



AMBROSE  
UNIVERSITY COLLEGE

**BUS 220 FINANCE Winter 2011**  
**Instructor:** Tom Cottrell

**Instructor Information**

**Office:** Room L2055  
**Office Telephone:** (403) 410-2000 (Ext. ????)  
**E-mail Address:** tomco@ambrose.edu  
**Office Hours:** by appt, usu. on a lecture day

**Class Schedules**

**Dates:** January 13<sup>th</sup> to April 14<sup>th</sup>, 2011  
**Class Times:** Tues & Thurs 4:00 to 5:15 pm  
**Class Location:** Room A2133  
**Final Exam:** April 18<sup>th</sup>, 1-4pm in Room A2210

**Course Description**

This course examines the fundamental financial concepts including time value of money, cost of capital and capital structure, capital investment decisions, budgeting and financial planning, sources and forms of financing, and business valuation.

**Other Course Information**

The course assumes no prior knowledge of finance, but does rely on the pre-requisites listed in the calendar: ACC 220 and STA210. Students are also required to be competent in the use of personal computers (including basic familiarity with Excel) and must have a good working knowledge of basic mathematics (fractions, percentages, decimals, and simple algebraic equations).

NOTE ON MATHEMATICS: If these abilities do not come naturally to you, or if they lie dormant or neglected, I strongly urge you to review your Math 30 notes from your happy years in secondary education, or to find resources on-line that will help you with these skills. None of the math in the course should be in any way daunting for a university student.

**Communication with the instructor**

I tend to heavily rely on electronic communication with the class in order to be able to remind myself of my commitments and accommodations. I also tend to modify course lecture notes in the days immediately prior to the lecture to either add to or subtract from lecture slides and concepts. If possible, I encourage you to look at the website the morning of the lectures to see what items might have changed from the night before. This suggests that you might want to wait to print out lecture notes until closer to the lecture date.

**Required Textbook** (either hardcopy or eBook is okay)

Ross, Westerfield, Jordan & Roberts, Fundamentals of Corporate Finance (7<sup>th</sup> Canadian Edition), McGraw-Hill Ryerson

The book is also available as an “ebook” at the McGraw-Hill Website  
<http://www.mcgrawhill.ca/highereducation/product/0070919895/>

### Other Materials

Computers are available in the \ Commons Area for any spreadsheet or other computer work that may be assigned. Students can access other helpful resources at the textbook’s companion website <http://connect.mcgrawhill.ca/app/index.php>

### Course Schedule

A detailed schedule is found in **Appendix B** of this syllabus. Attendance at lectures is optional, but students who do not attend should get any material missed from classmates. Students are encouraged, then, to attend classes faithfully and to ensure that all handout materials have been received. Note also that the instructor may not deal directly in classroom sessions with all of the text material that is assigned reading, but any text material that is assigned reading may be included in assignments, quizzes, and examinations. Also, I am reticent to offer office hours to students who chose not to attend the lectures. If you must miss a lecture because of illness or other emergency, I ask that you email ahead of time.

### Course Requirements and Grading

Student performance will be evaluated in a combination of classroom participation and graded assignments, quizzes, mid-term examination, and final examination. Mark allocation is as follows:

Participation	10%
4 Quizzes	20% (5% each for best of 4)
Mid-Term Exam	30%
Final Exam	<u>40%</u>
	100%

Students need not receive a passing grade on all components of term work and examinations in order to pass the course. However, failure to submit an assignment or write a quiz/examination, without the prior approval of the instructor, may result in an F grade for the course.

Marks for classroom participation are based on the instructor’s impression (cumulative throughout the semester) of the student’s classroom attentiveness, attitude, and quality of contribution to classroom discussion. Absent information to the contrary, participation mirrors performance on exams.

Students are expected to prepare for class by reading the relevant chapters in the textbook and working on assigned problems.

### Quizzes

Quizzes will typically be unannounced and written at the beginning of class. There will likely be more than 4 quizzes given, with the students best 4 used in grading. The mark for a quiz which is *missed with a legitimate reason* (typically illness, evidenced by a Doctor’s note) will normally be spread across (transferred to) the other quizzes. Quizzes are usually a reward for keeping current with assignments and readings, and will not represent the rigor of an examination.

### Mid-Term Examination

The mid-term examination will be 75 minutes in length written during regular class time. The expected date is listed in the Tentative Course Schedule at Appendix B. All material covered prior to the exam date is considered examinable.

A grade of 0% will be awarded for a mid-term examination missed without a legitimate reason. If the mid-term examination is missed *with a legitimate reason*, a make-up mid-term examination will be arranged within one week. If the instructor determines that this arrangement is not practical the midterm exam points will be allocated to the final exam.

### **Final Examination**

The final examination will be comprehensive (i.e., will cover any materials included in the course), but emphasis will be on the material covered in the material since the mid-term. The final examination will have a maximum writing time of three hours (180 minutes). It is the student's responsibility to ensure that he/she does not have any conflicting commitments during the final examination period. Graded final examinations will be available for supervised review at the request of the student.

### **Available Letters for Course Grades**

<u>% Grade</u>		<u>Letter Grade</u>	<u>4-Point Scale</u>
95% to 100%		A+	4.0
90% to 94%	Excellent	A	4.0
85% to 89%		A-	3.7
80% to 84%		B+	3.3
76% to 79%	Good	B	3.0
72% to 75%		B-	2.7
68% to 71%		C+	2.3
64% to 67%	Satisfactory	C	2.0
60% to 63%		C-	1.7
55% to 59%		D+	1.3
50% to 54%	Minimal Pass	D	1.0
0% to 49%	Failure	F	0.0

### **Important Notes/Dates**

January 21<sup>st</sup>, 2011, is the last day to enter a course without permission or to withdraw from a course and receive tuition refund (less any applicable deposits or penalties).

March 18<sup>th</sup>, 2011, is the last day to withdraw from a course or change to audit without academic penalty.

Course withdrawal forms are available from the Registrar. Students who do not follow the proper withdrawal procedures will be recorded as having failed the course.

It is the responsibility of all students to become familiar with and adhere to the academic policies contained in the Student Handbook and Academic Calendar. Students are particularly referred to policies and regulations that pertain to plagiarism and requests for deferred examinations. These will be strictly followed.

Students are reminded that examinations will be actively invigilated. Students may only bring to an examination room items stipulated by the instructor to be required for the completion of the examination. All non-essential items (including, but not limited to, hats, coats, gloves, knapsacks, purses,

and electronic devices other than approved calculators) must be left in an area of the examination room designated by the instructor. All cell phones and other unauthorized electrical devices **MUST** be turned off during examinations. Failure to comply may result in a failing grade for the examination.

### **Electronic Etiquette**

Students are expected to treat their instructor, guest speakers, and fellow students with respect. It is disruptive to the learning goals of a course or seminar and disrespectful to fellow students and the instructor to engage in electronically-enabled activities unrelated to the class during a class session. Please turn off all cell phones and other electronic devices during class. Laptops should be used for class-related purposes only. Please do not use iPods, MP3 players, or headphones. Do not text, read or send personal emails, go on Facebook or other social networks, search the internet, or play computer games during class. The professor has the right to disallow the student to use a laptop in future lectures and/or to ask a student to withdraw from the session if s/he does not comply with this policy. Repeat offenders will be directed to the Dean. If you are expecting communication due to an emergency, please speak with the professor before the class begins.

### **Academic Policies**

It is the responsibility of all students to become familiar with and adhere to academic policies as stated in the Student Handbook and Academic Calendar. Personal information, that is information about an individual that may be used to identify that individual, may be collected as a requirement as part of taking this class. Any information collected will only be used and disclosed for the purpose for which the collection was intended. For further information contact the Privacy Compliance Officer at [privacy@ambrose.edu](mailto:privacy@ambrose.edu).

### **Extensions**

Although extensions to coursework in the semester are at the discretion of the instructor, students may not turn in coursework for evaluation after the last day of the scheduled final examination period unless they have received permission for a "Course Extension" from the Registrar's Office. Requests for course extensions or alternative examination time must be submitted to the Registrar's Office by the appropriate deadline (as listed in the Academic Calendar <http://www.ambrose.edu/publications/academiccalendar>). Course extensions are only granted for serious issues that arise "due to circumstances beyond the student's control."

### **Academic Integrity**

We are committed to fostering personal integrity and will not overlook breaches of integrity such as plagiarism and cheating. Academic dishonesty is taken seriously at Ambrose University College as it undermines our academic standards and affects the integrity of each member of our learning community. Any attempt to obtain credit for academic work through fraudulent, deceptive, or dishonest means is academic dishonesty. Plagiarism involves presenting someone else's ideas, words, or work as one's own. Plagiarism is fraud and theft, but plagiarism can also occur by accident when a student fails or forgets to give credit to another person's ideas or words. Plagiarism and cheating can result in a failing grade for an assignment, for the course, or immediate dismissal from the university college. Students are expected to be familiar with the policies in the current Academic Calendar and the Student Handbook that deal with plagiarism, cheating, and the penalties and procedures for dealing with these matters. All cases of academic dishonesty are reported to the Academic Dean and become part of the student's permanent record.

Students are advised to retain this syllabus for their records.

## APPENDIX A

**The following problems are assigned, and you are expected to each understand them. That does not preclude you from working in groups, but you should be very cautious about that.**

In addition, I am assigning the mini-case at the end of most chapters.

Students interested in careers in business should also do the S&P Problems and Internet Application Problems at the end of each chapter, although these will not be on exams unless otherwise indicated in lectures.

*Assigned Problems (not necessarily in the order we will cover them):*

**Chapter 1** - Concepts Review: 1.1, 1.2, 1.3, 1.5, 1.6, 1.10, 1.11, 1.13, 1.14

**Chapter 2** - Concepts: 1, 4-9 Problems: 5, 6, 9-17, 20, 31

**Chapter 3** - Questions and Problems: 16-17, 26-30

**Chapter 4** - Questions and Problems: 1-6,8-11,14,27-29,31

**Chapter 5** - Questions and Problems: 1-5, 16, 17, 19, 20

**Chapter 6** - Concepts Review: 2, 3, 6; Questions and Problems: 1, 3-5, 10-13, 20, 21, 29, 42, 43, 45, 57, 60, 66, 67, 71, 73

**Chapter 7** - Self-Test Problems: both Concepts Review: 1,2,5,6, 8 Questions and Problems: 1-5, 9, 11, 14-17, 20, 21, 22, 24, 25, 26, 27

**Chapter 8** - Self-Test Problems: 1, 2; Concepts Review: 1-3, 5-7, 10; Questions and Problems: 1-16, 23, 25

**Chapter 9** - Self-test: all; Concepts: 1-8, 10-11; Questions and Problems: 1, 4, 6-9, 11-14, 16, 17, 20, 23

**Chapter 10** - Self-test: all; Concepts: 1, 3, 5 Problems: 2, 5, 7-9, 11, 13, 16, 24, 25, 31, 35, 36, 41, 42.

**Chapter 12** - Questions and Problems: 1, 2, 7-9, 11-13

**Chapter 13** - Concepts: 8; Questions and Problems: 1, 4, 6, 9, 10, 12, 14, 15, 19, 21, 23, 25, 27

**Chapter 14** - Concepts: 4-6,8-10; Questions and Problems: 9-22

**Chapter 16** - Questions and problems : 1, 2, 4, 8, 10, 11, 13, 14, 15, 17, 20-22

Appendix B – Tentative Course Schedule

<b>DOTW</b>	<b>Date</b>	<b>Topic</b>	<b>Chapter</b>	
Thursday	13-Jan-11			
Tuesday	18-Jan-11	Overview	Chapter 1	Session01
Thursday	20-Jan-11	F/S	Chapter 2	Session02
Tuesday	25-Jan-11	TVM & DCF	Chapter 5 & 6	Session03
Thursday	27-Jan-11	<i>Cancelled</i>		
Tuesday	1-Feb-11			
Thursday	3-Feb-11	Bonds	Chapter 7	Session04
Tuesday	8-Feb-11			
Thursday	10-Feb-11	Stocks	Chapter 8	Session05
Tuesday	15-Feb-11			
Thursday	17-Feb-11	Mid-term exam		
Tuesday	22-Feb-11	<i>Cancelled</i>		
Thursday	24-Feb-11	<i>Cancelled</i>		
Tuesday	1-Mar-11	FSA	Chapter 3	Session06
Thursday	3-Mar-11	LT Fin	Chapter 4	Session07
Tuesday	8-Mar-11	NPV I	Chapter 9	Session08
Thursday	10-Mar-11			
Tuesday	15-Mar-11	NPV II	Chapter 10	Session09
Thursday	17-Mar-11			
Tuesday	22-Mar-11	Market History	Chapter 12	Session10
Thursday	24-Mar-11			
Tuesday	29-Mar-11	Risk/Return	Chapter 13	Session11
Thursday	31-Mar-11			
Tuesday	5-Apr-11	Cost of Capital	Chapter 14	Session12
Thursday	7-Apr-11			
Tuesday	12-Apr-11	Capital Structure	Chapter 16	Session13
Thursday	14-Apr-11			
Monday	18-Apr-11	FINAL EXAM	1-4pm in A2210	