

## **Certificate in Applied Finance**

### **How can a McGill Program prepare you for a Career in the Finance Profession?**

This program aims to provide students with the appropriate competencies in the area of finance using learner-centered instructional methods so as to prepare them for a variety of careers in finance. The program is designed to provide a solid knowledge base in various finance related fields, such as corporate finance, investment banking and portfolio management, risk management, treasury finance, financial planning and sustainable financial management.

Depending on the stream chosen, graduates embark on careers such as

1. Financial advisor
2. Personal banking officers
3. Insurance agents
4. Budget assistants
5. Claim adjusters
6. Lending officers
7. and many others

Note: This program is effective as of Fall 2012. If you were admitted prior to Fall 2012, please follow the study plan which you have been given.

**Please note that admission to the Certificate in Applied Finance is limited to the Fall semester. There is no admission to the Winter and Summer semesters. Please contact our advisors to learn how you can register as an independent student in the Winter and Summer semesters**

## The Program

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The Certificate in Applied Finance is a 30-credit program, which consists of two external pre-requisites, 7 required courses and 3 complementary courses.

Classes are offered once a week for 13 weeks and are generally from 6 p.m. to 9 p.m. Courses can be taken in the Fall, Winter, Spring and Summer sessions. Classes in the Spring and Summer sessions may be given in less than 13 weeks. Not all courses are offered every semester.

**N.B. 1:** There are two external pre-requisite courses to the program which must be taken prior to taking certain required courses in this program. Students who wish to apply for advanced standing for pre-requisite courses must complete an Advanced Standing form at the time of admission or they may take an Exemption by Examination test. Pre-requisites and co-requisites are not included in the total credit requirements for the program.

**N.B. 2:** CMSC 000 is an external pre-requisite to the program. CMSC 000 is a pre-requisite to CMSC 101 and must be completed (with a minimum grade of 65) before CMSC 101 can be taken. Students may apply for Advanced standing at the time of admission or they may take an Exemption by Examination Test.

The certificate's program requirements are:

### **Prerequisites to program:**

MGCR 211 Introduction to Financial Accounting (or the Exemption by Examination Test<sup>1</sup>)  
CMSC 101 Mathematical Tools for Management Professionals  
(or the Exemption by Examination Test<sup>1</sup>)

### **Corequisites to program:**

MGCR 273 Introductory Management Statistics (or the Exemption by Examination Test<sup>1</sup>)  
MGCR 293 Managerial Economics (or the Exemption by Examination Test<sup>1</sup>)

### **Required courses: (21 credits)**

ACCT 354 Financial Statement Analysis  
CFIN 300 Fundamentals of Financial Markets and Institutions  
CFIN 310 Short-Term Financial Management  
CFIN 410 Investments and Portfolio Management  
FINE 342 Corporate Finance  
FINE 482 International Finance 1  
MGCR 341 Introduction to Finance

### **Complementary courses: (9 credits)**

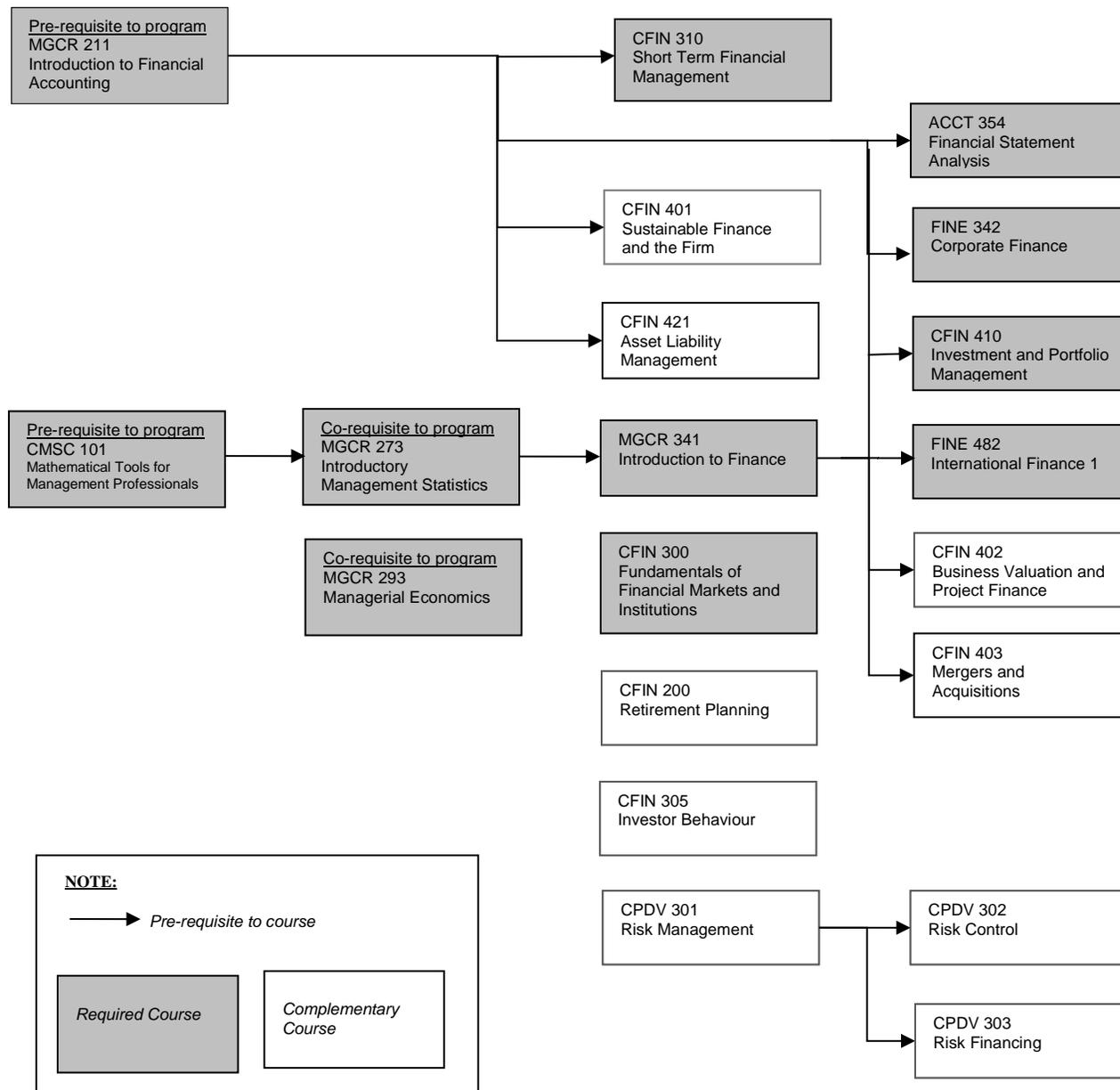
CFIN 200 Retirement Planning  
CFIN 305 Investor Behaviour  
CFIN 401 Sustainable Finance and the Firm  
CFIN 402 Business Valuation and Project Finance  
CFIN 403 Mergers and Acquisitions  
CFIN 421 Asset Liability Management

- CPDV 301 Risk Management\*
- CPDV 302 Risk Control\*
- CPDV 303 Risk Financing\*

\*Please note that the completion of these three courses satisfies the educational requirements of the Global Risk Management Institute for the Canadian Risk Management (CRM) designation. For further details please visit: [www.rims.org/education/professionaldesignations/Pages/CRM\\_GRMI.aspx](http://www.rims.org/education/professionaldesignations/Pages/CRM_GRMI.aspx) or <http://agraq.org/fr/education/>.

<sup>1</sup> For more details on how to enroll in the Exemption by Examination test, please click on the following link: <http://www.mcgill.ca/continuingstudies/prospective-students/apply/exemption-examination>

### Certificate in Applied Finance



## Course Descriptions

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**ACCT 354 Financial Statement Analysis** (3 credits)

Prerequisite: MGCR 211 and MGCR 341

Interpretative nature of the conceptual framework underlying a multitude of financial reporting standards, including the impact of alternative accounting methods, management biases and stakeholder interests in the analysis and valuation of the firm.

**CFIN 200 Retirement Planning** (3 credits)

Prerequisite: None

This course addresses the various elements in the retirement planning process such as pension planning instruments, public and private pension plans, insurance, income tax, estate planning, and wills.

**CFIN 300 Fundamentals of Financial Markets and Institutions** (3 credits)

Prerequisite: None

This course provides an introductory overview of the various financial markets and financial institutions. The focus will be on bonds, money, equity, foreign exchange, commodity, and derivatives, as well as the three main types of financial institutions: banks, insurance companies and investment firms.

**CFIN 305 Investor Behaviour** (3 credits)

Prerequisite: None

The emotional and psychological factors that impact investors' behaviour and decision making. Various market anomalies will be examined in the context of mean-variance efficiency theory, as well as typical forecasting errors, expert justifications and continued investor reliance on forecasting models in the context of psychological biases.

**CFIN 310 Short-Term Financial Management** (3 credits)

Prerequisite: MGCR 211

Traditional concepts of the net present valuation, liquidity, collections, disbursements, company-bank relationships, cash forecasting, and short-term investing and financing, which provide an understanding of the role of working capital management in the operations of a firm.

**CFIN 401 Sustainable Finance and the Firm** (3 credits)

Prerequisite: MGCR 211

The objective of this course is to understand how to assess and analyze the impact of Green House Gas regulations on corporations and their financial policies. Topics include capital budgeting, capital structure and corporate governance. Case studies will be used to illustrate sustainable corporate policies.

**CFIN 402 Business Valuation and Project Finance** (3 credits)

Prerequisite: MGCR 211 and MGCR 341

This course provides a comprehensive analysis of alternative valuation models and techniques such as discounted cash flow and relative valuation methods. These techniques are applied to the valuation of various types of firms such as financial services, start ups, private and distressed firms, and firms with negative earnings.

**CFIN 403 Mergers and Acquisitions (3 credits)**

Prerequisite: MGCR 211 and MGCR 341

This course applies theory from corporate finance to the analysis of mergers, acquisitions, and related transactions. The objectives of this course are to introduce the area of mergers and acquisitions and to develop and strengthen the presentation and research skills necessary for the investment banking or merger arbitrage industries.

**CFIN 410 Investment and Portfolio Management (3 credits)**

Prerequisite: MGCR 211 and MGCR 341

This course covers financial instruments such as stocks and bonds, formation and management of investment portfolios and evaluation of portfolio performance. Finance theories and investment practices relating to such additional topics as global portfolio diversification, investments by means of Initial Public Offerings, hedge funds, private equity and derivatives are presented.

**CFIN 421 Asset Liability Management (3 credits)**

Prerequisite: MGCR 211

This course introduces the basic Asset Liability Management concepts of currency exposure, interest rate risk, and liquidity risk. It also introduces some basic tools to manage risks in banks and insurance firms.

**CMSC 000 Foundations of Mathematics (12 CEUs)**

Pre-requisites: None

First-degree equations and applied word problems, polynomials, factoring, fractions, exponents, roots and radicals, inequalities, quadratic equations and functions, composite and inverse functions, arithmetic and geometric sequences and series.

*Please note that the minimum grade of 65 is required to successfully complete this course.*

**CMSC 101 Mathematical Tools for Management Professionals (3 credits)**

Prerequisite: CMSC 000 Foundations of Mathematics (with a minimum grade of 65) or the Exemption by Examination Test

Exponential and logarithmic functions and equations, mathematics of finance, permutations and combinations, introduction to probability, limits and derivatives with applications, matrices and systems of linear equations.

**CPDV 301 Risk Management (3 credits)**

Prerequisite: None

This course emphasizes the importance of decision-making criteria in selecting among the various alternatives available in risk management. Management techniques treated are: the risk management concepts and objectives; risk management in an organization and its effect on profits; risk management techniques; risk identification and analysis; forecasting and comparing risks; property risks; income risks; liability risks; personnel loss risks; probability analysis; risk management decision-making and capital budgeting methods.

**CPDV 302 Risk Control (3 credits)**

Prerequisite: CPDV 301

This course specifically explores the selection, implementation and monitoring of risk control techniques which are essential in preventing or minimizing potential losses before they occur. Fault tree study, statistical analysis, contractual liability reviews and in-house safety programs are detailed. The course will examine the two dimensions of loss, frequency and severity, with particular attention on losses to property, people, net income and liability.

### **CPDV 303 Risk Financing**

**(3 credits)**

Prerequisite: CPDV 301

This course explores the fundamentals of risk financing as they relate to the risk management process. The identification, implementation and monitoring of Risk Financing Techniques will be analyzed within the following guidelines: framework for risk financing; criteria for risk financing technique selection; insurance as a risk financing technique; financing property, net income, liability and personnel losses; accounting and some income tax aspects of accidental losses; implementing risk retention available options, including use of affiliated insurers; insurance pricing, selection of insurers and their representatives; risk cost allocation.

### **FINE 342 Corporate Finance**

**(3 credits)**

Prerequisites: MGCR 341

In depth study of corporate finance, risk, diversification, portfolio analysis, and capital market theory.

### **FINE 482 International Finance 1**

**(3 credits)**

Prerequisite: MGCR 341

The international financial environment as it affects the multinational manager. Balance of payments concepts, adjustment process of the external imbalances and the international monetary system. In depth study of the institutional and theoretical aspects of foreign exchange markets; international capital markets, including Eurobonds and eurocredit markets.

### **MGCR 211 Introduction to Financial Accounting**

**(3 credits)**

Prerequisite: None

The role of financial accounting in the reporting of the financial performance of a business. The principles, components and uses of financial accounting and reporting from a user's perspective, including the recording of accounting transactions and events, the examination of the elements of financial statements, the preparation of financial statements and the analysis of financial results.

### **MGCR 273 Introductory Management Statistics**

**(3 credits)**

Pre-requisite: CMSC 101 Mathematical Tools for Management Professionals  
or Exemption by Examination Test

Descriptive statistics, probability, random variables, binomial, poisson, normal distributions, sampling distribution of the mean, estimation, hypothesis testing, analysis of variance, tests of goodness of fit, simple linear regression, non-parametric statistics. Use of computer statistics package (no computer background needed). Application to problems in business and management.

### **MGCR 293 Managerial Economics**

**(3 credits)**

Prerequisite: None

The course focuses on the application of economic theory to management problems and the economic foundations of marketing, finance, and production. Attention is given to the following topics: price and cost analysis; demand and supply analysis, conditions of competition.



**MGCR 341 Finance 1****(3 credits)**

Prerequisite: MGCR 271 or equivalent (or MGCR 273 or CMSC 221 for students in the Certificate in Applied Finance with Departmental Approval)

An introduction to the principles, issues, and institutions of Finance. Topics include valuation, risk, capital investment, financial structure, cost of capital, working capital management, financial markets, and securities.

## **Admission Requirements**

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To be admitted to an Undergraduate Certificate in Applied Finance:

- Applicants must hold a CEGEP diploma (DCS, DEC or equivalent) OR
- Applicants who do not have the normal academic background for admission but are 21 years of age and older may be admitted as mature students OR
- Applicants between 18 and 21 years of age who do not have a CEGEP diploma but have at least a high school leaving certificate may be accepted into a qualifying program (a copy of the certificate must be provided).

## Admission Procedures

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To Apply to the *Certificate in Applied Finance Online* Please Follow The Steps Listed Below:

Please follow the steps below:

**STEP 1:**

- Go to <http://www.mcgill.ca/continuingstudies/>  
Click on “Apply”  
Click on “Undergraduate Programs”

**STEP 2:**

**Verify** on the “**Apply for Admission to a Program**” page, the “Application Deadlines” for Canadian/Permanent Residents or International Students to ensure that you submit your application before the term deadline.

**STEP 3:**

- **Review your Admission Requirements:** Once you have checked your application against all the requirements, you will be ready to apply to the program.
- Before you proceed you will need:  
A valid **email address** and a **credit card** (Visa, MasterCard or American Express).

**STEP 4:**

- Once you are ready to apply online:  
Click on “**Click here now**” to bring you to the Application for Admission page.
- Click on the red bold “**Apply Now**” on the Application for Admission page.  
(Do **not** apply through “uApply” link).
- Fill in the login information on the “Admissions Login” page and the Biographical Information.
- On the “Apply for Admission” page, fill in the information requested.  
NOTE: When asked: “What are you applying for at McGill”, click on “Continuing Studies”
- Select the program you are applying to on the “Program Choice Selection” page.
- Continue to fill in the remainder of the application. (All sections to be completed are indicated in the textbox on the left hand side of the screen).

**STEP 5:**

- Once you have applied online, you will receive a confirmation email providing you with a McGill ID number and a 6-character **PIN (Personal Identification Number)**.
- You will need to use this information to **log into MINERVA** ([www.mcgill.ca/minerva](http://www.mcgill.ca/minerva)) (McGill’s web-based information system for students) so that you can upload documents required for admission and follow-up on your status of your application.

**STEP 6:**

- Please refer to the website for additional information.  
[www.mcgill.ca/continuingstudies](http://www.mcgill.ca/continuingstudies)

## Language Requirements

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- The **language of instruction** for most courses and programs at McGill is English; however, students may submit any written work that is to be graded in English or French, except in cases where knowledge of the language is one of the objectives of the course.
- Applicants must demonstrate an adequate level of **proficiency in English prior to admission**, regardless of citizenship status or country of origin. McGill University has this language requirement in place to ensure that all students are provided with the opportunity to succeed in their chosen program.
- In all cases, the University reserves the right to require **proof of English** proficiency if it is deemed necessary. For additional information, please click on the link below.

<http://www.mcgill.ca/continuingstudies/current-students/academic-policies/language-policy>

## Exemption by Examination

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Students admitted to a Certificate, Graduate Certificate or Diploma program requiring a pre-requisite or co-requisite course, must provide proof that they have taken an equivalent 3 credit course, at the appropriate level elsewhere or successfully completed the Exemption by Examination test. Otherwise the student must register for the course.

- Please note that the Exemption by Examination test is **not applicable to required or complementary course(s)** within a program.
- You cannot take the Exemption by Examination test if you have already attempted the course (a grade of W is considered as have attempted the course).
- If you are unsuccessful in the Exemption by Examination test(s) you will not be permitted to repeat the test(s) and must instead enroll in the course(s) for which the particular test(s) was taken.

**You must be admitted into a program or have applied to a program to be eligible to write the Exemption by Examination test.** (The test is optional).

For more information on how to obtain a course exemption by means of a challenge exam, please consult the Exemption by Examination form available on our website at:

<http://www.mcgill.ca/continuingstudies/prospective-students/apply/exemption-examination>

## **Student Awards and Financial Aid**

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Note: The amount and number of McGill University's School of Continuing Studies Bursaries, Scholarships, and Graduating Prizes issued varies from year to year, depending on funds received and their specifications.

### **McGill University's School of Continuing Studies Bursaries**

The School of Continuing Studies will post the application form and eligibility requirements for the active term on its website. Please refer to link below for further information.

<http://www.mcgill.ca/continuingstudies/current-students/fees/student-awards-and-financial-aid>

### **McGill University's School of Continuing Studies Scholarships**

For a list of McGill Scholarships, please consult the McGill School of Continuing Studies website by clicking on the link below.

<http://www.mcgill.ca/continuingstudies/current-students/fees/student-awards-and-financial-aid>

### **McGill University's School of Continuing Studies Graduating Prizes**

For a list of McGill SCS Graduating Prizes, please consult the McGill School of Continuing Studies website by clicking on the link below.

<http://www.mcgill.ca/continuingstudies/current-students/graduating-students/awards>