

University of North Carolina at Greensboro
Bryan School of Business and Economics
M.B.A. Evening Program

MBA 724-71, Financial Institutions
Summer 2024, Session II (6/17 – 7/29)

Instructor:	Todd A. Parrish
Place:	Distance Learning Format
Time:	Online Learning & Zoom
Email:	taparrish@UNCG.edu
Office Hours:	By Appointment Only
Course Textbook:	Mishkin, F. S. & Eakins, S. G., <i>Financial Markets & Institutions</i> , 9 th edition, Prentice Hall, 2017 ISBN-10: 0134519264, ISBN-13: 978-0134519265
Prerequisites:	Admission into the Bryan MBA Program

Course Description

In the aftermath of the recent global financial crisis, the topics of financial markets and institutions are of increased importance. Whether it involves the prospect of sovereign debt defaults across the globe or the resulting changes in financial management given the problems seen in the banking industry in recent years, financial institutions must return to the basics in order to ensure the success of the multinational firm. MBA 724 is a survey course intended for those with an interest in general finance. The course will cover financial institutions, financial markets, investment funds, and financial market regulation.

Course Learning Objectives

1. Demonstrate an understanding of the role that financial institutions play in the overall economy.
2. Elaborate on the sequence of events that typically occur in a financial crisis.
3. Identify the main types of financial institutions (e.g. commercial banks, investment banks, non-bank financial institutions, insurance companies, investment companies).
4. Understand both the historical and current roles of these different types of financial institutions.
5. Understand how evolution of financial markets has made simple distinctions among types of financial institutions difficult.
6. Identify the different types of financial assets and securities (e.g. stocks, bonds, commodities, derivative securities, mutual funds, hedge funds).
7. Identify the different types of markets (primary, secondary, organized, over-the-counter), where these assets securities trade.
8. Demonstrate an understanding of why financial market regulation is necessary.
9. Describe the historical evolution of financial regulation in the United States and the rest of the world and explain why financial market regulation is ever changing.

UNCG Academic Integrity Policy

Each student is expected to comply with the UNCG Academic Integrity Policy described at the following web page: <http://academicintegrity.uncg.edu/complete/> and is required to sign the Academic Integrity Policy on all major work submitted for the course.

Faculty and Student Guidelines

Bryan Faculty and students in this course are expected to adhere to the guidelines stated at this link: <https://bryan.uncg.edu/wp-content/uploads/2017/08/Faculty-and-Student-Guidelines-2018-2019.pdf>

Class Procedures

The content of this course will be conveyed in a hybrid format via lecture slides, case studies, review of the required text book, and Zoom on TBD evening each week. Each approach in the mix is designed to develop and elaborate on the content of the course. Each week by Monday at 9 AM, the slides for the week will be posted on Canvas. Students are responsible for reading the chapters in the text as well as reviewing the slides on Canvas for each week. Students should discuss the cases and other issues which arise from the weekly readings on Canvas's discussion forum. Each week specific questions will be posted on Canvas for discussion. Students have until Sunday at 4 PM to answer the questions for a given week.

Class lectures will not necessarily cover all assigned materials but students are responsible for all assigned material.

Canvas and Pearson Revel Problems:

You must complete the assigned Pearson Revel and Canvas problems during the assigned week. Questions will be posted on Monday and must be answered by 4:00 PM on Sunday.

Weekly Quizzes:

Each week, you will complete a quiz in Canvas.

Missed Quizzes:

No make-up quizzes without prior consent from professor.

Attendance and Classroom Participation:

Students are expected to attend all scheduled class sessions. If you are unable to attend the live Zoom meeting, you are expected to watch the recorded Zoom meeting that will be posted in Canvas. Class participation will be judged based on class preparedness and class discussions. Class participation requires active and constructive participation in class discussions and activities; it's expected that you come prepared to discuss the day's readings. If you are unable to attend the live class, you are encouraged to email the instructor with questions. Classroom professionalism is to be maintained at all times. Our goal is to create a positive, courteous, and respectful environment that is conducive to learning.

Grading

Given the amount of material covered in so short a period of time, there will be five weekly quizzes in the course. Each quiz will consist of twenty multiple-choice questions

and relate to the readings for that particular week. The weekly quiz questions will be posted on Canvas by the end of the day on Monday of the week of the exam. Students will have until Sunday at 3 PM to complete the quiz. The quiz time will be limited to 1 hour. No final exam is required.

Weekly Quizzes	40%	20 MC questions weekly
Term Paper	40%	Due By July 27 at 2 PM
Individual Contribution	<u>20%</u>	Canvas Discussion Board
Total	100%	

Grading Scale

94-100	A	80-82	B-
90-93	A-	77-79	C+
87-89	B+	70-76	C
83-86	B	< 70	F

Term Paper

Given the breadth of topic coverage in this course, there should be numerous topics of which a student would wish to gain a more thorough understanding. The purpose of the course term paper is to allow the student to explore further issues related to Financial Markets and Institutions in order to provide a timely and interesting analysis.

Papers should be limited to ten pages exclusive of any exhibits. The report/research project will rely on published material in journals and periodicals such as The Economist, Financial Times, Wall Street Journal, IMF/World Bank publications, OECD sources, and internet sources. The most effective papers will be those that best integrate the course content with specific paper recommendations. Papers will be graded based on professionalism, the logical flow of ideas and recommendations, and the sources cited. While this is an online course, students may opt to complete the term paper in groups of up to four students. The course term paper is due **by Saturday July 27, 2022 at 2 PM.**

Individual Contribution

Individual contribution points will be awarded based on the **quality of the content added** to the class discussions as opposed to the quantity of the content added. Questions and discussions posed by students on Canvas's discussion forum should be relevant to the material being covered in the class. A student will receive class contribution points for adding to the discussion forum via meaningful, insightful comments. What I am looking for is evidence that students are integrating the textbook material with the supplemental material covered each week.

Biographical sketch of the Instructor

Todd Parrish is currently a Vice President at First Citizens Bank. He has over 25 years of experience in banking. He obtained his MBA from the John A. Walker College of Business at Appalachian State University. Mr. Parrish has taught various classes including Investment Analysis, Money and Banking, Business Ethics, Principles of Management, Corporate Finance, and International Finance.

MBA 724 Course Schedule (Summer 2024)

Week	Date	Topic	Assigned Reading
1	June 17	Introduction & Financial Crisis	Ch. 1, 2, 8 & 25 <i>JAPB Article: Digitalization Review</i>
<p>Topics for review: <i>class syllabus, strong/weak dollar impact on consumers/businesses, methods and aims of monetary policy, asymmetric information, moral hazard, diversification benefits, stages of financial crises in developed and developing world</i></p>			
2	June 24	Financial Markets	Ch. 11-14 <i>RMA Article: Modern Money Illusion</i>
<p>Topics for review: <i>money, bond and stock market instruments, computing bond discounts and yields, Gordon Dividend Growth model, PE Approach, Goals of SEC, Security Regulation, FHA and Fannie Mae, goals of lowering moral hazard in lending</i></p>			
3	July 1	Financial Institutions	Ch. 19, 21 & 22 <i>RMA Article: Give Banks Credit for Boosting International Trade</i>
<p>Topics for review: <i>Historical evaluation of banking industry, Glass-Steagall Act, FDIC, McFadden Act, National Banking Act of 1863, Types of insurance and benefits for each, brokers versus dealers, role of venture capital firms, stop loss order vs. limit order vs. market order</i></p>			
4	July 8	Financial Institution Regulation	Ch. 7, 18 & 26 <i>RMA Article: A World of Herf</i>
<p>Topics for review: <i>Lemons problem, credit rating agency conflicts of interest, 8 basic facts of financial structure, principal-agent problem, FDIC & deposit insurance, Too Big to Fail Policy, Payoff vs. purchase & assumption, Dodd-Frank 2010, History of Thrifts, Zombie S&Ls, credit unions and taxes</i></p>			
5	July 15	International Perspectives	Ch. 15, 16 & 20
<p>Topics for review: <i>Currency appreciation & depreciation, theory of Purchasing Power Parity, Interest parity condition & returns, central bank intervention: theory and practice, currency boards vs. seigniorage, Bretton Woods agreement, Balance of Payments, Net Asset Value, Types of Mutual Funds, & conflict of interest in mutual funds</i></p>			
6	July 27	Term Paper Due	
Course Term Paper is due by Saturday July 27, 2022 at 2 PM			