Finance

Undergraduate Study

For undergraduate curriculum in business, major in finance.

In addition to the basic business requirements, finance majors must also complete:

- FIN 310 Corporate Finance 3
- FIN 320 Investments 3

Select four from the following (two must be 400-level):
- FIN 327 Fixed Income Securities
- FIN 330 Financial Markets and Institutions
- FIN 361 Personal Risk Management and Insurance
- FIN 371 Real Estate Principles
- FIN 415 Business Financing Decisions
- FIN 424 Financial Futures and Options
- FIN 425 Security Analysis and Portfolio Management
- FIN 428 Advanced Fixed Income Analysis and Portfolio Management
- FIN 435 Venture Capital, Private Equity, and Mergers and Acquisitions
- FIN 445 Bank Management Decisions
- FIN 462 Corporate Risk Management and Insurance
- FIN 472 Real Estate Finance
- FIN 480 International Finance

Select one from the following:
- ACCT 383 Intermediate Managerial Accounting
- ACCT 386 Intermediate Accounting I
- ACCT 387 Intermediate Accounting II

or any 400 level course listed above.

* STAT 326 Introduction to Business Statistics II is highly recommended to be taken as a prerequisite.

The courses in finance constitute a broad program of study designed to provide a descriptive, behavioral, and analytical background of financial management to enable students to qualify for opportunities in financial services, insurance, brokerage, government, real estate, and financial management of business enterprises. Finance is also an excellent area for those who wish to become more knowledgeable as consumers, particularly in the fields of investments, insurance, and real estate.

Areas of study in the field of finance include corporate financial management, investments, portfolio management, insurance, real estate, banking, and risk management. Upper-level courses include a review of contemporary literature in the field, case studies, and financial problem analysis integrating finance courses previously taken.

The instructional objective of the Finance program is to provide a well-rounded professional education in finance. Such an education should provide the student with:

1. a mastery of basic financial concepts and methods of analysis
2. an understanding of financial operations in a global setting and of the role of financial institutions in the economy
3. an ability to effectively communicate and work with others as the finance member of a team
4. an ability to demonstrate leadership capabilities in financial analysis and portfolio management.

The department also offers a minor for non-finance majors in the College of Business. The minor requires 15 credits from an approved list of courses, of which 9 credits must stand-alone. Students with declared majors have priority over students with declared minors in courses with space constraints.

Graduate Study

The department participates in the full-time and part-time Master of Business Administration (M.B.A.) program. The M.B.A. is a 48-credit, non-thesis, non-creative component curriculum. Thirty of the 48 credits are core courses and the remaining 18 are graduate electives. Within the M.B.A. program, students may develop an area of specialization in finance.

Courses primarily for undergraduates:

- FIN 301. Principles of Finance. (3-0) Cr. 3. F.S.SS. Prereq: ACCT 284, ECON 101, STAT 226
  Introduction to financial management with emphasis on corporate financing and investment decision making, time value of money, asset valuation, capital budgeting decision methods, cash budgeting, and financial markets.

- FIN 310. Corporate Finance. (3-0) Cr. 3. F.S.SS. Prereq: FIN 301
  Theory used in a firm’s investment and financing decisions. Analysis of environment in which financial decisions are made; applications of analytical techniques to financial management problems.

- FIN 320. Investments. (3-0) Cr. 3. F.S.SS. Prereq: FIN 301
  Introduction to securities and markets from the viewpoint of the individual investor. Emphasis on mechanics of trading, measurement of return and risk, behavior of security prices, valuation of stocks and bonds, mutual funds, portfolio selection techniques, and performance evaluation.

- FIN 327. Fixed Income Securities. (3-0) Cr. 3. Prereq: FIN 301
  Valuation of fixed income securities, including pricing conventions, term structure of interest rates, default, duration, and hedging of interest rate risk with derivatives. Analysis of bond market sectors, including treasury, agency, corporate, sovereign, municipal, and residential mortgage bonds. Nonmajor graduate credit.

- FIN 330. Financial Markets and Institutions. (3-0) Cr. 3. F.S. Prereq: FIN 301
  Introduction to the structure and operations of the United States financial system and its markets and institutions. Emphasis on developing an integrated understanding of markets and financial service providers including global linkages.

- FIN 361. Personal Risk Management and Insurance. (3-0) Cr. 3. F.S. Prereq: ECON 101
  Risk concepts and the use of insurance by individuals and families. Emphasis on the insurance mechanism and methods of dealing with income, property, and liability risks.

- FIN 371. Real Estate Principles. (3-0) Cr. 3. SS. Prereq: ECON 101
  Legal, economic, social and financial aspects of real estate, including property rights, contracts, mortgage instruments, tax factors, brokerage, valuation, risk and return analysis, financing techniques, and investments.

- FIN 415. Business Financing Decisions. (3-0) Cr. 3. Prereq: FIN 301 and STAT 326
  In depth study of the firm’s external financing decision. Emphasis on the development of cash flow statements, projected financing needs and the selection of the appropriate financing instrument. Focus on case studies and application of developed techniques on actual field project. Nonmajor graduate credit.

- FIN 424. Financial Futures and Options. (3-0) Cr. 3. Prereq: FIN 320 and STAT 326
  Advanced study of the pricing and use of derivative market instruments, current topics and issues. Nonmajor graduate credit.

- FIN 425. Security Analysis and Portfolio Management. (3-0) Cr. 3. F.S. Prereq: FIN 320, STAT 326 and permission of instructor
  Advanced study of security analysis, security selection techniques and portfolio management. Emphasis on the applications of methods learned via the selection and evaluation of a portfolio of actual securities purchased in securities markets in the U.S. or abroad. Tracking and periodic reporting of the portfolio’s performance relative to standard benchmarks is also required. Nonmajor graduate credit.

- FIN 428. Advanced Fixed Income Analysis and Portfolio Management. (3-0) Cr. 3. Prereq: FIN 320, STAT 326 and permission of the instructor
  Advanced analysis of fixed income markets and securities, including valuation and trading of treasury securities, corporate bonds, mortgage backed securities. Analysis of structured financial securities, including CDO, CMBS, and ABS. Analysis of active and passive investment strategies for managing fixed income portfolios. Students are required to manage a fixed income portfolio for an institutional investor. A top-down approach to portfolio management is assumed, with active bets taken on market direction, duration, yield curve, and credit spreads. Nonmajor graduate credit.
FIN 435. Venture Capital, Private Equity, and Mergers and Acquisitions. 
(3-0) Cr. 3. S. Prereq: FIN 310, FIN 320, STAT 326, and permission of instructor 
An advanced investments class that focuses on alternative investments. Topics 
include derivatives for valuing public and private firms, venture capital finance, 
investment banking, private equity finance, leveraged buyouts, hedge funds, the 
structure and financing of mergers and acquisitions, and divestitures. Nonmajor 
graduate credit.

(3-0) Cr. 3. F.S. Prereq: STAT 326 and FIN 330 
Analysis of operations of depository financial institutions from management 
viewpoint. Emphasis on evaluating performance, policy formation, asset 
and liability management, the role of capital, and the operating environment. Nonmajor 
graduate credit.

FIN 462. Corporate Risk Management and Insurance. 
(3-0) Cr. 3. F. Prereq: FIN 301 and STAT 326 
Analysis of an organization’s approaches to the management of price, credit, 
and pure risk. Emphasis on the consideration and selection of risk control 
and financing treatments and the decision-making framework underlying 
the alternatives selected. Covers commercial insurance, self-insurance, and 
alternative financing arrangements. Nonmajor graduate credit.

FIN 472. Real Estate Finance. 
(3-0) Cr. 3. Prereq: FIN 301 and STAT 326 
Introduction to the techniques of assessing the value of real estate and real estate 
financing instruments. Nonmajor graduate credit.

FIN 480. International Finance. 
(3-0) Cr. 3. F.S. Prereq: FIN 301 and STAT 326 
Advanced study of currency market equilibrium, use and analysis of currency 
derivatives, hedging currency risk, and additional topics, which could include 
national capital budgeting, taxation, raising capital internationally, 
international portfolio diversification, international capital market equilibrium, 
political and country risk, financing international trade, multinational corporate 
investment management, and current issues. Nonmajor graduate credit.

FIN 490. Independent Study. 
Cr. 1-3. Repeatable. Prereq: FIN 301, STAT 326 and permission of instructor

FIN 499. Finance Internship. 
(3-0) Cr. 1-3. F.S.SS. Prereq: GPA 2.5; permission of internship coordinator; FIN 
310 and STAT 326; FIN 499A: FIN 330; FIN 499B: FIN 361; FIN 499C: FIN 301 plus 3 
additional credits in finance; FIN 499D: FIN 320; FIN 499E: FIN 310 
Supervised experience in a private sector banking, insurance, real estate, 
private firms, venture capital finance, private equity finance, leveraged buyouts, 
hedge funds, the structure and financing of mergers and acquisitions, and divestitures. Offered on a satisfactory-fail basis only.

FIN 499A. Finance Internship:Banking. 
(3-0) Cr. 1-3. F.S.SS. Prereq: GPA 2.5; permission of internship coordinator; 
FIN 361 and STAT 326 
Supervised experience in a private sector insurance organization or in a governmental agency that regulates such organizations. Offered on a satisfactory-fail basis only.

FIN 499B. Insurance. 
(3-0) Cr. 1-3. F.S.SS. Prereq: GPA 2.5; permission of internship coordinator; FIN 
361 and STAT 326 
Supervised experience in a private sector insurance organization or in a governmental agency that regulates such organizations. Offered on a satisfactory-fail basis only.

FIN 499C. Real Estate. 
(3-0) Cr. 1-3. F.S.SS. Prereq: GPA 2.5; permission of internship coordinator; FIN 
301 plus 3 additional credits in finance and STAT 326; 
Supervised experience in a private sector real estate organization or in a governmental agency that regulates such organizations. Offered on a satisfactory-fail basis only.

FIN 499D. Investments. 
(3-0) Cr. 1-3. F.S.SS. Prereq: GPA 2.5; permission of internship coordinator; FIN 
320 and STAT 326 
Supervised experience in a private sector investment organization or in a governmental agency that regulates such organizations. Offered on a satisfactory-fail basis only.

FIN 499E. Corporate. 
(3-0) Cr. 1-3. F.S.SS. Prereq: GPA 2.5; permission of internship coordinator; FIN 
310 and STAT 326 
Supervised experience in a private sector corporate organization or in a governmental agency that regulates such organizations. Offered on a satisfactory-fail basis only.

Courses primarily for graduate students, open to qualified undergraduates:

(3-0) Cr. 3. Prereq: Enrollment in MBA program or departmental permission. 
Shareholder wealth maximization as the goal of the firm within a social 
responsibility context, financial Math, valuation of securities, the global financial 
marketplace as the test of value, estimation of cost of capital, global capital 
investment decisions, capital structure policy, working capital management.

FIN 510. Advanced Corporate Finance. 
(3-0) Cr. 3. Prereq: FIN 501 
Examines corporate financial decisions, including theory and associated empirical 
evidence. Topics include agency conflicts, corporate governance, executive 
compensation, becoming publicly traded, raising capital through public and private 
offerings, capital structure, financial distress and bankruptcy, leasing, dividend 
policy, corporate control, restructuring, and risk management.

(3-0) Cr. 3. Prereq: FIN 501 
This course focuses on case studies to develop an integrated set of financial 
decisions. Topic areas include fixed asset, working capital, capital structure, 
dividend and merger/acquisition decisions. The objective of the course is to 
examine different firm settings and establish a framework within which to apply 
financial tools.

FIN 520. Investments. 
(3-0) Cr. 3. Prereq: FIN 501 
Analysis of risk and return for individual securities and portfolios of securities. 
Topics include the market environment, mechanics of trading, measurement 
of return and risk, valuation of stocks and bonds, mutual funds, optimal 
asset allocation, market efficiency, portfolio performance evaluation, and risk 
management.

FIN 534. Financial Derivatives. 
(3-0) Cr. 3. F. Prereq: Graduate classification 
An applied course in derivative markets. Topics covered include futures and 
options markets, option pricing, swaps, use and rating of insurance products, 
and alternative forms of reinsurance. Emphasis will be placed on agricultural 
commodity markets, but energy, interest, currency and stock index contracts will 
also be covered.

FIN 535. Venture Capital, Private Equity, and Mergers and Acquisitions. 
(3-0) Cr. 3. Prereq: FIN 501 
Advanced investments class focusing on alternative investments. Topics include 
the nature and scope of investment banking, techniques for valuing public and 
private firms, venture capital finance, private equity finance, leveraged buyouts, 
hedge funds, the structure and financing of mergers and acquisitions, and divestitures.

FIN 572. Real Estate Finance. 
(3-0) Cr. 3. Prereq: MBA Core 
Survey of techniques for assessing the value of real estate assets. Introduction to 
real estate financing instruments, their use and appropriateness.

FIN 590. Special Topics. 
Cr. 1-3. Repeatable. F.S.SS. Prereq: Permission of instructor 
For students wishing to do individual research in a particular area of finance.