topics amount to an important foundation for higher level finance courses, and will be used extensively in those courses. Finally, some of the topics addressed in this course can help with personal financing and investment decisions.

It is the objective of this course to teach students:

- The principles of time value of money and how to apply them;
- The features of various kinds of financial instruments, how to value them, and how organizations can use them to raise the capital they need;
- Approaches to evaluating investment opportunities and making investment decisions;
- Measures of risk and how they are related to returns; and,
- General analytical skills in structuring and analyzing financial problems.

Class Format

Classes will involve lectures, augmented with sample problems.

Tutorials

The tutorials are an important part of this course. They are closely integrated with the classroom material, the quizzes, the mid-term test, and the final exam. They will start in the 2nd or 3rd week of term. Specific timing will be announced in class and on CULearn. The tutorials will address, for the most part, the problems shown in bold on the list below in the week after each Chapter is addressed in class. Students are recommended to attempt all the problems listed for each Chapter before its associated tutorial. While the tutorials will focus on the problems shown in bold, students are encouraged to use the tutorials to address any of the problems or any other issue they are having with the course material. Students are encouraged to work in groups to complete these problems.

We would ask students who have questions concerning course scheduling, exam style, exam content and similar matters to direct their questions to their respective course instructors. The TAs are not versed in such matters.

Problem List

Chapter 5:	2, 3, 4, 5, 8, 9, 13 , 17, 19, 20
Chapter 6:	6, 7, 8 , 11, 15 , 16, 21 , 25, 26, 44, 55, 57 ,
Chapter 7:	3 , 5, 6, 8, 7 , 19, 20, 23 ,
Chapter 8:	4, 7, 8, 9, 10, 12
Chapter 9:	1, 4 , 6, 7, 8, 9, 13 , 14, 15 , 16, 17 , 23
Chapter 2:	2, 3, 4, 5 , 9, 10, 14, 18, 21
Chapter 12:	1, 2, 4, 7, 15

Chapter 13: 1, 2, **3**, **11**, 12, **13**, **16**,
Chapter 14: 3, 4, 7, **8**, 15, **16**, 17, 19, 20, **21**
Chapter 15: **2**, 4, 5, 7, 8, **10**, **11**, **15**

Required Text

Ross, Westerfield, Jordan and Roberts, *Fundamentals of Corporate Finance, 9th Canadian Edition*, McGraw-Hill Ryerson, 2016.

Grading

	Weighting
Class Participation	10
Term test	30
Final exam	60
Total	100

A description of how **class participation** is to be evaluated will be provided in the first class

The **term test** will be held in class in the week indicated. Material covered up to and including the class before the term test is eligible to be addressed in the term test. An equation sheet and discounting tables will be provided for use in the term test. A copy of the equation sheet will be posted on CULearn so students can see what it includes. The term test is a multiple-choice test comprised of approximately 50 questions. The questions will be a mix of theory and quantitative, about 40-60% of each. Space will be provided on the test paper below each quantitative question to enable students to show their work and possibly receive additional marks in cases where the approach is correct but an incorrect multiple choice response was selected due to issues such as a minor calculation error or a rounding issue.

The **final exam** will be a comprehensive multiple-choice style test, covering material from the entire course. Evaluation will depend only on whether the correct multiple choice response was selected. An equation sheet and discounting tables will be provided for use in the final exam. A copy of the equation sheet will be posted on CULearn so students can see what it includes.

Students are permitted to miss the mid-term at their discretion. In cases where a student's mark on the final exam exceeds the class participation mark or the term test mark, the final exam mark will be substituted for these evaluation items.

Student Responsibilities

Students are responsible reading each chapter listed in the course outline and knowing the material in those chapters whether specific mention of certain topics is made in class and regardless of whether topics are addressed in class. Because of time constraints, it is not possible to cover all the chapter material in class. Class time will be spent on the most important topics and on the topics from which students receive the most benefit from explanation in class.

Doing well in this course

1. Read the indicated chapter before class in which it is to be addressed;
2. Do the self-test questions in the chapter immediately after you read it;
3. Use the critical thinking questions at the end of each chapter to help you put concepts into your own words; this will help you develop a level of comfort with the material.
4. Use class time to ask questions about things that were not clear to you from reading the chapter;
5. Do the listed problems before the relevant tutorial;
6. Attend the tutorials to see how the problems identified in bold can be solved and to ask questions about issues you may have with the other problems or with other course material;
7. While solutions to the end-of-chapter problems will be provided at the beginning of the course, attempt problems before looking at their solutions; looking at the solution first leads to under-estimation of a problem's difficulty and over-estimation of your ability to solve it;
8. Experiment with examples presented in class using your calculator and spreadsheets to develop your understanding of how the calculations and solution approaches work; re-doing a class example, *and* re-working an example with different values can significantly improve your understanding or un-cover things you are not understanding;
9. Work at the course throughout the term, practice as you go along, and deal with things you don't understand as they arise; it is difficult to be successful with the kind of material covered in this course by cramming before the term test or exam;
10. Think about ideas addressed in the course outside of class, for example, when reading the newspaper or watching the news on television; question whether what you are seeing or hearing makes sense in light of your knowledge of the course concepts?

Course Schedules

The course schedules for the five Sections are provided below. Please note that the course schedule may be amended during the term depending on whether topics take more or less time to cover than planned.

Section A

Monday	Topics	Chapters
Sept 11	Introduction to Financial Management	1
	Future Value and Present Value	5 (begin)
18	Time Value of Money (TVM)	Rest of 5
	TVM with Multiple Cash Flows	6.1 – 6.3
25	Time Value of Money continued	Rest of 6
Oct 2	Valuing Bonds	7 + 7A
	Valuing Stocks	8
9	Thanksgiving Day- University Closed	
16	Capital Budgeting: Net Present Value	9
	Cash Flow	2.1 – 2.4
23	Fall Break	
30	NO LECTURE Term Test 1 (Ch's 1, 5, 6, 7, 8)	
Nov 6	Market History & Market Efficiency	12
13	Risk & Return: Portfolios	13
20	Risk & Return, continued	
27	Cost of Capital	14
	Raising Capital and Rights	15
Dec 4	Topical issues in finance and course review	
Dec 8	Make up class for October 9	

Section B

Tuesday	Topics	Chapters
Sept 12	Introduction to Financial Management	1
	Future Value and Present Value	5 (begin)
19	Time Value of Money (TVM)	Rest of 5
	TVM with Multiple Cash Flows	6.1 – 6.3
26	Time Value of Money continued	Rest of 6
Oct 3	Valuing Bonds	7 + 7A
10	Valuing Stocks	8
17	Capital Budgeting: Net Present Value	9
	Cash Flow	2.1 – 2.4
24	Fall Break	
31	NO LECTURE Term Test 1 (Ch's 1, 5, 6, 7, 8)	
Nov 7	Market History & Market Efficiency	12
14	Risk & Return: Portfolios	13
21	Risk & Return, continued	
28	Cost of Capital	14
	Raising Capital and Rights	15
Dec 5	Topical issues in finance and course review	

Sections C & D

Wed.	Topics	Chapters
Sept 6	Introduction	
	Introduction to Financial Management	1
13	Future Value and Present Value	5 (begin)
20	Time Value of Money (TVM)	Rest of 5
	TVM with Multiple Cash Flows	6.1 – 6.3
27	Time Value of Money continued	Rest of 6
Oct 4	Valuing Bonds	7 + 7A
11	Valuing Stocks	8
18	Capital Budgeting: Net Present Value	9
	Cash Flow	2.1 – 2.4
25	Fall Break – NO LECTURE	
Nov 1	Term Test 1 (Ch's 1, 5, 6, 7, 8)	
8	Market History & Market Efficiency	12
15	Risk & Return: Portfolios	13
22	Risk & Return, continued	
29	Cost of Capital	14
	Raising Capital and Rights	15
Dec 6	Topical issues in finance and course review	

Section E

Friday	Topics	Chapters
Sept 8	Introduction	1
	Introduction to Financial Management	1
15	Future Value and Present Value	5 (begin)
22	Time Value of Money (TVM)	Rest of 5
	TVM with Multiple Cash Flows	6.1 – 6.3
29	Time Value of Money continued	Rest of 6
Oct 6	Valuing Bonds	7 + 7A
13	Valuing Stocks	8
20	Capital Budgeting: Net Present Value	9
	Cash Flow	2.1 – 2.4
27	Fall Break – NO LECTURE	
Nov 3	Term Test 1 (Ch's 1, 5, 6, 7, 8)	
10	Market History & Market Efficiency	12
17	Risk & Return: Portfolios	13
24	Risk & Return, continued	
Dec 1	Cost of Capital	14
	Raising Capital and Rights	15
	Review	

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 any one 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, follower-ship 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.

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, Accommodations, Etc.

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 Accommodations

For Students with Disabilities:

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability

requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your **Letter of Accommodation** at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (*if applicable*). **Requests made within two weeks will be reviewed on a case-by-case basis.** After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made. Please consult the PMC website (www.carleton.ca/pmc) for the deadline to request accommodations for the formally-scheduled exam (*if applicable*).

For Religious Obligations:

Students requesting academic accommodation on the basis of religious obligation should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory event.

Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students and instructors can confirm accommodation eligibility of a religious event or practice by referring to the Equity Services website (<http://carleton.ca/equity/accommodation/religious-observances/>) for a list of holy days and Carleton's Academic Accommodation policies. If there are any questions on the part of the student or instructor, they can be directed to an Equity Services Advisor in the Equity Services Department for assistance.

For Pregnancy:

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

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. 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. 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: <http://carleton.ca/studentaffairs/academic-integrity>.

Sprott Student Services

The Sprott student services office, located in 710 Dunton Tower, offers academic advising, study skills advising, and overall academic success support. If you are having a difficult time with this course or others, or just need some guidance on how to successfully complete your Sprott degree, please drop in any weekday between 8:30am and 4:30pm. Our advisors are happy to discuss grades, course selection, tutoring, concentrations, and will ensure that you get connected with the resources you need to succeed! <http://sprott.carleton.ca/students/undergraduate/learning-support/>

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 hard 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 <http://carleton.ca/ccs/students/>