



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option:

FMGT 2540**Working Capital Management**

Start Date:	March 2006	End Date:	May 2006
Total Hours:	30	Total Weeks:	10
Hours/Week:	4	Lecture:	2
		Lab:	2
		Term/Level:	2
		Course Credits:	2
		Shop:	
		Seminar:	
		Other:	

Prerequisites

Course No.	Course Name
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FMGT 1100 or

FMGT 1105 (Min 50% grade)

FMGT 2540 is a Prerequisite for:

Course No.	Course Name
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v 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.

v Evaluation

Mid Term Exam	40%
Final Exam	50%
Class participation	10%
TOTAL	100%

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

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

Date _____

I verify that this course outline has been reviewed.

Date _____

I verify that this course outline complies with BCIT policy.

Date _____

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

v Instructor(s)

Office Phone: (604) 431-4923
E-mail Address: jerome_gessaroli@bcit.ca

v 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*, 6th Canadian Edition, Block et al.)**

v 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	Lecture Material	Reference/ Reading	Lab Problems
March 20	Introduction & Financial Statement Analysis		Accounting review handout questions
March 27	Cash Budgets		Financial statement analysis handout questions
April 3	Working Capital and the Financing Decision	- Chapter 6, pp. 1 – 28;	Cash budgeting handout questions
April 10	Current Asset Management	- Chapter 7, pp. 41 – 65	CH 6: Discussion Questions 1, 2, 6, 7, 10; Problems 3, 5, 9, 13
April 17	Mid Term Exam	Review	Catch up and exam review
April 24	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)	CH 7: Discussion Questions 1, 4, 10, 12, 15; Problems 3, 4, 8, 10, 17, 25
May 1	Inventory Management	- Chapter 7, pp. 63 – 70 ;	CH 8: Discussion Questions 3, 6, 8; Problems 4, 6, 13, 17, 20, 25, 28, 29
May 8	Foreign Currency Transactions		Problems TBD
May 15	Review and Catch up Week		
May 22	Final Exam Week		

wk 1
wk 2
wk 3
wk 4
wk 5
wk 6
wk 7
wk 8