
MOS 2310A / Finance for MOS

Course Outline: Section 650 / Summer 2017

1. Course Information:

- 1.1 Class Location and Time:
Online through OWL
- 1.2 Contact Information:
Instructor: Lucas Thung
Office: SSC 9334
Office Hours: By Appointment
Phone: 519-661-2111 ext 84459
Email: lthung@uwo.ca
Website Address: <http://owl.uwo.ca/portal>

DAN Management and Organizational Studies strives at all times to provide accessibility to all faculty, staff, students and visitors in a way that respects the dignity and independence of people with disabilities. Please contact the course instructor if you require material in an alternate format or if you require any other arrangements to make this course more accessible to you. You may also wish to contact Services for Students with Disabilities (SSD) at 519-661-2111 ext 82147 for any specific question regarding an accommodation. More information about "Accessibility at Western" is available at: <http://accessibility.uwo.ca>

2. Calendar Description

2.1 Course Description:

This course provides overview of issues in financial management and corporate finance. Students will learn how financial managers make investment, financing and other decisions and the tools they use to make such decisions. Topics covered include time value of money, risk, valuation, capital structure, dividend policy and other selected issues.

3 lecture hours, 0.5 course

Antirequisite(s): Financial Modelling 2555A/B, the former Actuarial Science 2555A/B and MOS 3310A/B

NOTE: Students interested in pursuing an HBA Degree at the Richard Ivey School of Business must defer MOS 2310A/B and 2320A/B until Year 3. These two courses will not count towards the 10.0 credits required for admission to the HBA Program and are discouraged for those students continuing on to the Richard Ivey School of Business. Students continuing in MOS must complete

MOS 2310A/B and 2320A/B in Year 3 prior to enrolling in MOS courses for which these courses are the prerequisite.

2.2 Senate Regulations

Senate Regulations state, “unless you have either the requisites for this course or written special permission from your Dean to enroll in it, you will be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.”

3. Textbook

Custom course text for MOS 2310 Corporate Finance. Adapted from Ross, S.A., Westerfield, R.W., Jordan, B.D., and Roberts, G.S. 2013. *Fundamentals of Corporate Finance. Eight Canadian Edition.* McGraw-Hill.

4. Course Objectives and Format

4.1 Course objectives

Upon completion of the course, successful students should be able to

- Demonstrate basic knowledge of financial markets and institutions and explain how firms obtain funds in the markets and at what cost
- Calculate the time value of money and apply the concepts to the valuation of financial securities such as bonds and stocks
- Distinguish among various types of risks and apply the Capital Asset Pricing Model to calculate returns, given appropriate risk measures
- Calculate the cost of capital and solve capital budgeting problems
- Explain how a firm might set its dividend policies
- Analyze a firm’s performance to determine its strengths and weaknesses, and be able to use financial analysis to improve performance
- Explain various strategies for managing a firm’s short-term assets and liabilities

Students are responsible for all the material in the text. Thus, it is important for students to keep up with the required readings. Students should also note that the workload for this course is heavy and should schedule their time accordingly.

4.2 Course format

Online through OWL.

5. Learning Outcomes

- Identify and evaluate the core marketing concepts, principles, and theories
- Apply concepts, principles, and theories to solve realistic marketing problem and to make sound marketing decisions
- Explain the marketing planning process and apply this process to a specific business case through teamwork
- Analyze an industry and draw out the key success factors related to a marketing plan and apply these to a specific competitive situation to use in differentiating products and services for an enterprise

6. Evaluation

Type	Weight	Date
Group Project	15%	Saturday, June 3 rd by 11:55 pm
Midterm	40%	Saturday, June 17 th from 9 am to 11 am
Final Exam	45%	TBA; July 31 – August 3

Group Project – See OWL for more details.

Exams are **multiple-choice questions**. Each exam, in total, will be scheduled for **2 hours** and are **closed book examinations**. **Dictionaries are NOT allowed into the examinations**.

Only non-programmable calculators will be allowed into the exams. If you are unsure, please ask your instructor to check your calculator.

Students are responsible for material covered in the lectures as well as the assigned chapters/sections in the text. The final exam will be scheduled during the exam period. Exams will not be returned to students but may be reviewed in the instructor's office.

Students are **REQUIRED TO COMPLETE ALL COMPONENTS** of this course. There are no exceptions to this. Extra assignments to improve grades **will NOT** be allowed.

Exams will be scored using the program Scan Exam which examines the answer sheets for unusual coincidences in the pattern of answers given which may be indicative and used as supporting evidence of cheating. Grades will **not** be adjusted on the basis of need. It is important to monitor your performance in the course. Remember: *You* are responsible for your grades in this course.

7. Lecture and Examination Schedule

- Chapter 1 Introduction
- Chapter 2 (Reading assignment) Financial Statements
- Chapter 3 Financial Ratio Analysis
- Chapter 18 (s. 18.1, 18.2, 18.4, 18.5, 18.6) Short-term Financial Planning
- Chapter 19 (s. 19.1, 19.3) Cash and Liquidity Management
- Chapter 20 (s. 20.1, 20.2, 20.3, 20.6) Credit and Inventory Management
- Chapter 4 Long-term Financial Planning
- Chapter 5 Time Value of Money
- Chapter 6 Discounted Cash Flow Analysis
- Chapter 7 (s. 7.1–7.5, 7.7) Bond Valuation
- **Midterm**
- Chapter 8 (s. 8.1–8.3) Stock Valuation
- Chapter 15 (s. 15.1–15.4) Raising Capital
- Chapter 9 Net Present Value and Other Investment Criteria
- Chapter 11 (s. 11.1–11.5) Project Analysis and Evaluation
- Chapter 12 (s. 12.1–12.6) Capital Market History
- Chapter 13 (s. 13.1, 13.2, 13.6, 13.7) Risk and Return
- Chapter 14 (s. 14.1–14.4, 14.7) Cost of Capital
- Chapter 16 (s. 16.1–16.3, 16.5, 16.8, 16.10) Financial Leverage and Capital Structure
- Chapter 17 Dividend Policy

Tentative Time Table – *Subject To Change*

Class	Week of	Chapter(s)	Topic(s)
1	May 8	1, <u>2</u> , 5	Introduction; Financial Statements (know only for group project, but not for midterm); Time Value of Money
2	May 15	3, 4	Financial Ratio Analysis; Long-term Financial Planning
3	May 22	18	Short-term Financial Planning
4	May 29	6	Discounted Cash Flow Analysis
---	GROUP PROJECT Saturday, June 3	Covers materials from Class 1 to Class 4 (inclusive)	ONE (1) member to submit via OWL by 11:55 pm
5	June 5	7	Bond Valuation
6	June 12	19, 20	Cash and Liquidity Management; Credit and Inventory Management
---	MIDTERM Saturday, June 17	Covers materials from Class 1 to Class 6 (inclusive); <u>Ignore</u> Chapter 2	MIDTERM EXAM [2 Hours: 9 am – 11 am, TBA – Location]
7	June 19	8	Stock Valuation
8	June 26	9	Net Present Value and Other Investment Criteria
9	July 3	11	Project Analysis and Evaluation
10	July 10	12, 13	Capital Market History; Risk and Return
11	July 17	14, 15	Cost of Capital; Raising Capital
12	July 24	16, 17	Financial Leverage and Capital Structure; Dividend Policy.
---	FINAL [TBA]; July 31 – Aug 3	Covers materials from Class 7 to Class 12 (inclusive)	FINAL EXAM [2 Hours: TBA – Time & Location]

8. University Policy Regarding Illness

8.1 Illness

The University recognizes that a student's ability to meet his/her academic responsibilities may, on occasion, be impaired by medical illness. Illness may be acute (short term), or it may be chronic (long term), or chronic with acute episodes. The University further recognizes that medical situations are deeply personal and respects the need for privacy and confidentiality in these matters. However, in order to ensure fairness and consistency for all students, academic accommodation for work representing 10% or more of the student's overall grade in the course shall be granted only in those cases where there is documentation supplied (see below for process) indicating that the student was seriously affected by illness and could not reasonably be expected to meet his/her academic responsibilities.

Documentation shall be submitted, as soon as possible, to the appropriate Dean's office (the Office of the Dean of the student's Faculty of registration/home Faculty) together with a request for relief specifying the nature of the accommodation being requested. These documents will be retained in the student's file, and will be held in confidence in accordance with the University's Official Student Record Information Privacy Policy

http://www.uwo.ca/univsec/pdf/academic_policies/general/privacy.pdf

Once the petition and supporting documents have been received and assessed, appropriate academic accommodation shall be determined by the Dean's Office in consultation with the student's instructor(s). Academic accommodation may include extension of deadlines, waiver of attendance requirements for classes/labs/tutorials, arranging Special Exams or Incompletes, re-weighting course requirements, or granting late withdrawals without academic penalty.

Academic accommodation shall be granted only where the documentation indicates that the onset, duration and severity of the illness are such that the student could not reasonably be expected to complete his/her academic responsibilities. (Note: it will not be sufficient to provide documentation indicating simply that the student was seen for a medical reason or was ill.)

A form to be completed by off-campus physicians is available at:

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf

Whenever possible, students who require academic accommodation should provide notification and documentation in advance of due dates, examinations, etc. Students must follow up with their professors and their Academic Counselling office in a timely manner.

In the case of a final examination in the course, the student must arrange for a Special Examination or Incomplete through their Dean's office, for which you will be required to provide acceptable documentation.

If you feel that you have a medical or personal problem that is interfering with your work, you should contact your instructor and the Faculty Academic Counselling Office as soon as possible. Problems may then be documented and possible arrangements to assist you can be discussed at the time of occurrence rather than on a retroactive basis. In general, retroactive requests for grade revisions on medical or compassionate grounds will not be considered.

8.2 Make Up Examinations

The student must write a make-up exam if the regularly scheduled exam is missed for reasons for which adequate documentation is received by the instructor (this documentation must be supplied by the Academic Counseling office). The make-up exam **will** be different from the original exam.

9. University Policy on Cheating and Academic Misconduct

Cheating on exams will not be tolerated; students are referred to the university policy on scholastic offenses (see section 9.0 below). Looking at the test of another student, allowing another student to view your exam, or obtaining information about a test in advance are all examples of cheating. Students found cheating will receive a zero (0%) on that exam. A number of safeguards will be employed to discourage cheating. For example, examination supervisors (proctors) of the tests may ask students to move to another seat during the exam, cover their paper, avert their eyes from other students' papers, remove baseball caps, etc. This is not meant as a personal affront nor as an accusation of cheating, rather as vigilant attempts at proctoring. A copy of guidelines about how to avoid cheating can be obtained from the office of the Ombudsperson, Room 3135 WSSB, (519) 661-3573.

Students are responsible for understanding the nature of and avoiding the occurrence of plagiarism and other academic offenses. Students are urged to read the section on Scholastic Offenses in the Academic Calendar. Note that such offenses include plagiarism, cheating on an examination, submitting false or fraudulent assignments or credentials, impersonating a candidate, or submitting for credit in any course without the knowledge and approval of the instructor to whom it is submitted, any academic work for which credit has previously been obtained or is being sought in another course in the University or elsewhere. If you are in doubt about whether what you are doing is inappropriate, consult your instructor. A claim that "you didn't know it was wrong" will not be accepted as an excuse.

The penalties for a student guilty of a scholastic offense include refusal of a passing grade in the assignment, refusal of a passing grade in the course, suspension from the University, and expulsion from the University.

10. Procedures For Appealing Academic Evaluations

In the first instance, all appeals of a grade must be made to the course instructor (informal consultation). If the student is not satisfied with the decision of the course instructor, a written appeal must be sent to the Assistant Program Director or Designate of the BMOS program. If the response of the Assistant Director is considered unsatisfactory to the student, he/she may then appeal to the Dean of the Faculty in which the course of program was taken. Only after receiving a final decision from the Dean, may a student appeal to the Senate Review Board Academic. A Guide to Appeals is available from the Ombudsperson's Office.

11. Student Responsibilities

Material covered in lectures will not always be the same as material covered in the textbook. These two sources should be viewed as complimentary and not redundant. As such, students who want to do well in this course are **strongly encouraged** to review the lectures and the textbook on a regular basis.

12. Support Services

12.1 Support Services

The Registrar's office can be accessed for Student Support Services at <http://www.registrar.uwo.ca> Student Support Services (**including the services provided by the USC listed here**) can be reached at: <http://westernusc.ca/services/>
Student Development Services can be reached at: <http://www.sdc.uwo.ca/>

Students who are in emotional/mental distress should refer to Mental Health@Western http://www.health.uwo.ca/mental_health/ for a complete list of options about how to obtain help.

13. Other Issues

13.1 Grade Policy

The DAN Program has a grade policy which states that for courses in the 2000-2999 range, the class average must fall between 65% and 72% for all sections of a course taught by the same instructor. In very exceptional circumstances only, class averages outside this range may be approved by the Undergraduate Chair or Chair. Class averages are not grounds for appeal.

13.2 Short Absences.

If you miss a class due to minor illness or other problems, check your course outlines for information regarding attendance requirements and make sure you are not missing a test or exam. Cover any readings and arrange to borrow the missed lectures notes from a classmate.

13.3 Extended Absences.

If you are absent more than approximately two weeks or if you get too far behind to catch up, you should consider reducing your workload by dropping one or more courses. The Academic Counsellors can help you to consider the alternatives. At your request, they can also keep your instructors informed about your difficulties.

13.4 Academic Concerns.

If you are in academic difficulty, it is strongly recommended that you see your academic counsellor.

13.5 Important Dates:

Distance Studies – 0.5 course (12 weeks); Duration: May 8 – July 28

Last day to Add: May 12; Last day to Drop: June 12; Exam Period: July 31 – August 3

14. Other Information

- Bring student identification to exams.
- Nothing is to be on/at one's desk during an exam except a pencil, an eraser, and the individual's student card
- Do not wear baseball caps to exams
- Do not bring music players, cell phones, beepers, or other electronic devices to exams

For The University of Western Ontario Senate Regulations, please see the Handbook of Academic and Scholarship Policy at: http://www.uwo.ca/univsec/academic_policies/index.html

15. Email Policies

The following policies apply to all emails between students and the instructor. Please respect the fact that the instructor receives hundreds of emails from students and must deal with those emails in a fair and organized manner. Non-acceptable emails will receive a reply saying only "Please see Email Policies on the course outline".

15.1 UWO.CA Email Addresses Only

For privacy reasons, students must use their Western email accounts to contact the instructor. The instructor will not respond to emails from non-uwo.ca addresses (i.e. Gmail, Yahoo, Rogers, etc).

15.2 Subject Line **Must** Include Course Name and Number

The subject line of emails **must** contain the course name and number in which the student is enrolled. The instructor teaches different courses and sections and cannot properly respond to questions if he does not know which course or section you are enrolled in. The instructor will respond (i.e. either via email or in OWL's Forums) to students' emails within two (2) business days.

15.3 Acceptable Emails

- questions about the course content or materials
- asking to set up an appointment to ask questions or review an exam
- notification of illness or other special circumstances
- providing constructive comments or feedback about the course

15.4 Non-Acceptable Emails

- questions that may be answered on OWL or on this course outline
- asking when grades will be posted
- asking what grade a student received
- asking where or when an exam is scheduled or the material covered on an exam
- requests for grade increases, extra assignments, or reweighting of course components

16. FREQUENTLY ASKED QUESTIONS

Question	Answer
How can I succeed in this course?	Do all the assigned readings, participate in online discussions, and focus on understanding the key concepts.
I missed the midterm or final exam because I was sick or there was a death in my family.	See the relevant sections on this course outline.
I have a lot of midterms or projects at once. Can I write the make-up exam?	Make-up exams for exam conflicts are not available unless you have three (3) exams within a 24-hour period.
When will the exam grades be posted?	Midterm grades are posted on OWL when they become available. Final exam grades and final course grades are not posted on OWL.
Can I come and see my exam?	You can review your exam at a mutually convenient time.
Can I use a different textbook?	You can use a different textbook, but it is your responsibility to ensure that you are learning all of the assigned material. Be aware that different textbooks may be organized differently and may cover different material.
There is so much material. How can I possibly remember everything?	You do not need to remember everything in the book. You need to understand the fundamental concepts and how to apply them.
This mark is going to prevent me from getting accepted at Ivey/graduate school/NASA/etc.	Grades are given based on actual performance, as set out on the course outline. In order to be fair to all the students in the course, grade adjustments, extra assignments, and the reweighting of course components are not available.
I need a certain mark to get or maintain a scholarship, etc.	
I tried really hard but I still got a poor mark.	
This is the lowest mark I have ever received.	