

## FINANCE MAJOR CURRICULUM Grade of "C" or better is required in all FINANCE major courses

### **MAJOR REQUIRED** The four courses below are required for all finance majors.

**FINA 4200 Corporate Finance Theory** Development of a framework that is useful for understanding a broad range of important corporate financial decisions. Substantial emphasis will be placed on discussion of the determinants of corporate financing and payout policies, alternative methods of security issuance, and mergers and acquisitions. *Prerequisite: FINA 3000*

**FINA 4310/FINA 4310E Survey of Investments** Securities markets, investor objectives, introduction to portfolio theory and the analytical tools of portfolio management, and an examination of investment alternatives. *Prerequisite: FINA 3000*

**FINA 4920/FINA 4920E Financial Modeling** Utilizing computers for business applications using Excel in finance related work *Prerequisite: FINA 3000*

**FINA 4210 Applied Corporate Finance** Corporate financial decision making by applying the tools, techniques, and theories of finance to actual business decisions. *Prerequisite: FINA 4200*

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### **MAJOR ELECTIVES** Nine hours of coursework from the list below are required for finance majors. Please note that not every course is available every semester.

**FINA 4000 Financial Institutions and Markets** The operations and functions of domestic and international finance markets and institutions including determinants of bond prices and the level and structure of interest rates. Techniques for measuring and managing risk in financial markets will be explored. *Prerequisite: FINA 3000*

**FINA 4050 Capitalism** Introduction to the economic concept of capitalism. The student will study capitalism and other alternative societal mechanisms for resource allocation, including socialism and a mixed economy. The mechanism will be readings both critical and supportive of capitalism as an economic system, including moral, efficiency, and ethical views.

**FINA 4150 Investment and Portfolio Management/Student Managed Investment Fund\*** Portfolio management and security analysis. Emphasis is on risk, return and valuation of securities, portfolio theory, and investment performance analysis. Students will research stocks and manage a stock portfolio. *Co-requisite: FINA 3000 or FINA 3000E* \*Enrollment in this class is determined by application process during spring semester of each year. Not open to students with credit in FINA 4350. Repeatable for up to 6 hours, max 3 hours can be applied to Finance Major Electives.

**FINA 4205/6205 Mergers and Acquisitions** Course provides students with application of corporate finance concepts to mergers and acquisitions, corporate governance and restructurings. The tools, techniques and theories of finance are applied to actual business decisions. *Prerequisite: FINA 3000 & FINA 4200*

**FINA 4320/6320 Derivative Security Markets** Study of the markets for futures, options, and other derivative securities. The mechanics of trading, regulation, pricing, hedging, and risk management using derivatives. *Prerequisite: FINA 4310*

**FINA 4340 Fixed Income Securities and Analysis** Explores the analytical concepts required to price and hedge fixed income securities, with an emphasis on government bonds, swaps, and Eurodollar futures contracts. We will also discuss credit risk models and pricing. Throughout, the emphasis in the class will be on practical applications using current data and securities. *Prerequisite: FINA 3000 & FINA 4310*

**FINA 4350 Investment Management** Students will manage a hypothetical portfolio. Given a starting portfolio, students will make investment recommendations to restructure the portfolio. Alternative investment strategies will be incorporated into the management of the portfolio. There are learning modules relating to topics in the field of investments. The class is interactive and student-focused. *Prerequisite: FINA 3000* \* Not open to students with credit in FINA 4150S.

**FINA 4400 Behavioral Finance** Behavioral finance argues that many facts about asset prices, investor behavior, and managerial behavior are best understood in models where at least some agents are not fully rational. This course will start by working through several survey articles that will give students a feel for the different strands of behavioral finance research. *Prerequisites: (FINA 3000 or FINA 3000H or FINA 3000E) and (FINA 4310 or FINA 4310E or FINA 4310H)*

**FINA 4420 Private Equity** This course studies the performance, compensation, and legal structure of the general partner and its underlying funds. This includes the motivations and decision process of the limited partners typically large institutional investors the source of private equity capital. *Prerequisite: FINA 3000 and FINA 4200*

**FINA 4800 Finance Internship** (Department approval of internship required prior to beginning internship) Students are permitted to enter business establishments or governmental agencies for the purpose of obtaining practical and applied business experience. An in-depth paper based on an approved banking or finance topic is required. *Prerequisite: FINA 3000*

**FINA 4810/6810 International Finance** International business decision making emphasizing the effects of internationalized financial and non-financial markets. Exchange rate analysis, hedged costs of funds, economic exposure and management, capital budgeting, financial and corporate strategy, and the evaluation of international risks and returns. *Prerequisite: FINA 3000*

**FINA 5000 Special Topics in Finance** Portfolio management and security analysis. Emphasis is on risk, return and valuation of securities, portfolio theory, and investment performance analysis. Students will research stocks and manage a “mock” stock portfolio. *Co-requisite: FINA 3000 or FINA 3000E*

**FINA 5100 Real Estate Finance** The instruments, techniques, and institutions of real estate finance; sources of funds; mortgage risk analysis: emphasis on typical policies and procedures used in financing of residential, industrial, and commercial properties. *Prerequisite: REAL 4000 or any 4000-level FINA course*

**ACCT 5001/ACCT 5001E Financial Reporting Analysis** Accounting concepts, critical thinking skills, and techniques involved in the accounting process and the preparation of financial statements, with emphasis on accounting for specific asset, liability, and equity accounts, as well as analyzing financial statements from the perspective of preparers and users. *Prerequisite: ACCT 2101 or ACCT 2101H or ACCT 2101E and ACCT 2102 or ACCT 2102H or ACCT 2102E.*

**MATH 4790 The Mathematics of Option Pricing** Bonds, stock market, derivatives, arbitrage, and binomial tree models for stocks and options, Black-Scholes formula for options pricing, hedging. Computational methods will be incorporated. *Prerequisite: [(MATH 2270 or MATH 2599) and MATH 3000] or [(MATH 2270 or MATH 2250) and MATH 3200 and MATH 3300] or [MATH 3150 or MATH 3510H] or permission of department*

**ECON 4750/6750 Introduction to Econometrics** Estimation and hypothesis-testing techniques using the linear regression model, with emphasis on the least-squares estimator and its performance under different statistical assumptions. A hands-on approach, stressing a wide range of empirical applications. *Pre-requisite: ECON 4010 and (STAT 200E or MSIT 3000 or MSIT 3000E or MSIT 3000H or BUSN 3000 or BUSN 3000E or BUSN 3000H) Finance majors may get an override to take the class with a B or higher in MSIT 3000.*

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**FINANCE – AREA OF EMPHASIS IN PRICING AND VALUATION** This area of emphasis is for students interested in an in depth understanding of the inputs, models, and valuation methods used in pricing valuation in various areas of Finance. Students in this area of emphasis have exposure to the practical and theoretical tools used in pricing and valuing assets, securities, and derivatives. These tools are the basis of modern financial analysis and practice.

A grade of “B-“or higher is required in all courses counting toward the area of emphasis.

#### Required Courses (3 Hours)

- FINA 4920 or FINA 4920E: Financial Modeling

#### Elective Courses (9 Hours)

Choose three courses from the following. Check pre-requisites before attempting to register.

- ACCT 5001 or ACCT 5001E: Financial Reporting and Analysis
- FINA 4205/6205: Mergers & Acquisitions
- FINA 4320/6320: Derivative Security Markets
- FINA 4340: Fixed Income Securities and Analysis
- FINA 4420: Private Equity
- MATH 4790: The Mathematics of Option Pricing
- REAL(FINA) 5100: Real Estate Finance
- FINA 4350: Investment Management
- OR\*
- FINA 4150S: Investment and Portfolio Management (SMIF)\*\*

**NOTE:** \*Students may not earn credit for both FINA 4150S and FINA 4350

\*\*Students must apply and gain admission to SMIF the spring before enrolling in FINA 4150S. Admitted students enroll in 1.5 hours for a minimum of 2 semesters (3 hours total). Max 3 hours may be applied to Finance Major Electives or the Area of Emphasis.