



## Fall/Winter 2023/24 Course Syllabus

### **MOS 2310A Sections – 001, 002, & 003 Finance**

Course Mode: In-Person

Instructor: Nicholas Kahnert

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#### **1. Course Information:**

##### **1.1 Course Description:**

This course provides an 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.

Antirequisite(s) at Main campus: Financial Modelling 2555A/B, and MOS 3310A/B. Antirequisite(s) at Brescia campus: MOS 3310A/B. Antirequisite(s) at Huron campus: Financial Modelling 2555A/B, MOS 3310A/B, the former Actuarial Science 2555A/B.

Prerequisite(s): Enrolment in BMOS, Music Administrative Studies (MAS), or Honors Specialization in Urban Development.

##### **1.2 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.

Contact Academic Support & Engagement at <http://academicsupport.uwo.ca/> for information about Western's Accessible Education.

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

##### **1.3 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>

#### 1.4 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 PREREQUISITE COURSES required.

**Students not in BMOS are permitted to enroll in up to 1.0 MOS courses**, per the Academic Timetable. The requirement that states you must be in BMOS is lifted during registration on the priority lift dates as noted in the [Timetable](#).

## 2. Course Materials

Ross, S.A., Westerfield, R.W., Jordan, B.D., Pandes, J.A., Holloway, T.A., 2012. *Fundamentals of Corporate Finance, Eleventh Canadian Edition*. McGraw-Hill. ISBN: 9781260305869

(Please note that the above ISBN includes the physical textbook, online access to Connect, and the e-book. Students who do not wish to have a physical textbook may wish to choose the online only option, which includes access to the e-book only and Connect for 360 days. The ISBN for this option is 9781265024611, and it can be purchased through the Western Bookstore via the “Alternative” option for this course.

## 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

- The objective of this course is to introduce the participant to the fundamentals of corporate finance. Every decision that a corporation makes has financial implications, and any decision which affects the finances of a corporation is a corporate finance decision. The participant will learn how these business decisions are tied together by one powerful concept, the Valuation Principle.
- Whether you plan to major in finance or simply take this one course, you will find the fundamental financial knowledge gained to be essential in your personal and business lives.

### 3.2 Course format

The course is scheduled as a series of 3-hour in-person lectures. Some class time might be set aside for course administration.

The course format is subject to change based on Covid-19 protocols or restrictions. Therefore, aspects of this course MAY be conducted in a hybrid format with asynchronous course material, and weekly synchronous discussion/tutorials. Any such tutorial sessions will be conducted via Zoom during regularly scheduled class time, and will be intended to be interactive.

**Any remote learning sessions for this course MAY be recorded from time to time.** The data captured during these recordings may include your image, voice recordings, chat logs and personal

identifiers (name displayed on the screen). The recordings will be used for educational purposes related to this course, including evaluations. The recordings may be disclosed to other individuals under special circumstances. Please contact the instructor if you have any concerns related to session recordings.

Participants in this course are not permitted to record the sessions, except where the participant has the prior written permission of the instructor.

#### **Course delivery with respect to the COVID-19 pandemic:**

Although the intent is for this course to be delivered in-person, the changing COVID-19 landscape may necessitate some or all of the course to be delivered online, either synchronously (i.e., at the times indicated in the timetable) or asynchronously (e.g., posted on OWL for students to view at their convenience). The grading scheme will not change. Any assessments affected will be conducted online as determined by the course instructor.

When deemed necessary, tests and examinations in this course will be conducted using a remote proctoring service. By taking this course, you are consenting to the use of this software and acknowledge that you will be required to provide personal information (including some biometric data) and the session will be recorded. Completion of this course will require you to have a reliable internet connection and a device that meets the technical requirements for this service. More information about this remote proctoring service, including technical requirements, is available on Western's Remote Proctoring website at: <https://remoteproctoring.uwo.ca>.

## **4. Learning Outcomes**

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

## **5. Evaluation**

Professionalism	= 10%	[Refer to OWL for specific details]
Contribution	= 5%	[Includes iClicker & other; Refer to OWL for specific details]
Group Case-Study Assignment	= 5%	[Due in early December, Refer to OWL for specific details]
Problem Sets/Assignments	= 5%	[6 assignments throughout the term via OWL, drop lowest score]
Midterm Exam	= 30%	[Tentatively scheduled for October 28, 1-3pm]
Final Exam	= 45%	[Cumulative, Scheduled by Registrar]

**IMPORTANT: Students must achieve a minimum grade of 50% on the final exam in order to achieve an overall passing grade in the course, and students must achieve a grade of at least 55% on at least one of the exam components of the course in order to achieve an overall grade of 60% or higher.**

Six problem sets will be assigned for independent completion via OWL Tests & Quizzes. Question formats may include multiple choice, true/false, numeric answer, fill in the blank, or short answer. Problem sets will typically be assigned on a Friday and will be due for submission on the following Sunday at 11:59pm (giving a three-day window for completion). Once started, most problem sets will have a time-limit of 3-4 hours and will automatically be submitted once the time limit has been reached (though students may submit sooner). In addition, students will be required to complete a Data Analytics case study, which will be completed in groups using either MS Excel or Power BI (TBD). More information will be provided on the course OWL site.

The midterm exam is expected to be delivered in-person, scheduled for **2 hours, and will consist of approximately 40 multiple choice questions**. [This format and duration may change if Covid-19 protocols require that the exam be delivered online]

The final exam is expected to be scheduled for **3 hours and will consist of approximately 60 multiple choice questions**. Question formats will be similar to the midterm exam. [This format and duration may change if Covid-19 protocols require that the exam be delivered online]

**Only non-programmable calculators will be allowed into the exams. Graphing calculators are not permitted!** Students using a programmable and/or graphing calculator during an exam will be assigned a minimum exam grade penalty of 25%. If you are unsure about whether your calculator is permitted, please ask your professor to check your calculator BEFORE the exam day.

**Electronic devices of any kind (including pagers, cell phones, smart watches, and programmable calculators) are NOT permitted at exams.** *If students have cell phones or other electronic devices, these devices MUST be turned off and stored away from the student during the exam. Devices may not be kept on exam desk or on students' person (in pockets) during the exam, even if turned off. Contravention of this policy will be treated as an academic offense, and will result in an automatic grade of 0 (zero) on the exam.*

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. Suspected cheating on any exam will result in a grade of 0, and will initiate an investigation of academic offence.

This course has other exam guidelines and expectations which are clearly outlined in a document on the course website. Students are expected to understand and adhere to these guidelines to avoid grade penalties.

Students are responsible for all material covered during lectures or tutorials, as well as any assigned readings from the text or elsewhere on the course website.

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 instructor reserves the right to adjust all grade components and final grades, up or down, by standardizing to a pre-determined common mean range. As such, students' grades will be partially determined based on their results relative the class average. Standardization of grades is designed to control for variations in assessment difficulty across different delivery methods, and to ensure fairness across sections.

The DAN Department has a grade policy which states that for courses in the 2000 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.

## 6. Lecture and Examination Schedule

Please refer to OWL for a tentative detailed course schedule. The professor reserves the right to change or update this outline, and any other course related materials. Students will be informed in a timely manner through the course website and/or announcements.

Material covered during lectures or tutorials, or in recorded videos, will not always be the same as material covered in the textbook. These two sources should be viewed as complimentary and not redundant.

- Chapter 1 Introduction
- Chapter 2 (s. 2.1-2.4) Financial Statements (assigned as non-graded reading assignment)
- Chapter 3 Financial Ratio Analysis
- Non-text subject material: Using Data Analytics for Decision Making
- Chapter 4 Long-term Financial Planning
- Chapter 5 Time Value of Money
- Chapter 6 Discounted Cash Flow Analysis
- Chapter 7 (s. 7.1–7.3, 7.5–7.7) Bond Valuation
- Chapter 8 (s. 8.1–8.3) Stock Valuation
- Chapter 15 (s. 15.1–15.4) Raising Capital (partially assigned as reading)
- Chapter 9 (s. 9.1 - 9.6) Net Present Value and Other Investment Criteria
- Chapter 11 (s. 11.1–11.5) Project Analysis and Evaluation
- Chapter 12 Capital Market History (partially assigned as reading)
- Chapter 13 (s. 13.1, 13.2, 13.4-13.7) Return, Risk, and the Security Market Line
- Chapter 14 (s. 14.1–14.4, 14.8) Cost of Capital
- Chapter 16 (s. 16.1–16.3, 16.5, 16.8) Financial Leverage and Capital Structure
- Chapter 17 Dividend Policy
- Chapter 18 (s. 18.1, 18.2, 18.4-18.6) Short-term Financial Planning
- Chapter 19 (s. 19.1, 19.3) Cash and Liquidity Management
- Chapter 20 (s. 20.1- 20.3, 20.6) Credit and Inventory Management

## 7. Student Responsibilities

Students should familiarize themselves with Western University Senate Regulations, please see: [http://www.uwo.ca/univsec/academic\\_policies/index.html](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 instructor 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 instructor. 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 your 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 instructor.

## 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 the written consent of your instructor.

## 8. Exam Policies

- Bring student identification to exams.
- Nothing is to be on/at one's desk during an exam except a pencil, an eraser, an approved calculator, and the individual's student card
- No smart watches, smart phones, other electronic devices are permitted at exams
- ***This course has other exam guidelines and expectations which are clearly outlined in a document on the course website. Students are expected to understand and adhere to these guidelines in order to avoid grade penalties.***

## 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

- 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
- questions about course content or materials (these should be directed to OWL Discussions)

- 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

It is expected that students will attend all classes. The instructor does not provide access to lecture notes. 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.

**You, the student, are responsible for the grades earned.**

## 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, Absence and Accommodation

### 13.1 Illness

Students will need to provide a Student Medical Certificate if the absence is medical or provide appropriate documentation if there are compassionate grounds for the absence in question. Students are encouraged to contact their Faculty Academic Counselling office to obtain more information about the relevant documentation.

For privacy reasons, students should also note that individual instructors should not receive documentation directly from a student, whether in support of an application for consideration on medical grounds, or for other reasons. All documentation required for absences must be submitted to the Academic Counselling office of a student's Home Faculty.

For details on the Policy on Accommodation for Medical Illness, go to:

[https://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/academic\\_consideration.pdf](https://www.uwo.ca/univsec/pdf/academic_policies/appeals/academic_consideration.pdf)

Students can download the Student Medical Certificate (SMC) here:  
[https://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf)

### 13.2 Accessible Education

Students with disabilities work with Accessible Education (formerly SSD) which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here:

[https://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/Academic Accommodation\\_disabilities.pdf](https://www.uwo.ca/univsec/pdf/academic_policies/appeals/Academic_Accommodation_disabilities.pdf)

Students needing access to Accessible Education should register here:  
[http://academicsupport.uwo.ca/accessible\\_education/index.html](http://academicsupport.uwo.ca/accessible_education/index.html)

### 13.3 Religious Accommodation

Students should consult the University's list of recognized religious holidays, and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

### 13.4 Make Up Examinations

***There is no make-up midterm exam in this course.*** If a student misses the regularly scheduled exam for any reason, and for which adequate documentation is received by the instructor (this documentation must be supplied by the Academic Counseling office), then **the student will receive a modified and lengthened final exam which will be re-weighted to 75% of the course grade weight.**

If a student misses the regularly scheduled final exam for any reason, and for which adequate documentation is received by the instructor (this documentation must be supplied by the Academic Counseling office), then the student must write a make-up exam. ***The date and time of the final exam make-up will be set by the instructor, who will communicate the date to the student.*** The format of the final exam make-up may be different than the format of the regularly scheduled exam, but will contain the same breadth and depth of coverage.

### 13.5 Accommodation for missed Problem Sets & Contribution

Universal accommodation is built-in to the grading policy for Problem Sets and Contribution by automatic grade adjustments. Please refer to the course expectation documents for further information. **In general, there are no extensions, make-ups, or re-writes for any missed problem sets or missed contribution opportunities (via iClicker or other) during lectures.** Students who face extraordinary circumstances, which require multiple assessments to be missed, should seek advice and/or accommodation through the Academic Counselling office of their respective faculty. In such rare instances, grade re-weighting may be available on a case-by-case basis.

## 14. University Policy on Cheating and Academic Misconduct

Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, at the following Web site:  
[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/scholastic\\_discipline\\_undergrad.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf)



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 use of AI and translation tools in written work beyond a dictionary is not permitted unless permission is granted by the instructor for specific circumstances. Any work submitted must be the work of the student in its entirety unless otherwise disclosed. When used, any such AI or translation tool should be used ethically and responsibly, and students must cite or credit the tools used in line with the expectation to use AI as a tool to learn, not only to produce content.

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](mailto: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 of the Department of Management and Organizational Studies.
3. If the response of the Undergraduate Chair is considered unsatisfactory to the student, they 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/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.