



Western

DAN Department of Management
& Organizational Studies

**Faculty of
Social Science**

Fall 2021 Course Syllabus

MOS 3311A Section – 006 Advanced Corporate Finance Course Mode (Online)

Instructor: Professor Yini Liu

Office: SSC 4084

Office Hours: Appointment by email, online meeting via Zoom

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1. Course Information:

1.1 Class Location and Time:

Distance Studies/Online

Synchronous lecture time: Tuesdays 6:30pm-9:30pm

1.2 Course Description:

This course introduces students to an in-depth analysis of financial planning and management with emphasis on capital structure and dividend payout policies, cost of capital and capital budgeting, and working capital management. The course serves as a framework for understanding a broad range of corporate financial decisions.

Antirequisite(s): MOS 4310A/B.

Prerequisite(s): MOS 2310A/B OR MOS 3310A/B and enrolment in BMOS.

1.3 Accessibility:

DAN Department of Management & 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 519-661-2147 for any specific question regarding an accommodation.

More information about "Accessibility at Western" is available at: <http://accessibility.uwo.ca>

1.4 Land Acknowledgement:

We acknowledge that Western University is located on the traditional lands of the Anishinaabek, Haudenosaunee, Lūnaapéewak and Attawandaron peoples, on lands connected with the London Township and Sombra Treaties of 1796 and the Dish with One Spoon Covenant Wampum.

With this, we respect the longstanding relationships that Indigenous Nations have to this land, as they are the original caretakers. We acknowledge historical and ongoing injustices that Indigenous Peoples (e.g. First Nations, Métis and Inuit) endure in Canada, and we accept responsibility as a public institution to contribute toward revealing and correcting miseducation as well as renewing respectful relationships with Indigenous communities through our teaching, research and community service.

<https://indigenous.uwo.ca/initiatives/docs/indigenous-land-acknowledgment.pdf>

1.5 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.”

This regulation is in regard to the COURSES required.

Students not in BMOS are permitted to enroll in up to 1.0 MOS courses, per the Academic Timetable.

2. Course Materials

S.A. Ross, R.W. Westerfield, J.F. Jaffe, G.S. Roberts and H. Driss, 2019. Corporate Finance, Eighth Canadian Edition, McGraw-Hill Ryerson, ISBN: 9781259270116.

3. Course Objectives and Format

The DAN Department of Management and Organizational Studies as a whole draws upon an evidence-based management approach. Evidence-based management is the systematic process of gathering evidence from multiple sources, critically appraising the evidence, and using that evidence in making and evaluating management decisions to improve organizational performance.

3.1 Course objectives

This course covers advanced topics in corporate governance, capital budgeting, capital structure and valuation.

3.2 Course format

Synchronous lectures, practice problems, and group project.

See course website for the timetable and the list of topics covered for the course.

The course is delivered as synchronous online lectures; attendance is required and part of the components of the grade. The online lectures may be recorded, but the instructor reserves the right not to post the recorded lectures online. The lecture recordings will not be shared in any public domains. Technical requirements for the course include a stable internet connection, a functional computer or laptop with Zoom, a working microphone, and a webcam.

4. Learning Outcomes

Upon successful completion of this course, students will be able to

- Explain financial markets and functions of corporate

- Calculate and Interpret time value of money
- Estimate bond prices and identify factors that affect bond prices
- Estimate the value of a common stock and evaluate if the stock is under or over priced
- Calculate different components of cost of capital and the overall cost of capital of a corporation
- Calculate efficient portfolio using stock data
- Understand and evaluate capital budgeting decision rules and explain how real options affect these decisions
- Classify and distinguish various types of risk and their relation to portfolio choice
- Describe and calculate a firm's capital structure and interpret how leverage and firm value are related using Miller-Modigliani propositions
- Explain how a firm's dividend policy is set and how it affects firm value

5. Evaluation

Midterm Exam (during synchronous class time, 2 hours) = 31%

Group project: 25% (including a 5% peer evaluation)

Final Exam (during examination period scheduled by the Registrar, 2 hours) = 34%

Take-home online quizzes: 5%

Attendance, Participation, and Professionalism: 5%

MIDTERM TEST:

The midterm test is a **closed book exam (no book or notes are allowed during the exam)** and will contain both qualitative (state, explain, and/or describe) and quantitative (calculations) questions. The exam will be scheduled for 2 hours and conducted during class time **with Proctorio**. Exams will not be returned to students but may be reviewed with the instructor over Zoom.

MAKEUP MIDTERM TEST:

Students who miss the midterm test with legitimate reasons, subject to approval **by Student Counselling**, will have two options: 1) Students who miss the midterm test with legitimate reasons may take the makeup midterm test on **December 3rd (Friday), 10:00am-12:00pm**. 2) Students who miss the midterm test or the scheduled makeup midterm test with legitimate reasons can have the midterm grade reweighed towards the final exam; the final will then be worth 65% in this case.

CALCULATORS:

Only non-programmable calculators will be allowed into the exams. A financial calculator is allowed. If you are unsure, please ask your professor.

GROUP PROJECT:

- Students are expected to form groups of 5 students and assigned with a TSX-listed public company for conducting a detailed financial analysis. The analysis should follow the topics covered in the course and should answer the questions specified in the detailed project instructions posted on the course website.
- The final written report is due at midnight on **November 29, 2021**. Late submissions will be deducted 5% out of the total component grade of 25% per day late, including weekends. The report should be written in a professional matter, properly edited and formatted.
- The 25% group project grade is composed of 20% of the report itself and 5% peer evaluation grade. Every student will evaluate each other team member in your group on their efforts and participation in the group project.

FINAL EXAMINATION:

The final exam is **cumulative** and may contain both qualitative (state, explain, and/or describe) and quantitative (calculations) questions and/or an essay. The exam will be scheduled for **2 hours** during the exam period by the Registrar. **Details of the exam format and specifics will be later announced in class.** Exams will not be returned to students but may be reviewed with the instructor over zoom.

Tests and examinations in this course will be proctored using **Proctorio**. You will need a working web camera, microphone, stable internet connection and only one monitor to take the exams. You will be required to hold up your student card for identification purposes and show the room you are in before the test and keep your camera on for the entire session. The exams will be recorded.

More information about the use of Proctorio for exam invigilation is available in the Online Proctoring Guidelines at the following link:

[Remote Proctoring At Western - Remote Proctoring - Western University \(uwo.ca\)](#)

Electronic devices of any kind (including cell phones, smart watches and calculators) are NOT permitted at exams.

ATTENDANCE, PARTICIPATION, AND PROFESSIONALISM

The full score of attendance, participation, and professionalism is 5 points. Every student starts with a zero score. Attendance is required for the online synchronous lectures and will be taken via Zoom. There are totally 11 lecture sessions. Every class attendance/participation will be rewarded with 0.5-point until the 5 points is fulfilled. In addition, active participation in class such as engaging in discussions or answering questions will be rewarded with a 0.2-point addition per engagement/question-answering. Meanwhile, any conducts and behaviors that are considered as unprofessional will lead to a point deduction of 1 point (e.g. rude emails, impolite calling on the instructor and/or class member, ill manners during the zoom meeting, etc.).

Students are responsible for material covered in the lectures as well as the assigned chapters/sections in the text. Exams will not be returned to students but may be reviewed by contacting your instructor.

TAKE-HOME ONLINE QUIZZES

The take-home online quizzes are for students' concept checks. There will be 5 take-home online quizzes accounting for 5% of the total grade. The quizzes are open-book but students will have limited time and limited number of attempts.

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.

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.

The DAN Department has a grade policy which states that for courses in the 3000-4000 range, the class average must fall between 70% and 77% 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.

6. Lecture and Examination Schedule

See Schedule on OWL.

7. Student Responsibilities

Students should familiarize themselves with Western University Senate Regulations, please see: http://www.uwo.ca/univsec/academic_policies/index.html.

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 attend lectures on a regular basis. Please note that the instructor will not be providing copies of lectures notes or overheads. Therefore, if you miss a lecture, you should try to obtain this material from another student.

7.1 **Respect**

Please act respectfully towards the classroom, the Professor and your fellow students. Acting respectfully means arriving on time, turning off phones, avoiding private discussions during lectures, refraining from viewing non-course material on your laptops, and cleaning up after yourself. Acting respectfully provides a better learning experience for everyone.

Private in-class discussions are distracting to students and the Professor. If other students are distracting your attention from the material, you should ask them to be quiet. If you feel uncomfortable doing this (or the problem persists), please see the instructor.

Late arrivals are also distracting. Please try to arrive on time for classes.

7.2 **No Recording of Classes**

Students are not permitted to record any portion of a class, audio or video, without the prior written permission of the professor.

7.3 **Copyright Notice**

Lectures and course materials, including power point presentations, outlines, and similar materials, are protected by copyright. You may take notes and make copies of course materials for your own educational use. You may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, wiki material, and other course materials publicly and/or for commercial purposes without my written consent.

8. **Exam Policies**

ONLINE:

- Have student identification ready.
- Nothing is to be on/at one's desk during an exam, except your computer and any approved materials.
- No other browsers or programs may be open while an exam is in progress.
- Students may be required to use Proctorio or other proctoring software.

To ensure fairness to all students, questions will not be answered during exams.

9. **E-mail Policies**

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

9.1 **UWO.CA Email Addresses Only**

For privacy reasons, students must use their Western email accounts to contact the Professor. The Professor will not respond to emails from non-uwo.ca addresses (e.g. hotmail.com, gmail.com, etc.).

9.2 Subject Line Must Include Course and Section Number

The subject line of emails must contain the name or number of the course, and the section number in which the student is enrolled. The Professor teaches different courses and sections and cannot properly respond to questions if he does not know which course or section you are enrolled in.

9.3 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

9.4 Unacceptable 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

10. Attendance

ONLINE: It is expected that students will attend all synchronous lectures. The professor will not provide access to the lecture after it has been presented. Students are encouraged to obtain missed lecture notes from a fellow student.

10.1 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.

10.2 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.

11. Grade Fairness

Fairness requires that all students be treated equally and be evaluated using the criteria set out in this course outline. The evaluation criteria are based on actual achievement and not on how hard a student has tried.

Claims by students of an excellent academic history, good attendance record, need to obtain or maintain a scholarship, desire to be admitted to Ivey or graduate school, or other personal issues, cannot be used to justify a higher grade in the course or a reweighting of course components. There is no extra work or assignments available for extra credit or to “make up” for a course component that was missed or performed poorly.

12. Posting of Grades

Midterm exam grades will be posted on OWL once the grades are available. Final exam grades and final course grades are not posted on OWL and are available once they have been posted by the Registrar under “Academic Summary” at the [Student Centre](#) website.

13. University Policy Regarding Illness

13.1 Illness

For details on the Academic Consideration for Student Absences (including accommodation, illness and self-reported absences (SRAs)), go to:

https://www.uwo.ca/univsec/pdf/academic_policies/appeals/accommodation_illness.pdf

The current Illness Policy is available here (subject to change):

https://dan.uwo.ca/undergraduate/course_information/IllnessPolicy.pdf

13.2 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 date and time of the make-up examination will be set by the instructor, who will communicate the date to the student.

If a student is unable to meet the scheduled make-up as agreed, then the student is responsible for obtaining new accommodations from Academic Counselling, and seeking a new make-up date with the instructor within a reasonable time frame.

14. University Policy on Cheating and Academic Misconduct

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.

A copy of guidelines about how to avoid cheating can be obtained from the Office of the Ombudsperson, Room 3135 WSSB, (519) 661-3573, ombuds@uwo.ca.

Cheating on exams will not be tolerated; students are referred to the university policy on scholastic offenses. 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.

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.

15. Procedures For Appealing Academic Evaluations

1. In the first instance, all appeals of a grade must be made to the course instructor (informal consultation).

2. If the student is not satisfied with the decision of the course instructor, a written appeal must be sent to the Undergraduate Chair: Student Affairs of the Department of Management and Organizational Studies.
3. If the response of the Undergraduate Chair 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.
4. 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 Office of the Ombudsperson.

16. Support Services

16.1 Support Services

The Registrar's office provides you with information on services, courses, student finances, resources, latest news, as well as Student Central's hours of operation 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/your-services/>

Academic Support & Engagement can be reached at: <http://academicsupport.uwo.ca>

Students who are in emotional/mental distress should refer to Health and Wellness: <https://www.uwo.ca/health/> for a complete list of options about how to obtain help.

16.2 Academic Concerns.

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