

SCHOOL OF BUSINESS Graduate Management Programs Course Outline			
COURSE NAME:	North American Financial Management	COURSE NO.:	NABU 340
TERM:	Fall 2016	COURSE CREDITS:	3
INSTRUCTOR: OFFICE:		E-MAIL: PHONE(LOCAL):	

SCHOOL OF BUSINESS VISION To be Canada's most student-focused cross-disciplinary business school that provides innovative and relevant practice-based programs.

SCHOOL OF BUSINESS MISSION We inspire and empower future industry-ready professionals committed to engaging in business and community.

COACHING HOURS Schedule posted outside of office door.

COURSE PREREQUISITES: None

REQUIRED TEXT: Ross, Westerfield, Jaffe and Roberts <<*Corporate Finance*>>; the 6th CND Edition. McGraw-Hill Ryerson.

OTHER RESOURCES: *Moodle* - <https://moodle.capilano.ca> and Publisher's Textbook Website
CONNECT access code card for course text (includes full E-textbook) (included with new textbooks or may be purchased separately). For the link of Connect, see the first section of Moodle Homepage.

COURSE FORMAT: **Instructional hours:** [1 x 3.0 hours/week] x 15 weeks including final exam period
Coaching hours: posted on teaching websites (Moodle/Connect) and instructor's office.
Fourth-hour activities: On-line group discussions, project activities and Q & A between students and instructors. Students are expected to be on Moodle for online activities.

COURSE OUTCOMES:

General Outcomes: This course will enable individuals to make better business decisions through the application of financial analysis tools for budgeting, forecasting and decision-making and giving you an increased understanding of how these concepts can be used in measurement, evaluation and decision-making. In groups, the students will analyze and report on the financial performance of a publicly traded corporation.

Specific Student Outcomes: Upon successful completion of this course, students will be able to demonstrate competence in the following abilities and skills:

Abilities	Learning Outcomes	Levels*
Analysis & Decision Making	Understand and apply risk, return and portfolio theories as well as capital market theories to assess stock performance	4 – 5
	Determine the value of financial assets and make recommendations on how to improve its performance.	3 – 5
	Understand the use of derivative securities including forwards, futures, swaps and options.	4 – 5
	Apply TVM in the valuation of financial securities. Analyze long-term investments and make capital budgeting decisions.	3 – 5
	Determine a firm’s financial structure. Make dividend policy decision and manage bond-refinancing decisions.	4 – 5
	Select the best type of long-term financing and improve the management of existing financing.	4 – 5
	Understand the implications of taxation on financing and investment decisions.	3 – 5
	Assess the financial performance of a company from the perspectives of owners, lenders and managers.	3 – 4
	Understand business combinations and valuations such as mergers and acquisitions (M & A)	2 – 4
Citizenship, Sustainable & Global Perspectives	Describe the various Canadian and American financial system, stock markets and indices as well as the different sources of financing including foreign funds.	3 – 5
	Understand risks and impact of making capital investment decisions in foreign jurisdictions.	2 – 4
	Apply financial theories to current financial affairs.	3 – 5
	Describe various economic indicators and use them to assess performance of investments.	3 – 5

	Understand business ethics, corporate social responsibility and corporate governance.	4 – 5
	Describe and understand international financial markets, stock indices, foreign exchange and functional currencies.	4 – 5
	Integrate social and global perspectives into business analysis and decision-making.	4 – 5
Social Interaction	Work within a group to assess and report on the financial performance of a company from the perspectives of owners, lenders and managers.	4 – 5
	Use a collaborative approach to problem solving and analysis in classroom activities.	4 – 5
	Work within small teams to research and report on financial topics.	4 – 5
Communications	Correctly apply quantitative techniques to value and assess investments. (Quantitative Literacy)	4 – 5
	Use financial statements and financial models in order to make financial decisions. (Quantitative Literacy)	4 - 5
	Use appropriate business communications formats (memos, short formal reports, and formal reports) to present research, analysis and findings. (Written Communication)	4 – 5
	Use appropriate computer tools (word processing, spreadsheets) to summarize and present financial information. (Computer Literacy)	4 – 5
	Research and interpret financial models and topics. (Reading)	4 – 5
	Present key findings to a group. (Oral Communication)	4 – 5
	Communicate effectively within a group. (Listening, Reading, Oral Communication, Written Communication., Quantitative Literacy and Computer Literacy)	4 – 5

* See Faculty of Business – Our Commitment to Assessment and Constructive Feedback for description of the six “levels” of comprehension.

COURSE CONTENT

Weeks & Dates	Topics	Readings
Week 1	Introduction to Corporate Finance and Key Issues of Financial Management Accounting Procedure and Financial Statements (Cash flow and Taxation Issues, International Financial Reporting Standard (IFRS))	Ch. 1 Ch. 2
Week 2	Financial Markets and Net Present Value (NPV): First Principles of Finance Time Value of Money (TVM) with Variation of Cash-flows	Ch. 4 Ch. 5
Week 3	Financial Planning and Growth, pro-forma financial statements Short-term Planning, Banking and Financing	Ch. 3 Ch. 27
Week 4	Short-term Investment and Financing Working Capital Management	Ch. 28 Ch. 29
Week 5	Valuation of Bonds and Stocks, Cost of Capital and Term Structure of Interest Rates	Ch. 6
Week 6	Long-term Investment and Capital Budgeting Net Present Value (NPV) and other Investment Rules	Ch. 7 – 8
Week 7	Progressive Examination	Ch. 1 – 8 Ch. 27 – 29
Week 8	Risk and Return: Lesson from Market History and The Capital Asset Pricing Model (CAPM) Risk, Return, and Capital Budgeting	Ch. 10 – 11 Ch. 13
Week 9	Corporate Financing Decision: An Introduction to Long-term Financing Capital Structure: WACC Concepts and Calculations	Ch. 15 Ch. 16
Week 10	Valuation and Capital Budgeting for the Levered Firm Long-term financing – North American Equity Markets	Ch. 18 Ch. 20
Week 11	Long-term financing – North American Equity Markets and Debt Markets	Ch. 20 Ch. 21
Week 12	Long-term financing – North American Debt Markets Long-term financing – North American Leasing Markets	Ch. 21 Ch. 22
Week 13	Merger and Acquisitions International Financial Management	Ch. 30 Ch. 32
Week 14-15	Final Exam Period Final Exam will cover all instructional chapters	

* **Note** Weekly reading materials assigned in each week are required for students to get prepared for classes. Quizzes and Assignments will be done online using the Publisher’s online learning system: the Connect. The exact dates and times for the online quizzes and the assignments as well as the group projects and examinations will be announced online in Moodle. Students are required to attend both midterm and final exam as they are scheduled.

EVALUATION PROFILE:

CAPabilities Assessed						
Assessment	% of Final Grade	Individual or Group	Communications	Analysis & Decision Making	Social Interaction	Citizenship & Global Perspectives
Quizzes/Assignments	10%	I	Yes	Yes	No	Yes
Midterm Exam	30%	I	Yes	Yes	No	Yes
Major Project	15%	G	Yes	Yes	Yes	Yes
Class Project Contributions	10%	G	Yes	Yes	Yes	Yes
Final Exam	35%	I	Yes	Yes	No	Yes
Total	100%					

Note: Students must achieve a minimum average of 50% on the combined results of the midterm and the final exam to pass the course.

UNIVERSITY POLICIES:

Capilano University has policies on Academic Appeals (including appeal of final grade), Student Conduct, Cheating and Plagiarism, Academic Probation and other educational issues. These and other policies are available on the University website.

Grading Profile:	A+	90-100	B+	77-79	C+	67-69	D	50-59
	A	85-89	B	73-76	C	63-66	F	49 & below
	A-	80-84	B-	70-72	C-	60-62		

A+ All aspects of the work submitted are to exceptional standards.

Comprehensively researched, clear and concise, extremely well structured and designed, with a diverse and exhaustive range of evidence (e.g.: literature, other data) used effectively and critically. Demonstrates enlightening, insightful, and/or original thinking of the topics. Presented to the highest standards (e.g.: references, style, grammar, length).

A All aspects of the work submitted are to very high standards.

Thoroughly researched, clear and concise, excellently structured and designed, with an extensive range of evidence (e.g.: literature, other data) used effectively and critically. Demonstrates a thorough and comprehensive understanding of the topics. Presented to very high standards (e.g.: references, style, grammar, length).

B All aspects of the work submitted are to high standards.

Accurately researched, clear discussion, well-structured and designed, with a good range of evidence (e.g.: literature, other data) used effectively and critically. Demonstrates a thorough understanding of the topics. Presented to high standards (e.g.: references, style, grammar, length).

C All aspects of the work submitted are to acceptable standards.

Sufficiently researched, providing good discussion, reasonably well structured and designed, with an acceptable range of evidence (e.g.: literature, other data) used effectively. Demonstrates satisfactory understanding of the topics. Presented to reasonable standards (e.g.: references, style, grammar, length).

D All aspects of the work submitted are to adequate standards.

Insufficiently researched, needs improvement in flow and design, and/or level of detail, with a limited range of evidence (e.g.: literature, other data) used. Demonstrates rudimentary understanding of the topics. Presented to basic standards (e.g.: references, style, grammar, length).

F All aspects of the work submitted are below adequate standards

Research, flow and design, and/or level of detail are unsatisfactory, with an insufficient range of evidence (e.g.: literature. Other data) used. Demonstrates unfamiliarity with the topics. Presented to below adequate standards (e.g.: references, style, grammar, length).

In addition to the policies of the university, the School of Business has the following policies governing the management of our classes and curriculum.

SCHOOL OF BUSINESS POLICIES:

- Attendance:** Regular attendance and punctuality are both essential and expected due to the nature and format of the course materials. Class attendance and participation contribution are required, class/group project discussions are assessed based on students' contribution and performance.
- Professional Behaviour:** Students must demonstrate a professional attitude and behaviour toward work, fellow students and their instructors. Each student should demonstrate reliability, respect for and co-operation with colleagues. A willingness to work calmly and courteously under difficult conditions as well as a determination to achieve first-class work while meeting deadlines is necessary in the Business Faculty. Students should have respect for equipment and systems. Students should display a constructive response to criticism.
- English Usage:** All assignments are marked for correct English usage, proofreading and professional formatting and presentation. See course level policies for specific details on English evaluation.
- Emergency Procedure:** In the event of an emergency, students must follow the emergency procedures posted in the classrooms.
- Missed Exams and Quizzes:** Missed exams or quizzes will receive a grade of "0" unless PRIOR arrangements (wherever possible) are made with the instructor. Permission to make up an exam will only be given in extraordinary situations such as illness of the student or the death of a close family member. A doctor's certificate, or other proof supporting the reason for the absence, will be required. For further information, refer the "Examination & Pivotal Presentation Exemption Policy" located on the program Moodle site.
- Copyright Policy:** Students are expected to familiarize themselves with and abide by the University's Copyright Policy. The University's Copyright Policy is published in the University website.
- Cheating and Plagiarism:** Cheating is an act of deceit, fraud, distortion of the truth, or improper use of another person's effort to obtain an academic advantage. Cheating includes permitting another person to use one's work as his or her own. Plagiarism is the presentation of another person's work or ideas as if they were one's own. Plagiarism is both dishonest and a rejection of the principles of scholarship. Information about how to avoid plagiarism by proper documentation of sources is available in the Writing Centre and is published on the University website in the University Policies page.
- Penalties for Cheating and Plagiarism:** A grade of '0' for an examination, quiz or assignment or 'F' for the course may be assigned if cheating or plagiarism has taken place. First incidents deemed by the instructor to be particularly serious or second or subsequent incidents of cheating and

plagiarism will be dealt with under the provisions of the University Policy on Cheating and Plagiarism (see the University website). All students should familiarize themselves with the University Policy on Cheating and Plagiarism as such behaviour can result in suspension from the University.

Incomplete Grades: Incomplete grades will not be given unless special arrangements have been made with the instructor prior to the date set by University Administration.

COURSE LEVEL POLICIES:

In addition to Capilano University, and the School of Business policies, the following policies govern the management of this course and its curriculum.

Required Tools and Skills: It is the responsibility of the student to check the teaching website regularly, particularly the Calendar and General Announcement areas on Moodle home page or publisher's website.

Computer: Application software such as MS Office or similar one, Internet access to financial management and investment websites.

On-line Communications: Students must use Capilano student email account to send email to your instructor or use Capilano University Moodle Message to communicate with your instructor, classmates and group members.

Calculator: Texas Instrument BA II Plus financial calculator (Recommended) or HP 10BII Financial Calculator, Sharp EL733 financial calculator.

Assigned Readings & Supplements: As posted on instructor's website or as distributed during the term
Student Study Guide (optional)

English Usage: All assignments are marked for correct English usage, proofreading and formatting. Group project final report should be written and presented in professional format and assessed based on correct English usage, proofreading and formatting. For more details, see "Group Project Outline" which is posted on Moodle Website.

Assignments: Homework assignments are due at the **start of class** on the due date unless otherwise advised by your instructor. Late assignments will only be accepted if prior approval for a late submission date has been given by the instructor. All quizzes and the due date of each quiz are posted on Connect Website. It is student's responsibility to accomplish those quizzes on-line in time.

English Language Assessment: *All assignments are marked for correct English usage, proofreading and formatting. Up to 50 percent of the mark on written assignments will be deducted for improper grammar, punctuation, spelling and syntax. The School of Business requires a professional presentation standard in business writing. If the assignment is not up to University/University standard, it may not be graded. Visit the Writing Centre, 4th floor Fir if needed.*

Programmable Tools: Please note the use of programmable items such as calculators, dictionaries etc. is forbidden during tests, quizzes, and exams. Cell phones are not to be brought to any test, quiz, or exam.

ADDITIONAL CLARIFICATION/EXPANSION OF DEPARTMENTAL OR FACULTY LEVEL POLICIES AT THE DISCRETION OF THE INSTRUCTOR.