



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option:

FMGT 2540**Working Capital Management**

Start Date:	March 2003	End Date:	May 2003
Total Hours:	30	Total Weeks:	10
Hours/Week:	3	Lecture:	1
		Lab:	2
		Term/Level:	2
		Course Credits:	2
		Shop:	
		Seminar:	
		Other:	
Prerequisites		FMGT 2540 is a Prerequisite for:	
Course No.	Course Name	Course No.	Course Name
FMGT 1100 or			
FMGT 1105	(Min 50% grade)		

■ Course Description (required)

Enables students to understand the relationships between current assets and current liabilities in different types of organizations, to appreciate the trade-offs inherent in a firm's working capital policy, and to carry out a basic analysis of a firm's working capital management in comparison to others.

■ Evaluation

Mid Term Exam	30%
Final Exam	50%
Assignment	10%
Participation	10%
TOTAL	100%

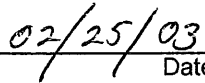
Comments: Final Exam is cumulative with a heavier emphasis on the post mid term materials

■ Verification

I verify that the content of this course outline is current.

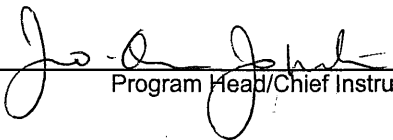


Authoring Instructor

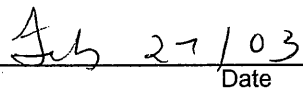


Date

I verify that this course outline has been reviewed.

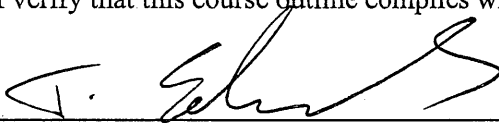


Program Head/Chief Instructor

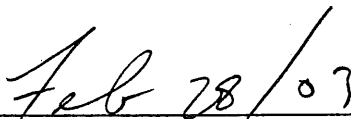


Date

I verify that this course outline complies with BCIT policy.



Dean/Associate Dean



Date

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

■ Instructor(s)

Jerome Gessaroli

Office Location: SE6--371

Office Hrs.: As Posted

Office Phone: 604-431-4923

E-mail Address: jerome_gessaroli@bcit.ca

■ Learning Resources

Required:

Working Capital Management, ISBN 0-390-33203-8, (This is a McGraw Hill Primis publication, based on chapters 6 - 8 of Foundations of Financial Management.)

■ Information for Students

Assignments: Late assignments, lab reports or projects will **not** be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.

Makeup Tests, Exams or Quizzes: There will be **no** makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for **documented** medical reasons or extenuating circumstances. In such a case, it is the responsibility of the student to inform the instructor **immediately**.

Ethics: BCIT assumes that all students attending the Institute will follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.

Attendance: The attendance policy as outlined in the current BCIT Calendar will be enforced. Attendance will be taken at the beginning of each session. Students not present at that time will be recorded as absent.

Illness: A doctor's note is required for any illness causing you to miss assignments, quizzes, tests, projects, or exam. At the discretion of the instructor, you may complete the work missed or have the work prorated.

Attempts: Students must successfully complete a course within a maximum of three attempts at the course. Students with two attempts in a single course will be allowed to repeat the course only upon special written permission from the Associate Dean. Students who have not successfully completed a course within three attempts will not be eligible to graduate from the appropriate program.

Course Outline Changes: The material or schedule specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.

Lecture Notes and other Information: Lecture notes will be available through the share out directory under the FMGT2540 folder. Notes will be posted in advance of the lecture. The notes **DO NOT** replace attendance at lectures. They are meant to be a complement to lectures. There may also be, from time to time, other information sources on the share out directory that will be required reading.

Schedule

(This schedule is subject to change at the discretion of the instructor.)

Week of/ Number	Material Covered	Reference/ Pre Reading	Assignments
1 & 2	Introduction & Financial Statement Analysis		
2	Cash Budgets	http://www.smallbusinessbc.ca/worksh op/cashflow.html	Handout Questions
3	Working Capital and the Financing Decision	- Chapter 6, pp. 1 – 28; - “When banks say no”, <u>National Post</u> , (Handout)	Handout Questions
4	Current Asset Management	- Chapter 7, pp. 41 – 65 ; http://www.cfo.com/article/1,5309,751 2 8,00.html	CH 6: Discussion Questions 1, 2, 6, 7, 10; Problems 3, 5, 9, 13
5	Mid Term Exam	Review	
6	Sources of Short Term Financing	- Chapter 8, pp. 81 – 104; - “Driving down working capital: Laidlaw’s story”, <u>Canadian Treasurer</u> , Aug/Sep 1999 (Handout); - “Banking 101: The basics of debt financing”, <u>Canadian Treasurer</u> , Oct/Nov. 2000. (Handout)	Mini Case: “Matt Kloster”; CH 7: Discussion Questions 1, 4, 10, 12, 15; Problems 3, 4, 8, 10, 17, 25
7	Inventory Management	- Chapter 7, pp. 65 – 70 ; - “Inventory: Taking Stock”, <u>Canadian Business</u> , April, 1991 (Handout)	CH 8: Discussion Questions 3, 6, 8; Problems 4, 6, 13, 17, 20, 25, 28, 29
8	Foreign Currency Transactions	Handout	Handout Questions
9	Review		
10	Final Exam		