



**DEPARTMENT Business Administration**

**COURSE OUTLINE – FALL 2021**

**BA2030 (A2): Finance I – 3 (3-0-0) UT 45 Hours for 15 Weeks**

Grande Prairie Regional College respectfully acknowledges that we are located on Treaty 8 territory, the traditional homeland and gathering place for many diverse Indigenous peoples. We are honoured to be on the ancestral lands of the Cree, Dene/Beaver and Métis, whose histories, languages, and cultures continue to influence our vibrant community. We are grateful to have the opportunity to work, learn, and live on this land.

**INSTRUCTOR:** Abigail (Abby) Head, CPA, CMA, MBA   **PHONE:** 780-539-2712  
**OFFICE:** C304   **E-MAIL:** ahead@gprc.ab.ca  
**OFFICE HOURS:** Virtually via Zoom on Tuesday, Thursday, and Friday 1 pm - 2pm

**CALENDAR DESCRIPTION:**

The objectives of financial management and the related role and responsibilities of the financial manager are explored. The approach is practical in nature with references to the development of theories in finance. The various sources of funds for a firm are explored using a corporate framework.

**PREREQUISITE(S):** BA1120 Principles of Accounting

**REQUIRED TEXT/RESOURCE MATERIALS:**

1. **TEXT**

Ross S.A., Westerfield R.W., Jordan B.D., Roberts G.S., Pandes J.A., Holloway T.A. (2019). *Fundamentals of corporate finance*, Tenth Canadian Edition. McGraw Hill Ryerson Limited.

**This text includes Connect with SmartBook Online Access. The text will be used extensively. All students must purchase the McGraw Hill Connect text/e-book with SmartBook Online Access.** Students must have a Connect access code to gain access to online resources. It is the student's choice if they purchase a new textbook with a Connect access code, *or* an e-book with a Connect access code. **If you have purchased a used textbook, you will have to purchase a Connect access code separately.**

## 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 may not be used in quizzes, testing, or examinations.** Please use your own approved calculator in class and during quizzes, tests, and exams.

## 3. SOFTWARE & NETWORK REQUIREMENTS

The following software apps and internet capacity are required to participate in online courses at GPRC:

| Application  |  |
|--|--|
| Web Browser  | Google Chrome with auto updates enabled          |
| Office Suite<br><br>*GPRC students receive a free Microsoft Office 365 license for Windows or macOSX | Microsoft Office 2016 or compatible office suite |
| Internet   |  |
| DSL, Cable or LTE wireless internet  | 1.5Mbps upload, 1.5Mbps download                 |

## 4. MINIMUM DEVICE REQUIREMENTS

**Note:** Students may experience some issues using Chromebooks with some applications. Please discuss issues with your instructor.

**NOTE:** A desktop or laptop computer is strongly recommended over tablet devices for participation in online meetings or online class sessions. iPhones or Android phones may provide minimum functionality, but are NOT recommended for participation in online sessions.

A device must meet or exceed the following specifications to participate in online courses at GPRC:

| Platform   | OS Version  | Hardware Specs  |
|--|---|---|
| Windows Desktops<br>Windows Laptops<br>Windows Tablets | Windows 10 Home<br>Windows 10 Professional<br>Windows 8 or 8.1<br><br>*Windows 10S is not supported in S mode | Dual-core CPU<br>2 GB RAM<br>64 GB storage<br>1280x768 display resolution<br>Microphone<br>Speakers or Headphones<br>Web camera |
| Mac Desktops<br>Mac Laptops                            | macOSX 10.13 or higher  | Dual-core CPU<br>4 GB RAM<br>64 GB storage<br>1280x800 display resolution<br>Microphone<br>Speakers or Headphones<br>Web camera |
| Chromebooks  | ChromeOS with updates enabled   | Dual-core CPU<br>2 GB RAM<br>16 GB storage<br>Speakers or Headphones  |
| iPad v3 or newer                                       | iOS 7.0 or iPadOS 13  | 8 GB of free storage<br>Speakers or Headphones  |
| Android Tablet   | Android 6.0   | Dual-core CPU<br>1 GB RAM<br>8 GB of free storage<br>1280x800 display resolution<br>Speakers or Headphones                      |

5. **COURSE MANAGEMENT SYSTEM:**

GPRC uses the “myClass” (D2L) online course management system. To access myClass (D2L), visit <https://myClass.gprc.ab.ca/>

6. **AUDIO/VIDEO CONFERENCING SOFTWARE:**

GPRC uses the Zoom web-based audiovisual conference system. Zoom is a real-time virtual meeting environment that supports:

- Real-time audio/video discussion, with breakout rooms for small group discussion
- Text messaging, surveys and basic assessments
- Application and Desktop sharing
- A shared whiteboard with markup tools
- Recording of sessions for convenient playback

**To take part in a zoom meeting (class), you will need a headset or speakers and a microphone.**

The first time that you connect to Zoom, you will be prompted to run through some set-up routines that will run automatically from the server. To participate in Zoom meetings, click on the meeting links that your instructor has set up within your myClass course space.

7. **MCGRAW HILL CONNECT PROCTORIO BROWSER LOCKDOWN & MONITOR PROCTORING SOFTWARE:**

*The assignments (and quizzes) for this course must (may) be taken online with the use of McGraw Hill Connect’s Proctorio proctoring software.* Proctorio software is enabled to control import/export and access. Video/screen recording is off for assignments. Video/screen recording will be activated for quizzes taken online; at instructor discretion.

*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.

McGraw Hill Connect’s Proctorio software requires minimum device requirements. If you do not have access to the minimum device requirements listed above in the required text/resource materials section of this course outline, students may book a GPRC computer and web-camera via <https://libguides.gprc.ab.ca/c.php?g=717998&p=5128509>.

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 record video/screen activity only while you are signed in during your quizzes.** The instructor and administrators only review the video/screen recordings after the quizzes 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 your assignments and quizzes using the Proctorio Proctoring software, you must request alternative accommodations in advance from your instructor;

ahead@gprc.ab.ca. Alternative accommodations include the Testing Centre in the GPRC Learning Commons Center and Proctoru; students are responsible for all proctoring fees. Any proctoring services are subject to instructor pre-approval. **Students are responsible for all fees associated with proctoring services;** fees range from \$15 - \$50CAN/US per occurrence.

### **DELIVERY MODE(S): High-Flex**

This type of course gives students the option of attending sessions in the classroom, participating remotely, or doing both. **Please note that the quizzes (at instructor discretion), midterm, and final examination require GPRC onsite attendance.**

### **COURSE OBJECTIVES:**

The course objectives are:

- Gain an understanding of the finance function in the business firm within a Canadian context.
- Create an awareness of and appreciation of the problems, issues, and decisions confronting financial managers.
- Develop the ability to apply analytical tools in the identification and resolution of financing problems and financial decision making.
- Identify various corporate financing needs and explore the sources of funds available to meet those needs.

### **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 interests that can arise between managers and owners.
- Describe the roles of financial institutions & markets and the types of Financial Institutions

#### 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 basic 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 ratios.
- Identify and discuss the determinants of a firm’s profitability.
- Identify and examine some of the problems and pitfalls in financial statement analysis.

## Long-term Financial Planning and Corporate Growth

- The objectives & goals of financial planning.
- Compute the external financing needed to fund a firm's growth.
- Apply 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.
- Show how long it takes for an investment to reach a desired value.

## Discounted Cash Flow Valuation

- Determine & demonstrate the future and 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).

## Interest Rates and Bond Valuation

- Discuss bond features and types of bonds.
- Describe bond values and yields and why they fluctuate.
- Identify bond ratings and what they mean.
- Describe how are bond prices quoted.
- Explain the impact of inflation on interest rates.

## Stock Valuation

- Discuss how stock prices depend on future dividends and dividend growth.
- Explain the characteristics of common and preferred stocks.
- Describe the different ways corporate directors are elected to office.
- Explain stock market quotations and the basics of stock market reporting.

## Net Present Value and Other Investment Criteria

- Compute the net present value and understand why it is the best decision criterion.
- Apply the payback rule and discuss its shortcomings.
- Apply the discounted payback rule and discuss its shortcomings.
- Discuss accounting rates of return and some of the problems with them.
- Apply the internal (and modified) 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.
- Project cash flows and determine if a project is acceptable.
- Calculate operating cash flow using alternative methods.
- Calculate the present value of a tax shield on CCA.
- Evaluate cost-cutting proposals.
- Analyze replacement decisions.
- Evaluate the equivalent annual cost of a project and how to set a bid price for a project.

## Project Analysis and Evaluation

- Perform and interpret a sensitivity analysis for a proposed investment.
- Perform and interpret a scenario analysis for a proposed investment.
- Determine and interpret cash, accounting, and financial break-even points.
- Explain how the degree of operating leverage can affect the cash flows of a project.
- Explore how managerial options affect net present value.

## 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.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         | 10%         |
| Connect Practice Assignments          | 15%         |
| Quizzes                               | 10%         |
| Midterm exam                          | 30%         |
| Final exam (Cumulative; All chapters) | 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 exercises, assignments, quizzes, and exam(s). Extra work is not assigned.

Connect grades are posted to myClass grades within five days after the due date. Please check your myGPRC account for your final letter grade after course completion.

### Assignments

Students will complete assignments in McGraw Hill Connect. Connect will automatically submit assignments on the due date. Late submissions are *not* permitted. No extensions or re-writes will be granted. Study attempts are provided in Connect after the due date. Study attempts are not graded and do not change your assignment grade(s).

- Connect Practice Assignments may be attempted twice and require students to log into the McGraw Hill Connect website using their own name & password.
- **Students are given two attempts for Connect Practice assignments. After the first attempt, correct/incorrect indicators will be displayed only (no solutions available after assignment due date). After a second attempt (voluntary), that includes a 5% score deduction, full solutions will be provided after the assignment due date.**
- Assignments may be taken at any time before the due date (**excluding class time**) and from any location with internet access. Once the assignment is started, you must complete the entire assignment within the allotted time. Logging off or losing an internet connection during the assignment will result in a grade based only on the proportion of the assignment completed.

### Quizzes

Quizzes will be given throughout the semester. Unexcused absences during a scheduled quiz will earn a grade of zero (0). Quizzes may only be taken once.

### Midterm exam

**Tentatively scheduled for October 7, 2021, during scheduled class time. Do not plan to be away on this date. The midterm examination will be conducted in class ONLY.** Exam format utilized will be announced before the midterm exam. Unexcused absences during the midterm exam will be assigned a grade of zero.

### Final exam

Final examinations are scheduled by the Registrar during the period from **December 11 - 20, 2021**. Do not plan any activities during the examination period. Re-writes for the final exam will not be granted, and any unexcused absences will earn a grade of zero. **Final examinations will be conducted in person at GPRC.** The exam format will be announced before the exam.

### 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                | 90-100                | C+          | 2.3                | 67-69                 |
| A           | 4.0                | 85-89                 | 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                 |

### TENTATIVE TIMELINE/COURSE SCHEDULE:

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

| Week . . . | Week of . . . |  |
|------------|---------------|--|
| 1          | Aug 29        | Introduction, course outline, Zoom test, & Chapter 1         |
| 2          | Sept 5        | Chapter 2 Financial Statements, Cash Flow, and Taxes         |
| 3          | Sept 12       | Chapter 3 Working with Financial Statements                  |
| 4          | Sept 19       | Chapter 4 Long-term Financial Planning and Corporate Growth  |
| 5          | Sept 26       | Chapter 5 Introduction to Valuation: The Time Value of Money |
| 6          | Oct 3         | Chapter 5 & Midterm exam                                     |
| 7          | Oct 10        | Thanksgiving Holiday & Fall break (no classes)               |
| 8          | Oct 17        | Chapter 6 Discounted Cash Flow Valuation                     |
| 9          | Oct 24        | Chapter 7 Interest Rates and Bond Valuation                  |
| 10         | Oct 31        | Chapter 7/8 Stock Valuation                                  |
| 11         | Nov 7         | Chapter 8 Stock Valuation                                    |
| 12         | Nov 14        | Chapter 9 Net Present Value and Other Investment Criteria    |
| 13         | Nov 21        | Chapter 9/10 Making Capital Investment Decisions             |
| 14         | Nov 28        | Chapter 10/11 Project Analysis and Evaluations               |
| 15         | Dec 5         | Chapter 11 Project Analysis and Evaluations                  |
| 16         | Dec 11 – 20   | Comprehensive Final Exam; All Chapters                       |

## **STUDENT RESPONSIBILITIES:**

It is the student's responsibility to become familiar with these basic principles of conduct within the College; see <https://www.gprc.ab.ca/about/administration/policies/> and <https://www.gprc.ab.ca/about/administration/policies/fetch.php?ID=69>

### **Attendance**

**Students are expected to attend all scheduled classes, arrive on time, and remain for the duration of the activities with their video/web camera on.**

You may be refused permission to write the final examination on the advice of the instructor. This usually happens when absences are excessive, more than four absences (2 weeks), *or* if significant parts of required assignments, quizzes and/or exams are not completed; see *Academic Regulations: Debarred From Exams in the GPRC Academic Calendar*. Tardiness will be treated as an absence.

Attendance for BA2030 onsite/offsite course delivery using myGPRC will be taken. This information will facilitate AHS's contact tracing if someone from the learning community tests positive. Students may review their attendance on myGPRC.

During class time, it is expected that students will work on the BA2030 course material being covered. Course materials (course outline, schedule information, assignments, PowerPoints, etc.) and announcements will be available/sent on myClass, McGraw Hill Connect, and GPRC Webmail. Students are responsible for checking all three of these websites regularly: 2 – 5 times per week.

### **Time Management**

The expectation for this course is that students read/review the course material before class. Adopting and adhering to effective learning habits in this course will likely take up a great deal of time so plan your schedule accordingly. It is difficult to catch up once a student falls behind in readings, assignments, and quizzes.

### **Recording**

*Recording lectures or taking photos in class is prohibited unless advance permission is obtained from the instructor and any guest presenter(s).* In the event permission is granted, such recordings may only be used for individual study, and may not be reproduced, transferred, distributed or displayed in any public manner. *Any images taken without instructor consent will need to be deleted immediately.*

### **Email**

Students may contact the instructor by email. Emails will be answered within one business day outside of stated office hours. **Email correspondence must be sent to your instructor from your GPRC student email account.** Emails should be professionally formatted with correct spelling and grammar. Emails must include a subject line and reference to the course code and material(s) and/or textbook pages, etc.

### **Copyright**

Students must obey the Canadian Copyright Act. The Learning Commons provides copyright enquiry and clearance services. See [https://www.gprc.ab.ca/learning\\_commons/](https://www.gprc.ab.ca/learning_commons/).

## **STATEMENT ON PLAGIARISM AND CHEATING:**

Cheating and plagiarism will not be tolerated and there will be penalties. For a more precise definition of plagiarism and its consequences, refer to the Student Conduct section of the College Admission Guide at <http://www.gprc.ab.ca/programs/calendar/> or the College Policy on Student Misconduct: Academic and Non-Academic on Plagiarism and Cheating at <http://www.gprc.ab.ca/about/administration/policies/>

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

### **Plagiarism**

Plagiarism means submitting work (words, ideas, images, or data) in a course as if it were their own work done expressly for that particular course when, in fact, it is not. Most commonly, plagiarism exists when:

- the work submitted or presented was done, in whole or in part, by an individual other than the student (this includes having another person impersonate the student or otherwise substitute the work of another for their own in an assignment, examination, or test)
- parts of a student's work are taken from another source without reference to the original author. This includes ideas, words, and images appearing in print, digital, graphical, internet, audio and video formats
- students submit or present the work in one course which has also been submitted in another course (although it may be completely original with the student) without the prior agreement of the instructor
- clinical or laboratory reports are falsified or fabricated.

While it is recognized that academic work often involves reference to ideas, data, and conclusions of others, intellectual honesty requires that such references be explicitly and clearly noted.

Instructors may choose to use online plagiarism detection services. When students submit a paper, it is understood that they are consenting to such a procedure and that they cannot claim any copyright violation should such paper be uploaded to an online plagiarism detection database.

### **Cheating**

Cheating on tests or examinations includes, but is not limited to, the following:

- dishonest or attempted dishonest conduct such as speaking to other students or communicating with them under any circumstances whatsoever
- bringing into the examination room a textbook, notebook, memorandum, other written material or mechanical or electronic device not authorized by the examiner or instructor
- writing an examination, or part of it, outside the confines of the examination room without permission to do so
- consulting any person or materials outside the confines of the examination room without permission to do so
- leaving answer papers exposed to view, or any attempts to read other students' examination papers
- tampering or attempts to tamper with examination scripts, classwork, grades and/or class records; the acquisition, attempted acquisition, possession, and/or distribution of examination materials or information not authorized by the instructor
- impersonation of another student in an examination or other class assignment.
- absolutely no examination materials may be removed from the examination room. All papers, answer forms and examination question sheets must be returned to the instructor. If students

leave the examination room for any reason unacceptable to the instructor, they must hand in all examination materials and it will be assumed that the examination is completed.

If students voluntarily and consciously aid another student in the commission of one of these offences they are also guilty of misconduct. Any attempt to commit academic misconduct will bear the same consequences as if the act occurred. A student who assists another student in an act or attempted act of misconduct will also be considered to have committed an offence.

## **Additional Information: Zoom Etiquette**

### **Control video and audio quality**

Invest in a quality webcam and speaker and microphone headset. These provide better video and audio than your computer's built-in system. Try to attend Zoom meetings in quiet, indoor locations to control ambient noise.

### **Think about your background**

Try to provide a nice, plain background. You can't control everything in a mobile environment, but you should give some thought to the background before your meeting.

### **During your meeting**

Mute your microphone when necessary. Zoom has a "Mute Microphone" option that cuts down on ambient feedback for the audience. When there is a lot of back-and-forth discussion you will turn this off, but you should mute yourself when listening to an instructor.

### **Think about your actions on camera**

Always remember that everyone can see you. Someone is watching as you take a big, wide-mouth yawn, stretch, or wander around the room. These exaggerated movements are distracting to the audience and can be disruptive to the speaker. Try to stay still and be attentive.

### **Set up your username properly**

Use the same name that you used to register for the course to ensure you're marked as present if the instructor takes attendance. Only registered students will be granted Zoom meeting access.

### **Messaging using chat function**

Be safe: Ensure your posts to the chat and replies do not put individuals in an unsafe situation, either physically or emotionally. **The chat function is for BA2030 discussion ONLY.**

### **Be Safe**

Some activities during zoom meetings may be unsafe. Be safe. **If unsafe activities are observed in Zoom, the instructor will dismiss the student from Zoom. Unsafe student activities will be reviewed with the Department Chair.**