

# **SYLLABUS**

**BA 3599  
INDEPENDENT STUDY IN FINANCE  
SPRING SEMESTER 2016**

**UNIVERSITY OF MISSOURI – ST. LOUIS  
COLLEGE OF BUSINESS ADMINISTRATION**

Instructor: Joel Miller

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Classroom: 328 SSB

Time: Mondays from 1:00 to 1:50 PM

Office Location and Hours: Tower 1109 after class for at least one hour and by appointment.

## **Course introduction and purpose:**

First of all, the title of the class is incorrect in both the heading above and UMSL's course catalog. But at least we are consistent with the error. In the future, once we come up with an appropriate and exciting name for the course, the catalog and syllabus will reflect the correction. Your input as to the future name of the course is welcome.

This course is open to anyone and has no prerequisites nor major requirements. It is not necessary to have an educational foundation in Business courses. If the student is merely curious about the course material or wishes to know more about career possibilities in Finance, this class is appropriate.

This course is being taught for the first time in the spring 2016 semester and will likely evolve in terms of content and approach in the next few semesters. As a student in the first semester you can assist in that evolution.

This course is sponsored by Scottrade, a major securities industry company headquartered in St. Louis. During the semester working professionals from Scottrade will visit our class to share information about their industry and their jobs.

This course is primarily conceptual and, therefore, only requires basic mathematics.

This course will require about one hour of a student's time outside of class each week.

Due to small class size and approach attendance and participation will be required. Accordingly, attendance and participation have significant weight toward course grade.

The purpose of the course is to provide a high level review of Wall Street functions, primarily from the viewpoint of the U. S. securities industry. Topics will include definitions of finance and investment, the role of investment banking in capital formation, services provided to individuals and institutions by the securities industry, transactions in the securities industry, security types, and a touch of the law and regulation affecting transactions and services. Approach to instruction will combine classroom lecture, online lecture, guest speakers, textbook reading, outside reading, and classroom discussion.

### **Textbook:**

The textbook is *Introduction to the Securities Industry* published by the Securities Training Corporation (STC). This textbook is not available through the UMSL bookstore. Once a student is registered by UMSL for the course they will access the STC website (<https://isi.stcusa.com>) and, using a credit card, purchase the textbook for \$95.00. Although some textbook material will be skipped, the textbook will be the basis for much of lecture and examination.

Textbook PowerPoint slides are available in the Docs & Assignments section of MyGateway for this course. Note, however, that all slides will not be part of covered material.

### **Exam policy:**

There will be two or three quizzes and a final exam. Each student can easily maximize their quiz and exam grades, but the world is never that easy since the quizzes and exams account for only 65 percent of your course grade. A significant portion of course grade will be derived from attendance, participation, and peer assessment. See Grading policy section below for details.

At this point I am unsure how to examine students to establish course grades. As part of the course STC has provided online quizzes and a final exam. These quizzes and final exam, which may be taken open book, consist of numerous questions that are specifically designed to prepare professionals to sit for the Series 7 certification exam. Each quiz has 35 questions and the final exam has 100 questions. However, many of these questions will exceed the scope of this course or focus on minutia whose learning value is questionable, especially for students who do not

intend to sit for the Series 7 Certification exam. As an alternative I could prepare periodic quizzes and a final exam that better reflect the material covered in the course.

Since the class is small and I am unsure of the various learning agendas of individual class members, I will defer a final decision regarding quizzes and final exam until we have discussed examination alternatives as a class and your opinion has been registered. Regardless of the content and source of quizzes and final exam this is not intended to be a difficult course.

Under either alternative quizzes and final exam are not cumulative.

Students should consider the structure of course grade components (below) a working document. We, as a class, will finalize that structure by our second class meeting. Your objective input on this issue should count, but ultimately the decision is mine.

**Grading policy:**

<b>COMPONENT</b>	<b>PERCENT OF GRADE</b>
Attendance	15
Participation	15
Peer assessment	5
First exam	15
Second exam	15
Third exam	15
Final exam	20
Total	100

Course letter grades will be earned as follows: A (100 to 90.0), B (89.9 to 80.0), C (79.9 to 70.0), D (69.9 to 60.0), and F (less than 60.0). There will be no curve used to determine grades.

Minuses and pluses to course letter grades will be used in keeping with UMSL policy.

**Your instructor:**

I am a retired banker and bank consultant who is occasionally retained as an expert witness. Functionally, my banking background includes commercial lending, treasury management, retail banking, operations/technology, and finance.

**Student/instructor communication:**

I will be available in the classroom immediately after each class for a few minutes and in my office at Tower 1109 for at least an hour after each class. If an appointment outside of my office hours is necessary, I'll work with you to arrange a meeting. I will check my UMSL e-mail daily and typically respond within 24 hours. I don't check (or even know) my UMSL phone number. And I can't imagine why you would need my cell phone number. In summary, I will attempt to make myself available to you because you're entitled to some of my time out of class.

**MyGateway:**

We will use MyGateway for course announcements and articles of interest. For your benefit, please check MyGateway frequently. Lecture PowerPoint slides will in the Documents & Assignments section of MyGateway for this course.

**Class attendance:**

Attendance is required inasmuch as 15 percent of your course grade is based on attendance. Therefore, I will typically take roll each class. Since there will be 14 class sessions this semester it would seem that attendance at each class is worth about one point of your course grade. If you have to be absent due to work, family, or illness please see me.

**Class participation:**

Class participation is defined as your offering appropriate comments and questions pertinent to material being discussed. I sincerely believe that class participation is an important part of each student's college education and an opportunity for you to expand your skills, to learn more, and to teach more to your fellow students. Why do I believe this? Because in whatever career you pursue in the "real world" your long-term compensation and job responsibilities will be greater if you speak appropriately to your boss, your colleagues, and your customers. However, many students do not feel comfortable speaking in groups. This discomfort is typical, but, fortunately, can be reduced with practice. So this class is a place where each student can safely speak to gain confidence and experience in expressing themselves in public. I urge you to take this opportunity. Know also that the class will be a safe environment in which to speak. Moreover, participation is 15 percent of your course grade. We will discuss at the first class how I will evaluate your participation.

The focus of in-class discussions will be textbook reading, lecture, and readings or case studies. In keeping with the expectation that your work time outside of class will not exceed one hour weekly, textbook and assigned reading will not be onerous.

**Peer assessment:**

This is a small class in which participation is part of the course grade and students are expected to assist each other in completing quizzes and exams. Therefore, five percent of your course grade will be based on how your fellow students assess your contribution to the entire class's learning and success. We will talk at the first class how this will work.

**Tardiness:** Sometimes you or I will be late due to traffic, weather, children, or some other legitimate reason. But tardiness is rude and disruptive of class. If you're tardy, for any reason, don't enter the class until I admit you. This will avoid disruption. Also, if you have a circumstance that will cause frequent tardiness, I suggest you see me in advance.

**Academic honesty:**

Don't cheat. You are expected to know, understand, and adhere to UMSL's Code of Student Conduct in regard to academic honesty. However, in this course it will be difficult to cheat. As a class students are expected to assist each other in completing the quizzes and exams. This does not mean that one student should do another student's work for them but through collaboration and mutual effort each student's work is aided and their learning maximized. A fine line to walk, but it will be good for you.

**Student conduct:**

You are expected to be respectful to your fellow students and to me, and to fully comply with UMSL's Code of Student Conduct at all times.

Cell phones, beepers, and other communication devices are to be turned off during class. You are free to use a laptop to take notes, but not to communicate or surf the web.

**Course outline:**

We will not move sequentially through the textbook. Note in the table below the sequence in which we will address the chapters. After chapter 3 we will skip to chapters 6 and 7 before returning to chapter 4. Also, some material in some chapters will be skipped. See table below for detail of material to be covered by chapter. Note that since this is the first semester for this class to be taught I will likely make changes in covered material during the semester. In fact, I don't know how far (or whether) we will complete the textbook. We will find out together. Know that you can influence the pace at which we move through material and that it is not necessary for us to finish the textbook. Since this is a one-hour interactive survey course I don't intend to make it hard or fast paced. I merely ask that you come prepared, join discussion, and help me help you learn something worthwhile to you.

A typical class will consist of:

- A short video lecture for some chapters,
- Classroom lecture and discussion of the video material and classroom lecture,
- Interactive discussion of assigned reading from prior class,
- On occasion, a guest speaker, and
- On occasion, discussion of quiz and exam questions.

We will have at least two guest speakers come to our class from Scottrade. This is not intended to be an advertisement for Scottrade (but they do sponsor the class). One speaker will likely be a seasoned financial advisor who will tell you what he or she does in a typical day in their professional life. I have asked that a second speaker be a compliance officer who is responsible for seeing that Scottrade and its employees are familiar with and compliant with the myriad of regulations under which they must operate. In the securities industry specifically and the financial services industry generally, compliance officers are key personnel who have significant responsibility and definite career paths. Your questions to our speakers will be welcome.

<b>CHAPTER</b>	<b>TOPIC</b>	<b>ASSIGNED READING</b>
1	Introduction	Entire chapter
2	Investment Banking	Page 2-1 through Exempt Securities section on page 2-11. Mergers and Acquisitions section on page 2-14 through Pricing or Valuation of the Target subsection on page 2-16. Directions in Investment Banking beginning on page 2-17 through end of chapter on page 2-18.
3	Trading And Clearing	TBD
6	Equities And Derivative Securities	TBD
7	Fixed-Income Securities	TBD
4	Regulatory Requirements for Member Firms	TBD
5	Customer Accounts - Objectives and Tax Issues	TBD
8	Investment Companies and Alternative Products	TBD
9	Economics and Securities Analysis	TBD

