



## COURSE OUTLINE

### 1. **Course:** ACSC 325, Theory of Interest/Mathematics of Finance - Fall 2023

Lecture 01 : MWF 09:00 - 09:50 in ICT 121

<b>Instructor</b>	<b>Email</b>	<b>Phone</b>	<b>Office</b>	<b>Hours</b>
Dr David Scollnik	scollnik@ucalgary.ca		MS 324	Monday 1:30 - 2:30 (usually), or by appointment (any day, email to book)

Students who wish to pursue the ACIA designation with the Canadian Institute of Actuaries must complete this course as this course is in the list of CIA Mandatory Courses for recognized degree([hyperlink to https://education.cia-ica.ca/universities/university-of-calgary/](https://education.cia-ica.ca/universities/university-of-calgary/)).

To account for any necessary transition to remote learning for the current semester, courses with in-person lectures, labs, or tutorials may be shifted to remote delivery for a certain period of time. In addition, adjustments may be made to the modality and format of assessments and deadlines, as well as to other course components and/or requirements, so that all coursework tasks are in line with the necessary and evolving health precautions for all involved (students and staff).

#### **In Person Delivery Details:**

Lectures are in-person, if permitted. The term tests will also take place in-person during the tutorial time slots on the specified dates, if permitted. See the Examination Policy section for important additional information related to testing.

#### **Course Site:**

D2L: ACSC 325 L01-(Fall 2023)-Theory of Interest/Mathematics of Finance

**Note:** Students must use their U of C account for all course correspondence.

#### **Equity Diversity & Inclusion:**

The University of Calgary is committed to creating an equitable, diverse and inclusive campus, and condemns harm and discrimination of any form. We value all persons regardless of their race, gender, ethnicity, age, LGBTQIA2S+ identity and expression, disability, religion, spirituality, and socioeconomic status. The Faculty of Science strives to extend these values in every aspect of our courses, research, and teachings to better promote academic excellence and foster belonging for all.

### 2. **Requisites:**

See section [3.5.C](#) in the Faculty of Science section of the online Calendar.

#### **Prerequisite(s):**

One of Mathematics 249, 265 or 275.

### 3. **Grading:**

The University policy on grading and related matters is described in [F.1](#) and [F.2](#) of the online University Calendar.

In determining the overall grade in the course the following weights will be used:

Course Component	Weight	Due Date (duration for exams)	Modality for exams	Location for exams
Test 1 <sup>1</sup>	20%	Oct 03 2023		
Test 2 <sup>2</sup>	20%	Oct 24 2023		
Test 3 <sup>3</sup>	20%	Nov 21 2023		
Registrar Scheduled Final Exam	40%	Will be available when the final exam schedule is released by the Registrar	in person	Will be available when the final exam schedule is released by the Registrar

<sup>1</sup> The test will be held in your assigned tutorial room.

<sup>2</sup> The test will be held in your assigned tutorial room.

<sup>3</sup> The test will be held in your assigned tutorial room.

Each piece of work (reports, assignments, quizzes, midterm exam(s) or final examination) submitted by the student will be assigned a grade. The student's grade for each component listed above will be combined with the indicated weights to produce an overall percentage for the course, which will be used to determine the course letter grade.

The conversion between a percentage grade and letter grade is as follows.

	A+	A	A-	B+	B	B-	C+	C	C-	D+	D
<b>Minimum % Required</b>	95 %	90 %	85 %	80%	75%	70 %	65 %	60%	55%	50 %	45 %

This course will have a Registrar Scheduled Final exam that will be delivered on-line. [The Final Examination Schedule](#) will be published by the Registrar's Office approximately one month after the start of the term. The final exam for this course will be designed to be completed within hours.

The University of Calgary offers a [flexible grade option](#), Credit Granted (CG) to support student's breadth of learning and student wellness. Faculty units may have additional requirements or restrictions for the use of the CG grade at the faculty, degree or program level. To see the full list of Faculty of Science courses where CG is not eligible, please visit the following website: <https://science.ucalgary.ca/current-students/undergraduate/program-advising/flexible-grading-option-cg-grade>

#### 4. Missed Components Of Term Work:

In the event that a student legitimately fails to submit any online or in-person assessment on time (e.g. due to illness, domestic affliction, etc...), please contact the course coordinator, or the course instructor if this course does not have a coordinator to arrange for a re-adjustment of a submission date, or possible exemption and reweighing of components. Absences not reported within 48 hours will not be accommodated. Students may be asked to provide supporting documentation ([Section M.1](#)) for an excused absence, See [FAQ](#).

If an excused absence is approved, options for how the missed assessment is dealt with is at the discretion of the coordinator or course instructor. Some options such as an exemption and pro-rating among the components of the course may not be a viable option based on the design of this course.

#### 5. Scheduled Out-of-Class Activities:

There are no scheduled out of class activities for this course.

#### 6. Course Materials:

Required Textbook : Stephen G. Kellison, Theory of Interest, 3rd Edition: McGraw Hill.

The required text is anticipated to be available as a Course Pack from Bound and Copied (Student Union). If not, your options will be discussed on the first day of class and/or be described on D2L.

The Solutions Manual is currently available online at the site below. It may disappear at a moments notice, and you should download every file there NOW! I will NOT (am not allowed to) repost it if it vanishes before you save it.

[http://highered.mheducation.com/sites/0073382442/information\\_center\\_view0/solutions\\_manual.html](http://highered.mheducation.com/sites/0073382442/information_center_view0/solutions_manual.html)

In order to successfully engage in their learning experiences at the University of Calgary, students taking online, remote and blended courses are required to have reliable access to the following technology:

- A computer with a supported operating system, as well as the latest security, and malware updates;

- A current and updated web browser;
- Webcam/Camera (built-in or external);
- Microphone and speaker (built-in or external), or headset with microphone;
- Current antivirus and/or firewall software enabled;
- Stable internet connection.

For more information please refer to the UofC [ELearning](#) online website.

## 7. Examination Policy:

Calculators are allowed on tests and examinations.

Students should also read the Calendar, [Section G](#), on Examinations.

As this course is a CIA accredited course, we need to follow two of the preferred practices given in the [CIA UAP](#).

1. If this course is being offered online, exams will be published online at the same time for all candidates, with a total publication and completion time limit corresponding to the exam duration plus a limited period of about 15 minutes for upload if paper answers are to be uploaded. Exceptions will be made only to students who have SAS accommodations and/or students who are living in different time zones; these will be handled on a case by case basis.
2. You will be required to sign the following statement based on honor on each assessment:  
"I understand that this assessment is part of an accredited course under the University Accreditation Program of the Canadian Institute of Actuaries (CIA). In addition to the University rules governing academic integrity, I understand that I am subject to the Code of Conduct and Ethics for Candidates in the CIA Education System and related policy. I swear on my honor to have completed the work on my own and in accordance with the assessment's rules and instructions."

## 8. Approved Mandatory And Optional Course Supplemental Fees:

There are no mandatory or optional course supplemental fees for this course.

## 9. Writing Across The Curriculum Statement:

For all components of the course, in any written work, the quality of the student's writing (language, spelling, grammar, presentation etc.) can be a factor in the evaluation of the work. See also [Section E.2](#) of the University Calendar.

## 10. Human Studies Statement:

Students will not participate as subjects or researchers in human studies.

See also [Section E.5](#) of the University Calendar.

## 11. Reappraisal Of Grades:

A student wishing a reappraisal, should first attempt to review the graded work with the Course coordinator/instructor or department offering the course. Students with sufficient academic grounds may request a reappraisal. Non-academic grounds are not relevant for grade reappraisals. Students should be aware that the grade being reappraised may be raised, lowered or remain the same. See [Section I.3](#) of the University Calendar.

- a. **Term Work:** The student should present their rationale as effectively and as fully as possible to the Course coordinator/instructor within **ten business days** of either being notified about the mark, or of the item's return to the class. If the student is not satisfied with the outcome, the student shall submit the Reappraisal of Graded Term work [form](#) to the department in which the course is offered within 2 business days of receiving the decision from the instructor. The Department will arrange for a reappraisal of the work within the next ten business days. The reappraisal will only be considered if the student provides a detailed rationale that outlines where and for what reason an error is suspected. See sections [I.1](#) and [I.2](#) of the University Calendar
- b. **Final Exam:** The student shall submit the request to Enrolment Services. See [Section I.3](#) of the University Calendar.

## 12. Other Important Information For Students:

- a. **Mental Health** The University of Calgary recognizes the pivotal role that student mental health plays in physical health, social connectedness and academic success, and aspires to create a caring and supportive campus community where individuals can freely talk about mental health and receive supports when needed. We encourage you to explore the mental health resources available throughout the university community, such as counselling, self-help resources, peer support or skills-building available through the SU

Wellness Centre (Room 370, MacEwan Student Centre, [Mental Health Services Website](#)) and the Campus Mental Health Strategy website ([Mental Health](#)).

- b. **SU Wellness Services:** For more information, see their [website](#) or call [403-210-9355](tel:403-210-9355).
- c. **Sexual Violence:** The Sexual Violence Support Advocate, Carla Bertsch, can provide confidential support and information regarding sexual violence to all members of the university community. Carla can be reached by email ([svsa@ucalgary.ca](mailto:svsa@ucalgary.ca)) or phone at [403-220-2208](tel:403-220-2208). The complete University of Calgary policy on sexual violence can be viewed [here](#).
- d. **Student Ombuds Office:** A safe place for all students of the University of Calgary to discuss student related issues, interpersonal conflict, academic and non-academic concerns, and many other problems.
- e. **Student Union Information:** [SU contact](#), Email your SU Science Reps: [science1@su.ucalgary.ca](mailto:science1@su.ucalgary.ca), [science2@su.ucalgary.ca](mailto:science2@su.ucalgary.ca), [science3@su.ucalgary.ca](mailto:science3@su.ucalgary.ca),
- f. **Academic Accommodation Policy:**

It is the student's responsibility to request academic accommodations according to the University policies and procedures listed below. The student accommodation policy can be found at: <https://www.ucalgary.ca/legal-services/sites/default/files/teams/1/Policies-Student-Accommodation-Policy.pdf>

Students needing an accommodation because of a disability or medical condition should communicate this need to Student Accessibility Services in accordance with the Procedure for Accommodations for Students with Disabilities: <https://www.ucalgary.ca/legal-services/sites/default/files/teams/1/Policies-Accommodation-for-Students-with-Disabilities-Procedure.pdf>.

Students needing an accommodation in relation to their coursework or to fulfil requirements for a graduate degree, based on a Protected Ground other than Disability, should communicate this need, by filling out the [Request for Academic Accommodation Form](#) and sending it to Jerrod Smith by email [jerrod.smith@ucalgary.ca](mailto:jerrod.smith@ucalgary.ca) preferably 10 business days before the due date of an assessment or scheduled absence.

- g. **Misconduct:** Academic integrity is the foundation of the development and acquisition of knowledge and is based on values of honesty, trust, responsibility, and respect. We expect members of our community to act with integrity. Research integrity, ethics, and principles of conduct are key to academic integrity. Members of our campus community are required to abide by our institutional [Code of Conduct](#) and promote academic integrity in upholding the University of Calgary's reputation of excellence. Some examples of academic misconduct include but are not limited to: posting course material to online platforms or file sharing without the course instructor's consent; submitting or presenting work as if it were the student's own work; submitting or presenting work in one course which has also been submitted in another course without the instructor's permission; borrowing experimental values from others without the instructor's approval; falsification/fabrication of experimental values in a report. Please read the following to inform yourself more on academic integrity:

[Student Handbook on Academic Integrity](#)  
[Student Academic Misconduct Policy](#) and [Procedure](#)  
[Faculty of Science Academic Misconduct Process](#)  
[Research Integrity Policy](#)

Additional information is available on the [Student Success Centre Academic Integrity page](#)

- h. **Copyright of Course Materials:** All course materials (including those posted on the course D2L site, a course website, or used in any teaching activity such as (but not limited to) examinations, quizzes, assignments, laboratory manuals, lecture slides or lecture materials and other course notes) are protected by law. These materials are for the sole use of students registered in this course and must not be redistributed. Sharing these materials with anyone else would be a breach of the terms and conditions governing student access to D2L, as well as a violation of the copyright in these materials, and may be pursued as a case of student academic or [non-academic misconduct](#), in addition to any other remedies available at law.
- i. **Freedom of Information and Privacy:** This course is conducted in accordance with the Freedom of Information and Protection of Privacy Act (FOIPP). Students should identify themselves on all written work by placing their name on the front page and their ID number on each subsequent page. For more information, see [Legal Services](#) website.
- j. **Canadian Institute of Actuaries Ethics:** In addition to the university's internal policies on conduct, including academic misconduct ([Section K of the online calendar](#)), candidates pursuing credits for writing professional examinations shall also be subject to the Code of Conduct and Ethics for Candidates in the CIA

Education System and the associated Policy on Conduct and Ethics for Candidates in the CIA Education System. For more information, please visit [Obtaining UAP Credits and the CIA FAQ](#).

**Course Outcomes:**

- By the end of the course, students will be expected to be able to define and recognize the definitions of the following terms: interest rate (rate of interest), simple interest, compound interest, accumulation function, future value, current value, present value, net present value, discount factor, discount rate (rate of discount), convertible m-thly, nominal rate, effective rate, inflation and real rate of interest, force of interest, equation of value
- By the end of the course, students will be expected to be able to write and solve time value of money equations
- By the end of the course, students will be expected to be able to define and recognize the definitions of the following terms: annuity-immediate, annuity due, perpetuity, payable m-thly or payable continuously, level payment annuity, arithmetic increasing/decreasing annuity, geometric increasing/decreasing annuity, term of annuity
- By the end of the course, and given sufficient information of immediate or due, present value, future value, current value, Interest rate/yield rate, payment amount, and term of annuity, students will be expected to be able to calculate any remaining item
- By the end of the course, students will be expected to be able to define and recognize the definitions of the following terms: principal, interest, term of loan, outstanding balance, final payment (drop payment, balloon payment), amortization, sinking fund.
- By the end of the course, given sufficient information of loan amount, payment stream, interest rates, etc., students will be expected to be able to calculate the outstanding balance at any point in time, the amount of principal and interest in a given payment, and complete an amortization and / or sinking fund schedule.
- By the end of the course, students will be expected to be able to define and recognize the definitions of the following terms: price, book value, amortization of premium, accumulation of discount, redemption value, par value/face value, yield rate, coupon, coupon rate, term of bond.
- By the end of the course, and given sufficient information of price, book value, redemption value, face value, yield rate, coupon amount, coupon rate, and term of bond, students will be expected to be able to calculate any remaining item.
- By the end of the course, students will be expected to be able to define, recognize, and (where appropriate) calculate the following: yield rate/rate of return, dollar-weighted rate of return, time-weighted rate of return, current value, duration (Macaulay and modified), convexity (Macaulay and modified), portfolio, spot rate, forward rate, yield curve.

Electronically Approved - Sep 04 2023 10:32

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**Department Approval**