

Victoria International Applied Finance Programme  
School of Economics and Finance

**MMAF512 TREASURY MANAGEMENT**

Trimester Two 2011

**COURSE OUTLINE**

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**Contact Details**

The course coordinator and lecturer is Roger Bowden. Preferred contact is by email. Email address: [roger.bowden@ulm-uni.de](mailto:roger.bowden@ulm-uni.de)

The administrator for this course is Anna Potts, RH307. She can be contacted on (04) 463 6148 or [viaf-programme@vuw.ac.nz](mailto:viaf-programme@vuw.ac.nz)

**Trimester Dates**

The study and assessment period is 11<sup>th</sup> July to 13<sup>th</sup> November 2011.

**Block Release Times**

9:00am Tuesday, 23<sup>rd</sup> August – 12:30pm Thursday, 25<sup>th</sup> August 2011  
and 9:00am Tuesday, 18<sup>th</sup> October – 12:30pm Thursday, 20<sup>th</sup> October 2011.

A detailed schedule of each block release course will be supplied closer to the August and October sessions. Classes will take place at the Kelburn Campus (rooms MY632 and KK216) – please see the schedule for confirmation.

**Attendance for all sessions of both block releases is compulsory.**

**Withdrawal from Courses:**

1. Your fees will be refunded if you withdraw from this course on or before 22 July 2011.
2. The standard last date for withdrawal from this course is 23 September 2011. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation

The application form is available from either of the Faculty's Student Customer Service Desks.

## **Course Content – The Big Picture**

An understanding of the treasury function is essential for modern corporate governance. The student is introduced to the environment facing corporate and semi government treasurers, and the ways that corporates manage their cash flows, long-term funding and foreign exchange exposures. The student will also review asset placement decisions, credit risk management, and consider the issues plus some solutions for treasury performance measurement. Throughout, the role of derivatives is explored in providing a flexible and cost effective means of changing interest rate exposures, funding and asset management. The significant role of Treasury in risk control and value enhancement is emphasised.

## **Course Objectives**

A student completing this course should be able to:

- Explain the role of the treasury department in an organisation;
- Demonstrate the management of financial exposures encountered by corporate treasurers, funds managers, and financial institutions;
- Recommend how to use financial instruments to manage risks and returns;
- Develop fairly complex spreadsheet models and employ these in financial problem solving and decision making;
- Analyse from first principles the valuation of derivative instruments, and apply the yield curve maths behind such calculations.

These learning objectives will be assessed via one major and two smaller assignments, two tests and performance at the two block releases.

## **Course Delivery**

The contact hours of the course will be during the two block releases detailed above. During the rest of the trimester, students will be expected to be engaged in self directed study using their course notes and material posted on Blackboard, and completing assignments which will be posted on Blackboard.

## **Expected Workload**

Total average workload of 200 hours. During the approximately 6 weeks of term prior to each block release, students will need to allow about 14 hours per week for study, research and preparation of assignments for this course. The two block courses each involve approximately 18 hours of work.

## **Readings**

There is currently no single text that can adequately cover all aspects of this course. With your course outline we have provided a reading guide for the course topics together with a compilation of several of these readings selected from various sources.

While it is possible to provide copies of many of the course readings, you will need to source others from The Victoria University library.

## **Materials and Equipment**

It is necessary to bring a calculator to the block courses. A good financial calculator such as the HP17B, HP12C, or HP10BII is strongly recommended. During tests students will be allowed to use calculators, but not hand held or other computers.

## Assessment Requirements

The following schedule of assessment applies:

<b>Tests:</b>	One test at each block release session based on reading assigned for period leading up to the block release and material presented at the block release (33% each). Please bring your calculator.	<b>66%</b>
<b>Participation:</b>	For your efforts at the block release sessions and for tutorial questions.	<b>2%</b>
<b>Assignments:</b>	Three assignments that count together for 32%. <u>The first assignment (6%) is due Monday, Aug 8, 2011.</u> <u>The second assignment (6%) is due Monday, Sept 26, 2011.</u> <u>The third assignment (20%) is due Sunday, Nov 13, 2011.</u>	<b>32%</b>
<b>Total Assessment:</b>		<b>100%</b>

Students must attain an overall mark of 50% in order to achieve a passing grade.

Where applicable, word limits will be indicated on the assignments.

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

## Examinations

MMAF512 has no formal examination, but does have the two tests detailed above.

## Penalties

Each of the assignments will be marked out of a maximum that diminishes by 5% for every day late. The date of submission shall be taken as the date of delivery. Please carefully read the assignment guidelines for details of how assignments should be submitted. There will be a final cut off date, one week after the due date for each assignment, after which no assignment can be accepted. The assignments will each carry a specified word limit. If an assignment exceeds the word limit, credit will be given only from the beginning of the assignment up to the word limit. No credit will be given for the portion of work extending beyond the word limit.

## Mandatory Course Requirements

To pass, a student must attend all sessions of both block release courses.

## Communication of Additional Information

Additional information including assignment questions, details of the block course schedule, feedback on course assessments, etc will be provided via Blackboard, email or by post. Students are responsible for ensuring that the VIAF administrator, (email: [viaf-programme@vuw.ac.nz](mailto:viaf-programme@vuw.ac.nz)), has their up to date email and postal addresses.

### **Class Representative**

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

**If you have, or become aware of, any health condition that could prevent you attending a VIAF compulsory block release, then you should notify the Programme Director immediately, preferably by email, [dawn.lorimer@vuw.ac.nz](mailto:dawn.lorimer@vuw.ac.nz).**

### **Use of Turnitin**

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <http://www.turnitin.com>. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

**For the following important information follow the links provided:**

#### **Academic Integrity and Plagiarism**

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

#### **General University Policies and Statutes**

Find key dates, explanations of grades and other useful information at

[www.victoria.ac.nz/home/study](http://www.victoria.ac.nz/home/study).

Find out about academic progress and restricted enrolment at

[www.victoria.ac.nz/home/study/academic-progress](http://www.victoria.ac.nz/home/study/academic-progress).

The University's statutes and policies are available at [www.victoria.ac.nz/home/about/policy](http://www.victoria.ac.nz/home/about/policy), except qualification statutes, which are available via the Calendar webpage at

[www.victoria.ac.nz/home/study/calendar](http://www.victoria.ac.nz/home/study/calendar) (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at

[www.victoria.ac.nz/home/about\\_victoria/avcacademic/default.aspx](http://www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx)

**AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support**

[http://www.victoria.ac.nz/home/about\\_victoria/avcacademic/Publications.aspx](http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx)

#### **Faculty of Commerce and Administration Offices**

<http://www.victoria.ac.nz/fca/studenthelp/>

#### **Manaaki Pihipihinga Programme**

[http://www.victoria.ac.nz/st\\_services/mentoring/](http://www.victoria.ac.nz/st_services/mentoring/)