



## DEPARTMENT Business & Office Administration

### COURSE OUTLINE – Winter 2024

#### BA2030 (EC): Financial Management – 3 (3-0-0) UT 45 Hours for 15 Weeks

Northwestern Polytechnic acknowledges that our campuses are located on Treaty 8 territory, the ancestral and present-day home to many diverse First Nations, Metis, and Inuit people. We are grateful to work, live and learn on the traditional territory of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation, who are the original caretakers of this land.

We acknowledge the history of this land and we are thankful for the opportunity to walk together in friendship, where we will encourage and promote positive change for present and future generations.

**INSTRUCTOR:** Abigail (Abby) Head, CPA, CMA, MBA   **PHONE:** 780-539-2712  
**OFFICE:** C304   **E-MAIL:** AHead@NWPolytech.ca  
**OFFICE HOURS:** By appointment

#### CALENDAR DESCRIPTION:

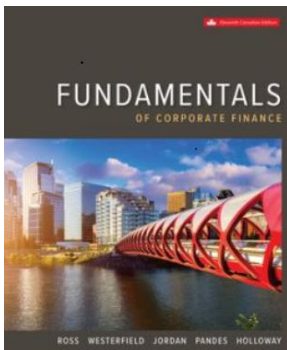
The objectives of financial management and financial decision making are explored in this course. The approach is practical in nature with an emphasis on cash flow analysis, working capital management, and financial planning.

**PREREQUISITE(S):** BA1120 Principles of Accounting & BA1050 Business Mathematics

#### REQUIRED TEXT/RESOURCE MATERIALS:

1. **PRINT TEXT/E-BOOK + CONNECT**

Ross S.A., Westerfield R.W., Jordan B.D., Roberts G.S., Pandes J.A., Holloway T.A. (2022). *Fundamentals of corporate finance*, Eleventh Canadian Edition. McGraw Hill Ryerson Limited.



This text/e-Book includes Connect with SmartBook Online Access. The text/e-Book will be used extensively. Student's must purchase the McGraw Hill Connect (Connect) print text/e-Book with SmartBook online access. Students must have a Connect access code to access online course resources used for evaluations for the duration of the course. It is the student's choice if they purchase a new print text with a Connect access code *or* an e-Book with a Connect access code. If students purchase a used print text, a Connect access code must be purchased separately.

Note: the time zone in Connect must be set to Canada/Mountain time for duration of course.

Connect Supports several operating systems and browsers. See required Connect operating systems and browsers at <https://mhedu.force.com/CXG/s/article/McGraw-Hill-System-Requirements-HigherEd> .

2. **FINANCIAL CALCULATOR**

Texas Instruments (BA II Plus), Hewlett-Packard (HP-10B II), *or* Sharp (EL-738) (recommended & used in BA1050). The above calculators and pre-approved translation devices are the *only* electronic devices allowed during quizzes, tests, and examinations. Cell phones and programmable calculators and other electronic devices may not be used in quizzes, testing, or examinations.

3. **SOFTWARE & NETWORK REQUIREMENTS**

The following software apps and internet capacity are required to participate in online course content: see NWP requirements at <https://www.nwpolytech.ca/doc.php?d=TECHREQ> and Connect requirements at <https://mhedu.force.com/CXG/s/article/McGraw-Hill-System-Requirements-HigherEd>

#### 4. COURSE MANAGEMENT SYSTEM:

NWP uses myClass (D2L/Brightspace) online course management system. In myClass, see the BA2030 course home page for important course information. To access visit <https://myclass.gprc.ab.ca/d2l/home>

#### 5. MCGRAW HILL CONNECT PROCTORIO BROWSER LOCKDOWN & MONITOR PROCTORING SOFTWARE:

The assignments for this course must be taken online with the use of McGraw Hill Connect's Proctorio proctoring software. **The quizzes, tests, and exams for this course must be taken online with the use of McGraw Hill Connect's Proctorio proctoring software where video and audio are verified and recorded from the student's webcam and microphone.** Students are responsible for all fees associated with proctoring services. **Please be aware that Proctorio charges a one-time fee of approximately \$15 - \$50USD per course (subject to change).**

Proctorio software is enabled to control import/export and access. Video and screen recording is off for assignments. Video and screen recording is activated for quizzes, tests, and examinations. Students are responsible for all fees associated with proctoring services.

**Students must download and utilize Proctorio through McGraw Hill Connect for the duration of course.** The proctoring software is a requirement to uphold academic integrity and is necessary to meet accreditation requirements.

It is important to note that the software recordings are automated systems and are designed to be less intrusive and costly than in-person proctors. **The Proctorio software is used to verify and record video/screen activity only while you are signed in during your pre-announced and scheduled quizzes, tests, and examinations.** The instructor and administrators only review the video/screen recordings after the assessments are submitted **and only if it was flagged** due to suspicious activity. Note all suspicious activity will be reviewed with the Department Chair.

The collection and use of your personal information is in accordance with the Freedom of Information and Protection of Privacy (FOIP) Act S. 33 (c) which states that "*No personal information may be collected by or for a public body unless that information relates directly to and is necessary for an operating program or activity of the public body.*" In addition, S. 39 (4) states, "*A public body may use personal information only to the extent necessary to enable the public body to carry out its purpose in a reasonable manner.*"

If you are unable to complete assessments using the McGraw Proctorio Proctoring software, you must request alternative accommodations in advance from your instructor; [AHead@nwpolytech.ca](mailto:AHead@nwpolytech.ca). Alternative accommodations include Proctoru. **Any proctoring services other than McGraw Hill Connect Proctorio are subject to instructor pre-approval. Students are responsible for all fees associated with proctoring services; fees range from \$15US - \$50USD (subject to change).**

#### DELIVERY MODE(S): Asynchronous (online)

This type of course will be delivered online through NWP's learning management system and McGraw Hill Connect with Proctorio. There are no set class times and students attend remotely and asynchronously.

**This is a paced online self-study course.**

#### LEARNING OUTCOMES:

Upon completion of this course, the student will be able to:

Introduction to Corporate Finance

- Describe the basic types of financial management decisions and the role of the financial manager.
- Recognize the financial implications of the different forms of business organization.
- Summarize the goals of financial management.
- Discuss the conflicts of interest that can arise between managers and owners.

Financial Statements, Cash Flow, and Taxes

- Demonstrate the differences between accounting value (or "book" value) and market value.
- Identify the differences between accounting income and cash flow.
- Determine a firm's cash flow from its financial statements.
- Demonstrate the difference between average and marginal tax rates.
- Describe the concepts of Capital Cost Allowance (CCA) & Undepreciated Capital Cost (UCC).

### Working with Financial Statements

- Identify the sources and uses of a firm's cash flows.
- Prepare standardized financial statements for comparison purposes.
- Compute and interpret common financial ratios.
- Identify and discuss the determinants of a firm's profitability.
- Identify and examine some of the issues in financial statement analysis.

### Long-term Financial Planning and Corporate Growth

- Discuss the objectives & goals of financial planning.
- Compute the external financing needed to fund a firm's growth.
- Prepare pro-forma financial statements by applying the percentage sales method.
- Compute the sustainable and internal growth rates.
- Identify and examine some of the problems in planning for growth.

### Introduction to Valuation: The Time Value of Money

- Determine the future value of an investment made today.
- Determine the present value of cash to be received at a future date.
- Demonstrate how to find the return on an investment.
- Calculate rates of return and the number of periods to reach the desired value.

### Discounted Cash Flow Valuation

- Determine & calculate the future and the present value of investments with multiple cash flows.
- Demonstrate how loan payments are calculated and how to find the interest rate on a loan.
- Compute loan amortization and payments.
- Describe how interest rates are quoted (and misquoted).

### Net Present Value and Other Investment Criteria

- Compute the net present value and explore its value when making investment decisions.
- Apply and compute the payback rule and discuss its shortcomings.
- Apply and compute the discounted payback rule and discuss its shortcomings.
- Apply the internal rate of return and discuss its strengths and weaknesses.
- Apply the profitability index and explain its relation to net present values.
- Explain how capital rationing affects the ability of a company to accept projects.

### Making Capital Investment Decisions

- Determine relevant cash flows for a proposed project.
- Demonstrate how to project cash flows and determine project viability.
- Calculate operating cash flow using alternative methods.
- Calculate the present value of a tax shield on CCA.
- Evaluate cost-cutting proposals and analyze replacement decisions.

### Short-term Finance and Planning

- Explain the operating and cash cycles and their importance.
- Discuss short-term financial policy and the essentials of short-term financial planning.
- Identify and list the sources and uses of cash on the balance sheet.
- Complete a cash budget.
- Describe the different types of short-term borrowing.

### Credit and Inventory Management

- Discuss how firms manage their receivables and the basic components of a firm's credit policies.
- Evaluate credit policy and the terms of sale.
- Review the costs of carrying inventory and optimum levels.

### **TRANSFERABILITY:**

Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at the Alberta Transfer Guide main page <http://www.transferalberta.alberta.ca>.

**\*\* Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability**

**EVALUATIONS:**

Connect Smartbook Assignments	12%
Connect Practice Assignments	15%
Quizzes	8%
Midterm Examination**	30%
Final Examination* (Comprehensive) (2-hour examination) (Prescheduled examination times on April 19 & 20 Only)	35%
<b>Total</b>	<b>100%</b>

**\*In order to receive credit for BA 2030, you must achieve 50 percent on the final examination, and a course composite grade of at least D (50%).** You are strongly encouraged to complete all assignments, tests, and exams. Students will receive a zero (0) for any missed assignments, quizzes, and examinations(s). Extra work is not assigned. There are no re-writes, deadline extensions, or bonus assignments available to improve your grade. Students who submit a blank or substantially incomplete final examination will not be eligible for a repeat final examination.

\*\*Absences/incompletes during the mid-term will be assigned a grade of zero. The zero grade will be used in determining a student's letter grade prior to writing the final exam regardless of any special arrangements made. For example, in extenuating circumstances, the mid-term exam weighting may be transferred to the final exam when calculating the final grade. However, the letter grade before writing the final exam will include the zero grade and remain unchanged.

**GRADING CRITERIA:** Please note that most universities will not accept your course for transfer credit **IF** your grade is **less than C-**.

Alpha Grade	4-point Equivalent	Percentage Guidelines	Alpha Grade	4-point Equivalent	Percentage Guidelines
A+	4.0	95-100	C+	2.3	67-69
A	4.0	85-94	C	2.0	63-66
A-	3.7	80-84	C-	1.7	60-62
B+	3.3	77-79	D+	1.3	55-59
B	3.0	73-76	D	1.0	50-54
B-	2.7	70-72	F	0.0	00-49

**COURSE SCHEDULE/TENTATIVE TIMELINE:**

The schedule is tentative and may vary slightly at the discretion of the instructor.

Week of...	Required Text Readings
January 8	Course Outline and Chapter 1 Introduction to Corporate Finance
January 15	Chapter 2 Financial Statements, Cash Flow, and Taxes
January 22	Chapter 3 Working with Financial Statements
January 29	Chapter 3 & 4 Long-term Financial Planning and Corporate Growth
February 5	Chapter 4 Long-term Financial Planning and Corporate Growth
February 12	Chapter 5 Introduction to Valuation
February 19	Family Day and Winter Break
February 26	Mid-term Examination (Pre-scheduled times, book by appointment)
March 4	Chapter 6 Discounted Cash Flow Valuation
March 11	Chapter 9 Net Present Value and Other Investment Criteria
March 18	Chapter 10 Making Capital Investment Decisions
March 25	Chapter 10 Making Capital Investment Decisions
April 1	Chapter 18 Short-term Finance and Planning
April 8/15	Chapter 20 Credit and Inventory Management
April 17 - 24	Comprehensive Final Exam* (All Chapters) (2-hour examination) **Prescheduled examination times on April 19 & 20 Only **

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### **STUDENT RESPONSIBILITIES:**

Registered students are expected to abide by the rules and regulations of the Polytechnic. As students, rights apply to the Polytechnic in terms of what students are expected to know, expect and receive in all aspects of their period of study at NWP. The standards of student responsibilities apply to all students in terms of what they are expected to take responsibility for and how to conduct themselves during their period of study at NWP. There are no exceptions to this policy. It is the student's responsibility to be fully acquainted with and adhere to NWP's policies, procedures or rules; see <https://www.nwpolytech.ca/about/administration/policies/> and <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=69>

### **STATEMENT ON ACADEMIC MISCONDUCT:**

Academic Misconduct will not be tolerated. For a more precise definition of academic misconduct and its consequences, refer to the Student Rights and Responsibilities policy available at <https://www.nwpolytech.ca/about/administration/policies/index.html>.

\*\*Note: all Academic and Administrative policies are available on the same page.

### **ADDITIONAL INFORMATION:**

#### **Participation:**

**Complete the course content in the order presented.** Complete all Connect Smartbook Assignments (readings), Connect Exercises, and Connect Practice Assignments before progressing to the next chapter. Please adhere to the tentative weekly schedule; see tentative timeline section above. Discussion posts in myClass are used weekly to supplement practice and provide a forum for collaboration.

Adopting and adhering to effective learning habits in this course will likely take up a great deal of time. You should plan your schedule according to the tentative course schedule above. You may complete and submit exercises, assignments, quizzes, and tests/exams before the due dates but only within the allowed pre-set time range.

Course materials (course outline, schedule information, assignments, PowerPoints, etc.) and announcements will be available/published in myClass (D2L), McGraw Hill Connect, and NWP Webmail. **Students are responsible for checking these sites regularly; 2 – 5 times per week for the duration of the course.**

Students may be refused permission to write the final examination on the advice of the instructor. This usually happens when there are more than four absences (2 weeks), **or if significant assessments** like assignments, quizzes, tests, and/or examinations are not completed before the published deadlines; see Final Examination Policy and Debarred from Examinations; <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=37>.

#### **Webmail**

Students may contact the instructor by NWP webmail. NWP webmail will be answered within two business days. Webmail correspondence must be sent to your instructor from your NWP Webmail account. All webmail should be professionally formatted and include a subject line with reference to the course code.

#### **Copyright**

NWP respects Canadian and International laws and agreements with respect to the use of copyright materials. It is the responsibility of the individual using copyrighted materials to ensure said use is compliant with Canadian law, the Use of Copyright Materials Policy, and the Copyright Practices Guide for NWP instructors and Staff. See <https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=71>

#### **Study Skills Hub**

Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly. The NWP Study Skills Hub will help you develop the skills you need to succeed in your program and cope with the demands of higher education. Click on the following link for free access: <https://libguides.nwpolytech.ca/learningportal/studyskills>