

University of North Texas at Dallas

Spring 2013

SYLLABUS

Version 1.0 1/16/13

FINA 4400D: Financial Markets and Institutions 3-Hrs	
Department of	Business
Division of	Urban & Professional Studies
Instructor Name:	David J. Wozniak, MBA
Office Location:	Founders Hall (DAL 2), 305 (Adjunct Faculty Office)
Office Phone:	(972) 492-9644
Email Address:	David.Wozniak@unt.edu
Office Hours:	By appointment and adjacent to my class times as follows: Tuesdays: 3:00 to 4:00 PM & 7:00 to 7:30 PM. Thursdays: 4:30 PM to 7:00 PM <i>(Be sure to re-check the Office Hours area in the Professor Info area of eCampus for any mid-semester changes as office hours information in this syllabus file will not be updated during the semester if they are changed.)</i>
Virtual Office Hours:	With advance notice Skype: David-Wozniak
Classroom Location:	Founders Hall (DAL 2), Room 336
Class Meeting Days & Times:	Thursdays 7:00pm to 9:50pm (January 17 to May 9 except March 21)
Course Catalog Description:	Studies in the operations, mechanics, and structure of the U.S. financial system. Topics include commercial banking, nonbank financial institutions, money and capital markets, the impact of monetary policy on financial institutions and markets, and an introduction to the international financial system.
Prerequisites:	FINA 3770 with a grade of C or better.
Co-requisites:	None
Required Text:	Financial Markets and Institutions: Saunders and Cornett, 5e ISBN-13: 978-0-07-789309-5 (Book bundle including the Connect electronic access card) ISBN-13: 978-0-07-803466-4 (For book renters: Book by itself <u>without</u> a MyLab access card)* <i>*Connect electronic access is required for homework.</i> Connect access has an ISBN-13: 978-0-07-748023-3 (this is access card separate from textbook and it can also be purchased online instantly, see)
Recommended Text and References:	Calculator: BA II PLUS by Texas Instruments (Recommended) or any calculator capable of time-value-of-money calculations. Optional: Wall Street Journal (discounted student subscription has full online access and tablet/smart phone versions included). Free access at local city libraries (not at UNT-D). Student subscription available for less than \$30 via credit or debit card—see eCampus for details (Assignments or Web Links areas) for the registration web link and further instructions.
Access to Learning Resources:	UNT Dallas Library: phone: (972) 780-3625; web: http://www.unt.edu/unt-dallas/library.htm UNT Dallas Bookstore: phone: (972) 780-3652; e-mail: 1012mgr@fhcg.follett.com
Course Goals or Overview:	
	Students will develop and demonstrate a working understanding of the financial marketplace: theory, risk versus expected return, participants, instruments, pricing of financial instruments, and how money is created and controlled.
Learning Objectives/Outcomes: At the end of this course, the student will:	
1	Have an introduction to financial management: What it is, goal of firm, types of businesses, time value, cash

	flows and taxes, agency problems, efficient capital markets, diversification, etc. Be able to understand the operations, mechanics, and structure of the U.S. financial system
2	Demonstrate the ability to use the essential quantitative tools and theoretical models employed in valuation and risk assessment and the ability to apply economic and financial theory when evaluating regulations and the operations/activities of market participants
3	Define the effects of financial market conditions on investment, financing, and valuation
4	Identify how various institutions, regulations, and activities contribute to achieving the overall objective of a financial system –getting adequate funds to the right party in a timely manner and at a low cost
5	Identify the core concepts of financial markets, financial instruments, and financial institutions, including the role and function of the Federal Reserve.

Course Outline

This schedule is subject to change by the instructor. Any changes to this schedule will be communicated in class and often via an E-Campus announcement.

Topics	Timeline	Class Days
Introduction: Student Info Sheet, Syllabus, Text, Connect+, eCampus Ch. 1: Introduction and Overview of Financial Markets Ch. 2: Determinants of Interest Rates	Week 1	Thursday, January 17, 2013
Ch. 3: Interest Rates and Security Valuation Ch. 4: The Federal Reserve System, Monetary Policy, and Interest Rates	Week 2	Thursday, January 24, 2013
Quiz 1: Chs. 1-4 Ch. 5: Money Markets Ch. 6: Bond Markets (begin)	Week 3	Thursday, January 31, 2013
Ch. 6: Bond Markets (end) Ch. 7: Mortgage Markets Quiz 2: Ch. 5, 6 Review for Exam 1	Week 4	Thursday, February 07, 2013
Exam 1: Chs. 1-7	Week 5	Thursday, February 14, 2013
Ch. 8: Stock Markets Ch. 9: Foreign Exchange Markets	Week 6	Thursday, February 21, 2013
Quiz 3: Ch. 8, 9. Ch. 10: Derivative Securities Markets	Week 7	Thursday, February 28, 2013
Ch. 11: Commercial Banks: Industry Overview Ch. 13: Regulation of Commercial Banks	Week 8	Thursday, March 07, 2013
Spring Break (No Classes)		Thursday, March 14, 2013
Review for Exam 2 Exam 2: Ch. 8, 9, 10, 11, 13.	Week 9	Thursday, March 21, 2013
Ch. 12: Commercial banks' Financial Statements and Analysis	Week 10	Thursday, March 28, 2013
Quiz 4: Ch. 12 Ch. 14: Other Lending Institutions Ch. 15: Insurance Companies	Week 11	Thursday, April 04, 2013
Ch. 16: Securities Firms and Investment Banks Ch. 19: Types of Risks Incurred by Financial Institutions	Week 12	Thursday, April 11, 2013
Quiz 5: Ch. 16, 19. Ch. 20: Managing Credit Risk on the Balance Sheet	Week 13	Thursday, April 18, 2013
Catch-up and Review for Final Exam	Week 14	Thursday, April 25, 2013
Presentations (and perhaps more review)	Week 15	Thursday, May 02, 2013
Final Exam (Same as usual class time but to 9pm)	Week 16	Thursday, May 09, 2013

Course Evaluation Methods

This course will utilize the following instruments to determine student grades and proficiency of the learning outcomes for the course.

Exams – In-class exams will consist of written tests designed to measure students’ knowledge and understanding of course material. Exam questions will consist of primarily of short-answer questions and include some problems and essay-type questions. Exams will generally cover the topics discussed or presented in class, however, other material may be identified as exam material when appropriate. There will be two regular exams and a final exam. The final exam is cumulative.

Assignments & Quizzes – These activities are intended to supplement and reinforce course material. A student may be responsible for completing an activity in or outside of class.

Group Presentation and Written report (total 50 points) – Class will be divided into groups of 2 or students each. Each group will be assigned a financial institution. All members of the group will receive the same base grade based on the presentation and the report, adjusted by a peer evaluation by the other members of the group. There will be two components of this:

- **Present and discuss current news/events related to your assigned financial institution.** (20 points). You and your team should read at least five news articles that relate to your assigned financial institution (most recent news is preferred). There will be one group presentation each week except for exam week.
- **Written report on financial institution.** (30 points). The report must consist of the following elements: a concise description of the institution, an account of a recent conflict of interest or other ethical issue related to the institution, and a description of how the institution has been affected by the ongoing financial crisis. The written report should be approximately 10 pages with sources fully cited and is due in class on the class day for presentations (Week 15).

Grading Matrix:

Instrument	Value (points)	Total
Exams	(3) at 100 points each	300
Attendance	1-3 points added/deducted within exam grade	
Quizzes		50
Presentation and written report		50
Various as announced.	Extra credit.	20
Connect+ Homework		50
Total:		450

Grade Determination:

- A : 450 – 405 pts; i.e. 90% or better
- B : <405 – 360 pts; i.e. 80 – 89 %
- C : <360 – 315 pts; i.e. 70 – 79 %
- D : <315 – 270 pts; i.e. 60 – 69 %
- F : <270 pts; i.e. less than 60%

Professor Policies

Assignment Policy:

Please be sure to follow the instructions provided in class for given class work and homework. You must properly credit the source of information in any paper you write—failing to do so is academic dishonesty. (Be very careful with copy-and-paste when writing especially your article summaries). I do read your work and report dishonesty!

Exam Policy:

Exams are to be taken as scheduled. You should bring a financial calculator but you may not bring a programmable/scientific one. You may create a formula sheet. It must be one-sided and your own (no copies of others’) and it must be turned in with your exam. You must mark erasures on your Scantron as shown in class on exam days otherwise you may not claim the form was misgraded. I also image Scantrons before return. Exams must be turned back in to me in the class period they are returned to you to examine for errors/problems.

Makeup examinations are usually not given. Instead, the final exam grade will be substituted for the missing exam grade. Such accommodation will only be permitted given suitable documented emergencies (See Student Handbook).

E-Campus/Blackboard Learn:

Additional materials and downloadable homework files are provided here. If weather interrupts classes, additional work or video lecture may be provided via E-campus. Be sure to check the system before each class and over the weekend. You must use <http://learn.unt.edu> to access it.

Food and Drink in Classroom:

Food is generally discouraged as it can be distracting to other students or create a maintenance headache if dropped. If you perhaps must come to class directly from work and need to eat in class to be alert, please visit with me early in the semester about this. The only drink allowed is water—most other stuff stains the carpet when accidentally spilled and is therefore prohibited.

Portable Computer/Tablet Use in Classroom:

Portable information technology appliances (tablet or laptop computers) may not be used in a manner that distracts other students their learning experience. Generally, this means that these devices should be used for note-taking or groupwork. Other use tends to attract the eyes of other learners as the screen changes (which periodically causes complaints to the instructor, e.g. "So and so is looking at a dozen Facebook pages"). Computers, programmable calculators, and the like are prohibited on exam days.

Cell Phones/Other Devices:

Cell phones must be set on vibrate or off so as to not create a distraction. On exam days, you must not use your cell phone or have it on your desk and you may not have a Bluetooth earpiece in your ear. After the first time, a student interrupting class with a cell phone or other device will lose any exam bonus points for good attendance.

Incomplete Grade:

Documented extraordinary circumstances (like pregnancy, surgery, etc.) may warrant assigning an incomplete (an "I") grade. This is done per university policy.

University Policies and Procedures

Students with Disabilities (ADA Compliance):

The University of North Texas Dallas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of new federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. For more information, you may visit the Student Life Office, Suite 200, Building 2 or call 972-780-3632.

The Department of Urban and Professional Studies is committed to full academic access for all qualified students, including those with disabilities. In keeping with this commitment and in order to facilitate equality of educational access, faculty members in the department will make reasonable accommodations for qualified students with a disability, such as appropriate adjustments to the classroom environment and the teaching, testing, or learning methodologies when doing so does not fundamentally alter the course.

If you have a disability, it is your responsibility to obtain verifying information from the Office of Student Life and to inform me of your need for an accommodation. Grades assigned before an accommodation is provided will not be changed. Information about how to obtain academic accommodations can be found in UNTD Policy 7.004, [Disability Accommodations for Students](#), and by visiting Student Life, building 2, Suite 200. 972-780-3632, studentlife@unt.edu.

Student Evaluation of Teaching Effectiveness Policy:

The Student Evaluation of Teaching Effectiveness (SETE) is a requirement for all organized classes at UNT. This short survey will be made available to you at the end of the semester, providing you a chance to comment on how

this class is taught. I am very interested in the feedback I get from students, as I work to continually improve my teaching. I consider the SETE to be an important part of your participation in this class.

Academic Integrity:

Academic integrity is a hallmark of higher education. You are expected to abide by the University's code of conduct and Academic Dishonesty policy. Any person suspected of academic dishonesty (i.e., cheating or plagiarism) will be handled in accordance with the University's policies and procedures. Refer to the Student Code of Conduct at http://www.unt.edu/csrr/student_conduct/index.html for complete provisions of this code.

Bad Weather Policy:

On those days that present severe weather and driving conditions, a decision may be made to close the campus. In case of inclement weather, call UNT Dallas Campuses main voicemail number (972) 780-3600 or search postings on the campus website <http://dallas.unt.edu>. Students are encouraged to update their Eagle Alert contact information, so they will receive this information automatically.

Attendance and Participation Policy:

The University attendance policy is in effect for this course. Class attendance and participation is expected because the class is designed as a shared learning experience and because essential information not in the textbook will be discussed in class. The dynamic and intensive nature of this course makes it impossible for students to make-up or to receive credit for missed classes. Attendance and participation in all class meetings is essential to the integration of course material and your ability to demonstrate proficiency. Students are responsible to notify the instructor if they are missing class and for what reason. Students are also responsible to make up any work covered in class. It is recommended that each student coordinate with a student colleague to obtain a copy of the class notes, if they are absent. I will award some bonus points for perfect attendance as part of class participation.

Diversity/Tolerance Policy:

Students are encouraged to contribute their perspectives and insights to class discussions. However, offensive & inappropriate language (swearing) and remarks offensive to others of particular nationalities, ethnic groups, sexual orientations, religious groups, genders/gender identities, or other ascribed statuses will not be tolerated. Disruptions which violate the Code of Student Conduct will be referred to the Center for Student Rights and Responsibilities as I deem appropriate.

Eagle Connect Account:

All students should activate and regularly check their EagleConnect (email) account. EagleConnect is used for official communication from the University to students. Many important announcements for the University and College are sent to students via EagleConnect. For information about EagleConnect, including how to activate an account and how to have EagleConnect forwarded to another e-mail address, visit <https://eagleconnect.unt.edu>