

# Business Administration

Course Number: **BUAD 296**

Course Title: **LONG-TERM CAPITAL MANAGEMENT**

Credits: **3**

**Professors**

|  |                    |         |                             |
|--|--------------------|---------|-----------------------------|
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**Learning Outcomes**

Upon completion of this course students will be able to

evaluate the funding of large capital projects by calculating the weighted average cost of capital under different corporate structures.

use Net Present Value and Internal Rate of Return techniques to evaluate proposed capital projects as well as bond refunding and lease-versus-purchase decisions.

evaluate risk using the standard deviation, the coefficient of variation of returns, and the portfolio effect.

explain various terms relating to capital markets and the functions of dealers and underwriters.

apply the marginal principle of retained earnings and residual theory to dividend declaration decisions.

calculate the effects of stock dividends, stock splits, and stock repurchases on overall shareholder wealth.

evaluate corporate investment decisions involving



Course Schedule

|          |       |  |       |
|----------|-------|--|-------|
|          |       | Tuesday Sept 5 College-wide Orientation Day<br>Wednesday Sept 6 Classes Begin<br>Monday Oct 9 Thanksgiving Day <i>no classes</i><br>Monday Nov 13 Statutory Holiday for Remembrance Day <i>no classes</i><br>Tuesday Dec 5 Last Day of Regularly-scheduled Classes |       |
| Week of: |       |  |       |
| Sep      | 3-9   | Valuation and Rates of Return  | Ch 10 |
|          | 10-16 | Cost of Capital  | Ch 11 |

