Course Title: Management of Financial Institutions  
Course Number: FINA 4310-001  
Instructor: Hui James  
Class Meeting: Online  
Email Address: hjames@uttyler.edu  
Office: BUS 135A  
Office hours: M, W 1:00 – 3:00 PM; or by appointment

Faculty- student Communications:  
I generally respond your emails within 24 hours on weekdays and 2 days during weekends. Email should be sent to hjames@uttyler.edu rather than through Patriot email.

Instructional Methods:  
Online presentations, interactive problem solving exercises and discussions boards.

Required materials: 


- Students must have access to McGraw Hill Connect, which contains easy access to ample exercise, step-by-step tutorials, sample tests, and valuable feedback for you to be successful in this course. To register, please follow the link http://connect.mheducation.com/class/h-james-fina-4310_060

- You may purchase the book with access card for McGraw Hill Connect together or separately online, or you may purchase the package together from bookstore.

- Students also must have internet access, basic computer skills, such as web browsing and email checking, simple application of Microsoft Word and Excel. Regularly log on to BlackBoard and check for new announcements and posted class materials is strongly recommended.
It is highly recommended that each student to have a financial calculator for the course because it can make your life so much easier in this course. Please do not share calculators in the classes or exams. The calculator used to solve class examples is Texas Instruments BA II Plus. You are welcome to use another type/brand financial calculator; however, it is your responsibility to figure out how to solve problems using it.

Course Objectives:
Financial markets have a critical function in maximizing the efficiency of capital allocation, which in turn leads to maximized wealth. This course provides you the fundamental understanding of the principles of financial markets and the return-and-risk tradeoff in both domestic and foreign markets.

Course Outcomes:
Upon the completion of this course, you will be able to:
- Describe the basic function of financial markets and identify the players in it.
- Understand the determinants of interest rates and how interest rate changes affect security value.
- Understand what is Federal Reserve System and the mechanisms of monetary policies.
- Distinguish money markets vs. capital markets, spot vs. future markets, and domestic vs. international markets.
- Evaluate securities traded in each market.
- Explain risks faced by financial institutions and understand the strategies can be adopted to minimize risks.

Course structure:
The course begins with an introduction of financial markets and institutions, including the functions of FIs, the determinants of interest rates, security valuation, and Federal Reserve System and monetary policies. In the following, it presents you with an overview of various security markets. In this session, the description of each market, its participants, the securities traded, the trading process, and factors affect security risks will be introduced. Lastly, the investigation of risks faced by financial institutions and the mechanisms can be employed to overcome different types of risk concludes the course.

To be successful in this course, students will need to:
- Visit Blackboard regularly.
- Read book chapters.
- Finish all assignments on time.
- Participate in discussion boards.

Note on Blackboard: all course materials, grades, and announcements will be posted by Blackboard. You will automatically have an account after enrolling in this
course. Please contact the Blackboard administrator if you have any problem accessing Blackboard. Students are required to maintain the current e-mail address with Blackboard as it uses this address to send course-related online communications.

Exams:
There will be three exams in total for this semester. Each exam is non-cumulative. The format will be the combination of multiple choices and short essays. You are allowed to use formula sheet, which must be no larger than an 8 1/4 by 11 sheet of paper. You are not allowed to write down anything other than formulas on your formula sheet. All exams will be conducted through McGraw Hill Connect.

Homework:
Homework assignments are assigned through McGraw Hill Connect. Late submissions are allowed with penalty of 20% off your homework grade per day. The homework assignments account for 27.3% of final grade.

Quizzes:
Throughout the semester, there will be 5 quizzes given through McGraw Hill Connect. The quizzes are designed to assess your understanding of the material related to the previous few lectures. You will have one day to complete the quizzes. No late submission is allowed. No make-up quiz will be offered.

Participation
Class participation, including attending class, asking and discussing questions in class, is strongly encouraged. Students will be responsible for all work missed during an absence. Coming to class late, leaving class early, leaving classroom in the middle of the class without legitimate reasons are considered disruptive behavior, and your participation points for that particular class section will be deducted by 50%.

Make-Up Policy:
If you must miss an exam, you must contact me in person before the exam. Evidence for the unavoidable absence is required. Failure to do so may result in a zero for that exam. Make-up exams, if allowed, may be taken before the absence and no later than the next scheduled class period.

Evaluation
A student’s grade for the class will be based on performance in exams, assignments, and class participation. Below is the grading scale with the corresponding weights for each component:

1. Exam 1 100 pts.
2. Exam 2 100 pts.
3. Exam 3 100 pts.
4. Assignments 150 pts.
5. Quizzes 50 pts.
5. Participation 50 pts.
TOTAL 550 pts.

The grade scale is as following:
>=90% : A
<=80%<90% : B
<=70%<80%: C
<=60%<70%: D
<60%: F

All grades beginning Spring 2007 must be a “C” or better for the University Lower Division Core, Business Field of Study, Upper Division Business Core, and Major Area. The only “D” allowed will be in General and Business Electives. Thus, if you are taking this class as your fulfillment of upper division core for degree in business, you should achieve a “C” or better grade.

**Course Topic outline**

**Week 1**
- 19-Jan Syllabus
- 21-Jan Chapter 1 Introduction

**Week 2**
- 26-Jan Chapter 2 Determinants of interest rates
- 28-Jan Chapter 2 Determinants of interest rates

**Week 3**
- 1-Feb Census Date; Deadline for all registrations, schedule changes, and section changes
- 2-Feb Chapter 3 Interest rates and security valuation
- 4-Feb Chapter 3 Interest rates and security valuation

**Week 4**
- 9-Feb Chapter 4 Federal reserve system, monetary policy, and interest rates
- 11-Feb Chapter 4 Federal reserve system, monetary policy, and interest rates

**Week 5**
- 16-Feb Review for Exam 1
- 18-Feb Exam 1 (Chapter 1, 2, 3 &4)

**Week 6**
- 23-Feb Chapter 5 Money markets
- 25-Feb Chapter 5 Money markets

**Week 7**
- 1-Mar Chapter 6 Bond markets
- 3-Mar Chapter 6 Bond markets
- Chapter 7 Mortgage Markets

**Week 8**
Spring break
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<tr>
<th>Week 9</th>
<th>15-Mar</th>
<th>Chapter 7</th>
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<tr>
<td>Week 10</td>
<td>22-Mar</td>
<td>Chapter 9</td>
<td>Foreign exchange markets</td>
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<td>Week 11</td>
<td>29-Mar</td>
<td>Chapter 10</td>
<td>Derivative Securities markets</td>
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<td>31-Mar</td>
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<td>Review for Exam 2</td>
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<td>Week 12</td>
<td>5-Apr</td>
<td>Chapter 19</td>
<td>Types of risks incurred by financial institutions</td>
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<tr>
<td>Week 13</td>
<td>12-Apr</td>
<td>Chapter 19</td>
<td>Types of risks incurred by financial institutions</td>
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<td>Week 14</td>
<td>19-Apr</td>
<td>Chapter 22</td>
<td>Managing interest rate risk and insolvency risk on the balance sheet</td>
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<td>Week 15</td>
<td>26-Apr</td>
<td>Chapter 23</td>
<td>Managing risk off the balance sheet with derivative securities</td>
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<td>Week 16</td>
<td>28-Apr</td>
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<td>Review for Exam 3</td>
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**NOTE: the above class schedule is subject to revisions at the instructor’s discretion if it is deemed necessary as a responsive action to class process and time constraints.**

**College of Business and Technology Statement of Ethics:**

The ethical problems facing local, national and global business communities are an ever-increasing challenge. It is essential the college of Business and Technology help students prepare for lives of personal integrity, responsible citizenship, and public service. In order to accomplish these goals, both students and faculty of the College of Business and Technology at The University of Texas at Tyler will:

- Ensure honesty in all behavior, never cheating or knowingly giving false information.
- Create an atmosphere of mutual respect for all students and faculty regardless of race, creed, gender, age or religion.
- Develop an environment conducive to learning.
- Encourage and support student or organizations and activities.
- Protect property and personal information from theft, damage and misuse.
- Conduct yourself in a professional manner both on and off campus.

**Students Rights and Responsibilities**

To know and understand the policies that affect your rights and responsibilities
as a student at UT Tyler, please follow this link: 
http://www2.uttyler.edu/wellness/rightsresponsibilities.php

Grade Replacement/Forgiveness and Census Date Policies

Students repeating a course for grade forgiveness (grade replacement) must file a Grade Replacement Contract with the Enrollment Services Center (ADM 230) on or before the Census Date of the semester in which the course will be repeated. Grade Replacement Contracts are available in the Enrollment Services Center or at http://www.uttyler.edu/registrar. Each semester’s Census Date can be found on the Contract itself, on the Academic Calendar, or in the information pamphlets published each semester by the Office of the Registrar.

Failure to file a Grade Replacement Contract will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates are eligible to exercise grade replacement for only three course repeats during their career at UT Tyler; graduates are eligible for two grade replacements. Full policy details are printed on each Grade Replacement Contract.

The Census Date is the deadline for many forms and enrollment actions that students need to be aware of. These include:

- Submitting Grade Replacement Contracts, Transient Forms, requests to withhold directory information, approvals for taking courses as Audit, Pass/Fail or Credit/No Credit.
- Receiving 100% refunds for partial withdrawals. (There is no refund for these after the Census Date)
- Schedule adjustments (section change, adding a new class, dropping without a “W” grade)
- Being reinstated or re-enrolled in classes after being dropped for non-payment
- Completing the process for tuition exemptions or waivers through Financial Aid

State-Mandated Course Drop Policy

Texas law prohibits a student who began college for the first time in Fall 2007 or thereafter from dropping more than six courses during their entire undergraduate career. This includes courses dropped at another 2-year or 4-year Texas public college or university. For purposes of this rule, a dropped course is any course that is dropped after the census date (See Academic Calendar for the specific date).

Exceptions to the 6-drop rule may be found in the catalog. Petitions for exemptions must be submitted to the Enrollment Services Center and must be accompanied by documentation of the extenuating circumstance. Please contact the Enrollment Services Center if you have any questions.

Disability Services

In accordance with Section 504 of the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) the University offers accommodations to students with learning, physical and/or psychiatric disabilities. If you
have a disability, including non-visible disabilities such as chronic diseases, learning disabilities, head injury, PTSD or ADHD, or you have a history of modifications or accommodations in a previous educational environment you are encouraged to contact the Student Accessibility and Resources office and schedule an interview with the Accessibility Case Manager/ADA Coordinator, Cynthia Lowery Staples. If you are unsure if the above criteria applies to you, but have questions or concerns please contact the SAR office. For more information or to set up an appointment please visit the SAR office located in the University Center, Room 3150 or call 903.566.7079. You may also send an email to cstaples@uttyler.edu.

**Student Absence Due To Religious Observance**

Students who anticipate being absent from class due to a religious observance are requested to inform the instructor of such absences by the second class meeting of the semester.

**Student Absence for University-Sponsored Events And Activities**

If you intend to be absent for a university-sponsored event or activity, you (or the event sponsor) must notify the instructor at least two weeks prior to the date of the planned absence. At that time the instructor will set a date and time when make-up assignments will be completed.

**Social Security and FERPA Statement**

It is the policy of The University of Texas at Tyler to protect the confidential nature of social security numbers. The university has changed its computer programming so that all students have an identification number. The electronic transmission of grades (e.g., via e-mail) risks violation of the Family Educational Rights and Privacy Act; grades will not be transmitted electronically.

**Emergency Exits and Evacuation:**

Everyone is required to exit the building when a fire alarm goes off. Follow your instructor’s directions regarding the appropriate exit. If you require assistance during an evacuation, inform your instructor in the first week of class. Do not re-enter the building unless given permission by University Police, Fire Department, and Fire Prevention Services.