UT Tyler Honor Code
I embrace honor and integrity. Therefore, I choose not to lie, cheat, or steal, nor to accept the actions of those who do.

COURSE NUMBER: Fina 4310-001
COURSE TITLE: Management of Financial Institutions
INSTRUCTOR: G. Hwan Shin
CLASS MEETING: We 6:00PM - 8:45PM, Ratliff Building North 02007
TEACHING METHOD: Lecture
OFFICE & TELEPHONE NUMBER: Office: BUS-140       Phone: 565-5806
EMAIL ADDRESS: hshin@uttyler.edu
OFFICE HOURS: T,Th 8:30 – 09:30 A.M; T,Th 11:00A-12:30 P.M; Th 5:00 -6:00 P.M; Or By appointment

FACULTY-STUDENT COMMUNICATIONS: I generally respond to email messages within two working days. Response time may be a little longer on weekends and holidays. Email messages should be sent to me at hshin@uttyler.edu rather than through Patriot email. If you'd like to arrange a phone call at another time, just send me an email and I’ll schedule a time that works for both of us. Please note that assignments will be returned within three days of the assignment's due date. When I cannot meet that deadline, I will notify you with an alternative timeline. For exams, it will probably take me a few days to get all grades recorded, depending upon how many problem/essay questions are on a particular exam. If you have any questions about what you missed, I will be happy to meet with you to go over your exam. I do not make the graded exam available for viewing online.

REQUIRED TEXT:
- The required text book is Financial Institutions, Markets, and Money, 12th Edition, David S. Kidwell, David W. Blackwell, David A. Whidbee, Richard W. Sias, Thomson/South-Western, 11th edition. Students also must have Internet access, basic computer, Web browsing, and e-mail skills. I strongly recommend you to logon to Canvas EVERY DAY and check for new announcements.
- The book has companion web site at http://bcs.wiley.com/he-bcs/Books?action=index&itemId=1119321263&bcsId=10479 From the companion web site, you should pay extra to utilize this "Interactive Web Quizzes".
This Interactive Web Quizzes contains online quizzes for each chapter. This web site does not require a password to access.

COURSE DESCRIPTION:  http://www.uttlyer.edu/catalog/index.php
A study of the structure and functions of financial institutions; their sources and uses of funds; analysis of the nature and function of credit; the effects of financial institutions on macroeconomic analysis

PREREQUISITE:
• A passing grade in Principles of Finance (Fina 3311).
• Ability to use Excel spreadsheets for analyzing data.
• Use of a financial calculator.

CORE VALUES
• PROFESSIONAL PROFICIENCY
• TECHNOLOGICAL COMPETENCE
• GLOBAL AWARENESS
• SOCIAL RESPONSIBILITY
• ETHICAL COURAGE

COURSE OBJECTIVES:
Upon successful completion of this course, you will be able to:
1. Describe the theoretical determinants of the level and term structure of interest rates
2. Explore the Federal Reserve System and how the tools of monetary policy affect money supply and interest rates.
4. Describe the risks associated with financial intermediation: Interest rate risk, market risk, credit risk, liquidity risk
5. Explain the differences between futures, options and swaps.
6. Provide an overview of some of the key events that have influenced the modern financial system and the implications of these changes
7. Work in teams, present work results both in writing and orally, and substantiate decisions taken

COURSE STRUCTURE:
The course begins with what are the determinants and mathematics of interest rates. It also covers how the Federal Reserve System operates. Then, the course discusses the fundamentals and role of money and mortgage markets, including the rules and regulations of the markets. The course next examine 1) the differences between futures, options and swaps 2) measure of and methods for managing risk that are common across the institutions 3) the operation of financial institutions, especially commercial banks. To achieve the goal of course, students will be required to:
1. Visit class Canvas regularly and frequently.
2. Don’t miss any assignments (tests).
3. Participate in class activities and share insights with classmates through Discussion Board.
4. Use technology tools. (e.g. Excel)
OUTCOMES FOR STUDENTS TO SUCCESSFULLY COMPLETE THIS COURSE INCLUDE:

- Explain the special role of FIs in the financial system and the functions they provide.
- Understand the risks associated with financial intermediation:
  - Interest rate risk, market risk, credit risk, off-balance-sheet risk, technology and operational risk, liquidity risk, insolvency risk
- Explain the functions of capital, different measures of capital adequacy, current and proposed capital adequacy requirements and advanced approaches used to calculate adequate capital according to internal rating based models of credit risk.
- Apply derivative securities to hedge risk exposures faced by the financial institutions.

REGULAR QUIZZES

To ease the digestion of heavy load of materials at one time in examination I may give homework assignments at frequent and regular intervals but will not collect any assignments. Instead I will produce quizzes questions on the basis of homework assignments. The quizzes will be designed to encourage the student to keep up with the material on an on-going basis and to motivate good class attendance. Some of quizzes questions are quite easy. If a student is absent, no second chance will be given unless the absence is anticipated and the instructor is notified in advance, or if there is a reasonable excuse for the absence under the university rules. You are allowed to drop the lowest score in the quizzes.

FOUR MAJOR EXAMINATIONS

Each exam is going to be administered on the announced date on the syllabus. The format will be combination of multiple choices, short essays, and quantitative problems. The examinations will cover all material covered in readings, assignments, class discussions. You are required to bring a Scantron (Form # 882-E) and a #2 pencil to each exam for multiple choice section of the exam. You also must bring your book and notes for all classes, including exams. Ordinarily I do not curve exam scores. Instead, as a way of boosting class grade, I may put extra questions for bonus points to exams if I feel necessary.

SHORT PAPER

One short-paper will be assigned with the intent being to expand and enhance your understanding of international market and corporate governance system. This short-paper assignment is a group project. You may form a group with three member maximum in your group. It is your responsibility to find your own groups, but if you need help please contact me.

The assignment and due date is in the calendar portion of this syllabus. The required length of the text part of the paper is approximately 1,300 words (roughly five pages, double spaced) and no longer than six pages. Figures, graphs and charts do not count toward the required pages. From the paper, I expect you to show your understanding's the assigned subject.

Your paper must have at least ten outside references from journals, books and periodicals in the library and other Internet sources if you wish. You may use no more than six references from internet based sources. Thus, the other one sources of reference must be from texts or other form of sources. For style of your paper, please look at journals in the library (the Journal of Finance) to see the appropriate way to reference articles. However, you may use any other style (i.e., MLA style) you are familiar with, so long as you are consistent in its use.

You will be required to submit your papers to me both in a hard copy and in electronic form. If a paper is submitted late, its numerical grade will be reduced by 50% of the maximum possible score per day. The paper will be judged upon the quality of the submission, which provides an incentive to work with others. Most importantly, all materials submitted for grades should be your original work and not
a copy of other’s works. **Presenting other’s work without appropriate citation will be treated as act of cheating.**

**ATTENDANCE POLICY:**

Class attendance is required, and class participation will be encouraged. Students will be responsible for all work missed during an absence, no matter what the reason for the absence. **Please visit with me in the classroom before or after class concerning exams to be missed if you wish to present me with an excused absence.** Otherwise, no paperwork or phone calls will be accepted concerning your absences or the material covered during your absence. Do not expect the instructor to catch you up on what you missed. You are expected to be prepared upon returning to class.

**MAKE-UP POLICY:**

Every student is required to take exams during the announced times. Exceptions are made only under very special circumstances (e.g., conflict with another class, serious illness) and with the instructor’s prior permission. A **job conflict or commuting inconvenience** is not a sufficient excuse for missing exams. Written evidence of special circumstances is expected. Furthermore, there will be **no make up exams.**

**EVALUATION:**

The primary method of instruction in this course is lecture. Your class grade will be determined by a weighted average of three mid-term examinations, the final examination, and assignments. It is possible that a student who sustains “A” up to the third exam may end up with “B” or “C” in final letter grade after the final and the project graded. You **must** allocate extra study hours for the final to achieve the letter grade of your goal. I’ll not take any blame for downgraded letter grade if the poor performance is caused by the spoiled final and (or) project.

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<tr>
<td>Exam 1</td>
<td>100</td>
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<td>Exam 2</td>
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<tr>
<td>Exam 3</td>
<td>100</td>
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<tr>
<td>Final</td>
<td>160</td>
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<tr>
<td>Quiz</td>
<td>90</td>
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<tr>
<td>Short Papers</td>
<td>50</td>
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<td><strong>Total</strong></td>
<td><strong>600</strong></td>
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The approximate grading scale is:

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<thead>
<tr>
<th>Grade</th>
<th>Description</th>
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<tr>
<td>A</td>
<td>90% or above</td>
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<tr>
<td>B</td>
<td>80% or above</td>
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<td>C</td>
<td>70% or above</td>
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<tr>
<td>D</td>
<td>60% or above</td>
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<td>F</td>
<td>Below 60%</td>
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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.

I do not normally curve grades at the end of the course; instead, I monitor the class progress and give pre-curve in form of bonus points (i.e., more points to quizzes and assignments). Thus, you have to earn 540 (480) or higher to get “A” (“B”) for the course.

**TOPICS COVERED:**

<table>
<thead>
<tr>
<th>Ch.</th>
<th>Topic</th>
<th>Date</th>
<th>Quiz</th>
<th>Short Paper</th>
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<tbody>
<tr>
<td></td>
<td>Syllabus review</td>
<td>Aug 30</td>
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<tr>
<td>1</td>
<td>An Overview of Financial Markets and Institutions</td>
<td>Aug 30</td>
<td>Sep 6</td>
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<td>2</td>
<td>The Federal Reserve and Its Powers</td>
<td>Sep 6</td>
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<td></td>
<td><strong>Sep 11 Census Date; Deadline for all registrations, schedule changes, and section changes</strong></td>
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<td>3</td>
<td>The Fed and Interest Rates</td>
<td>Sep 13</td>
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<td>6</td>
<td>The Structure of Interest Rates</td>
<td>Sep 13</td>
<td></td>
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<tr>
<td>4</td>
<td>The Level of Interest Rates</td>
<td>Sep 20</td>
<td>Q1</td>
<td>SP#1 Assigned (Sep. 10)</td>
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<td></td>
<td>Review and Exam #1</td>
<td>Sep 27</td>
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<td>7</td>
<td>Money Markets</td>
<td>Oct 3,5</td>
<td>Q2</td>
<td>SP#1 Due (Sep 29)</td>
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<td>9</td>
<td>Mortgage Markets and Mortgage Backed Securities</td>
<td>Oct 4</td>
<td>Q3</td>
<td>SP #2 Assigned (Oct 6)</td>
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<td></td>
<td>Review &amp;Exam #2</td>
<td>Oct 11</td>
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<td>13</td>
<td>Commercial Bank Operations</td>
<td>Oct 18</td>
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<td>15</td>
<td>Regulation of Financial Institutions</td>
<td>Oct 25</td>
<td>Q4</td>
<td></td>
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<td>19</td>
<td>Investment Companies</td>
<td>Nov 1</td>
<td>Q5</td>
<td></td>
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<td><strong>Nov 6 : Last day to withdraw from one or more courses</strong></td>
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<td></td>
<td>Review &amp; Exam #3</td>
<td>Nov 8</td>
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<td>5</td>
<td>Bond Prices and Interest Rate Risk</td>
<td>Nov 15</td>
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<td>8</td>
<td>Bond Markets</td>
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<td>11</td>
<td>Derivatives Markets</td>
<td>Nov 29</td>
<td>Q6</td>
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<td>20</td>
<td>Risk Management in Financial Institutions</td>
<td>Dec 6</td>
<td>Q7</td>
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<td></td>
<td><strong>Final; TBD</strong></td>
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**APPEAL**

To appeal the grading of the exams make a photocopy of your answer and write out a brief explanation of why you believe that you deserved more points. **You should appeal no later than one**
week from the date you receive the exam result. I will respond you within one week of appeal and save all grade appeals until the end of the semester. I won't accept any late appeal for grade.

CLASSROOM CONDUCT

- You must attend all regularly scheduled classes, except for those occasions warranting an excused absence under the policy detailed in the catalogue.
- You should arrive prepared for class and on time, and remain in class until the class is dismissed. If you arrive late or need to leave early, please try not to disturb other students. You could be penalized significantly by chronically coming late or leaving early.
- You should maintain an appropriate academic climate by refraining from all actions which disrupt the learning environment (e.g., making noise, ostentatiously not paying attention, and leaving and reentering the classroom inappropriately).
- The use of cell phones or other communication devices is disruptive, and is therefore prohibited during class except for emergency use.
- Students are permitted to use their laptop computers during class for note-taking and other class-related work only. Computers will not be allowed during exams.
- Food and drink are not allowed in classrooms

COLLEGE OF BUSINESS 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 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 changes, 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, or Fire Prevention Services.

CAMPUS CARRY STATEMENT

In accordance with Texas legislation SB 11, which goes into effect on August 1, 2016, we respect the right and privacy of students 21 and over who are duly licensed to carry concealed weapons in this class. License holders are expected to behave responsibly and keep a handgun secure and concealed. More information is available at http://www.utttyler.edu/about/campus-carry/index.php.

UT TYLER A TOBACCO-FREE UNIVERSITY:

All forms of tobacco will not be permitted on the UT Tyler main campus, branch campuses, and any property owned by UT Tyler. This applies to all members of the University community, including students, faculty, staff, University affiliates, contractors, and visitors.

Forms of tobacco not permitted include cigarettes, cigars, pipes, water pipes (hookah), bidis, kreteks, electronic cigarettes, smokeless tobacco, snuff, chewing tobacco, and all other tobacco products.

There are several cessation programs available to students looking to quit smoking, including counseling, quitlines, and group support. For more information on cessation programs please visit www.utttyler.edu/tobacco-free.