



Carleton
University

Sprett
School of Business

CARLETON UNIVERSITY
FINANCE
BUSI 2501
FALL 2023
BUSINESS FINANCE

Course Professor: Harika Tuzcuoglu
Email: harikatuzcuoglu@carleton.ca

Office: Online

Modality:

In person, not suitable for online students.

Course Meets:

Section A:	Thursday	2:35 pm – 5:25 pm	Tory Building, Room 240
Tutorials:	Monday	10:35 am – 11:25 pm	Nideyinàn (former UC), Room 282

Faculty Office Hours: Thursday, 1 pm – 2 pm
TA Office Hours: TBD

Pre-requisites & precluded Courses:

BUSI 1005, and ECON 1001 and ECON 1002 (or ECOR 3800). Restricted to selected Sprett programs. Precludes additional credit for BUSI 2503, BUSI 2504 (no longer offered). **The School of Business enforces all prerequisites.**

Course Calendar description from the 2023/2024 University calendar:

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.

Course Description:

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.

Learning Outcomes:

The objective of this course for students to:

- Understand the principles of time value of money and how to apply them.
- Explain the features of various kinds of financial instruments, how to value them, and how organizations can use them to raise the capital they need.
- Learn different approaches to evaluating investment opportunities and making investment decisions.
- Identify measures of risk and how they are related to returns.
- Develop general analytical skills in structuring and analyzing financial problems.

Reading(s)/Textbook(s)/Required Materials:

Ross, Westerfield, Jordan, Roberts, Pandes & Holloway *Fundamentals of Corporate Finance, 11th Canadian Edition*, McGraw-Hill Ryerson, 2022.

Check our bookstore/online platforms.

Course Requirements & Methods of Evaluation:

Weighting (%)

Class Attendance	5%
In-class Activities	5%
Quizzes (2)	10%
Midterm Exam	30%
Final Exam	50%

Bonus Assignments:

FinTech/Sustainability Presentation	2%
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The Midterm Exam will be held during class time on October 19th. It covers Chapters 1, 5, 6, 7 and 8. A student who does not write the midterm exam will automatically receive a grade of zero unless this is due to a medical or otherwise **emergency** with the appropriate **documentation**. Make-up exam for students with emergencies, will take place on Monday October 31st. Please note that **no other times for make-up midterm will be offered.**

The Final Exam 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.

*A **formula sheet** will be provided to students prior to the midterm and final exam. Students are allowed to bring financial calculators to the exams. Students cannot use phone calculators or calculator applications; they need to have a physical calculator.

Quizzes will be held during the class time. Quiz 1 (September 28th) covers Chapters 5 and 6. Quiz 2 (November 23rd) covers Chapter 13. The lowest mark will be dropped; hence your best quiz will be counted as 10%. A student who does not write the quiz will automatically receive a grade of zero for that quiz.

The **attendance** is based on attending weekly classes. Partial marks will also be given for the number of classes attended.

In-class activities will comprise several in-class group activities. This component takes place entirely in-class.

FinTech/ Sustainability Presentation: This is a chance to earn up to an extra 2% bonus on the course if you choose to participate. The format will be a 15-minute PowerPoint presentation that you deliver in groups of 4-5 students. You will record your presentation and upload it to Brightspace - Mediaspace. You can form your own group and choose your own topic under the theme of FinTech, sustainability and emerging topics in finance. There will be a sign-up sheet and topics will go on a first-come-first-served basis. This is your chance to have fun while teaching your classmates something new! Sample topic ideas include, but are not limited to:

- Cryptocurrencies (Blockchains, Initial Coin Offerings, Illegal transactions, etc.)
- Peer to peer lending
- Robo advising
- Crowdfunding and crowd-financing
- High-frequency and algorithmic trading
- Social media and financial blogs
- Fake news in financial markets
- Artificial Intelligence (A.I) applications in finance
- FinTech revolution in emerging economies (social and economic impact of FinTech)
- Green bonds
- Sustainability practices in finance (ESG factors)
- Another topic of your choice!

There will be **tutorials** for this course on Mondays, from 10:35 am to 11:25 am. The TA will solve suggested questions and answer students' questions. The attendance is highly recommended as tutorials will help you understand the material more and contribute to your success on quizzes and exams.

Suggested End-of-Chapter Questions

Chapter 5:	2, 3, 4, 5, 8, 9, 13, 17, 19, 20
Chapter 6:	6, 7, 8, 11, 15, 16, 21, 25, 26, 44, 49, 55
Chapter 7:	3, 5, 6, 7, 8, 19, 20, 23
Chapter 8:	4, 5, 7, 8, 9, 10, 13, 16, 21
Chapter 9:	1, 3, 4, 7, 8, 9, 14, 15, 17
Chapter 12:	1, 2, 3, 7
Chapter 13:	1, 2, 3, 7, 8, 9, 11, 12, 13, 14, 16, 17, 25
Chapter 14:	3, 7, 8, 9,10, 15, 16

Student Responsibilities

Students are responsible for 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 Schedule (tentative and subject to changes):

Section A

Date	Topics	Chapters
Sep 7	Overview of Corporate Finance	1
14	Time Value of Money	5
21	Discounted Cash Flow Valuation	Chapter 6 (Excl 6A)
28	Interest Rates and Bond Valuation Quiz 1 (Ch. 5, 6)	7 (excl. 7A)
Oct 5	Stock Valuation	8
12	Net Present Value and Other Investment Criteria	
19	Midterm Test I (Ch. 1, 5, 6, 7, 8)	9
Winter Break, No Classes		
Nov 2	Lessons from Capital Market History	12
9	Return and Risk	13
16	Return and Risk (continued)	13
23	Cost of Capital Quiz 2 (Ch. 13)	14
30	Introduction to International Finance	21
Dec 7	Introduction to FinTech	

*The best quiz will be counted as 10%.

*In-class activities will take place throughout the semester.



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 their communications.</i>				X
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 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.

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

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:

carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

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:

carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

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: carleton.ca/sexual-violence-support

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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