FINANCE

Department Code: FIN

Introduction
The finance major is designed to prepare business students for a wide variety of careers. Because finance is focused on valuation and decision making, it is applicable to virtually every possible type of organization.

Educational Objectives
The finance discipline is focused on two primary issues. The first is determining value. The second is making the best decisions with respect to value. We study these issues in a variety of contexts and industries.

The three primary areas of finance are financial management, investments, and financial markets and intermediaries. Financial management focuses on how an organization can accomplish its mission. For example, a corporation seeks to create and maintain wealth, and a non-profit organization seeks to improve the world in some way. All organizations want to achieve their mission to the greatest extent possible, and that requires making the best decisions with respect to value. The area of investments studies the purchase and sale of financial securities, such as stocks, bonds, options, and futures from the point of view of an investor. Financial markets are created to facilitate the trading (buying/selling) of financial securities. Financial intermediaries sell claims on themselves to investors, such as stock, life insurance, or a bank deposit. Financial intermediaries then invest the money from such sales in other assets such as loans, real estate, or other financial securities.

Major Areas of Specialization
- Finance
- International Finance and Marketing
- Real Estate

Important Note: To be eligible for any of the three major specializations offered by the Finance Department, the following requirements must be met:

- A student must earn a grade of "B" (grade point of 3.0) or higher in FIN 302 (note that a grade of "B-" does not qualify).
- A student must have a cumulative University of Miami GPA of 2.5 or higher before enrolling in FIN 303 or FIN 320.
- All specific coursework for the major area of specialization must be completed with a grade of "C-" or higher (except for the minimum "B" grade required for FIN 302, as noted).
- A minimum cumulative GPA of 2.0 is required for all specific coursework taken in the major area of specialization.

Minor Areas of Specialization
- Finance
- Real Estate

FIN 300. Fundamentals of Finance for Non-Finance Majors. 3 Credit Hours.
This course provides an overview of modern finance for non-business majors. Topics include: how financial markets work, understanding financial pages in newspapers and the Internet, how stock and bond prices are determined, how investment portfolios are structured, concepts of risk and return, how companies manage their cash and investments and international finance. Not for credit for business students.
Requisite: Non Business Majors.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 302. Fundamentals of Finance. 3 Credit Hours.
Introduction to the basic tools and concepts in finance. This is the core class in finance for our undergraduate program. Topics include the financial framework of a business entity, taxes, the time value of money, capital market theory, financial risk measures, and capital budgeting.
Note: to be eligible to major in finance, a student must earn a grade of B or higher in this class (a grade of B- does not qualify).
Prerequisites: ECO 211, ACC 211, MAS 201 or MAS 311 or MTH 224 or IEN 311 or IEN 310 or PSY 204 or PSY 290 or PSY 292.
Components: LEC.
Grading: GRD.
Typically Offered: Fall, Spring, & Summer.

FIN 303. Intermediate Financial Management. 3 Credit Hours.
This course provides an overview of financial decision-making by corporations. Building on topics covered in the introductory finance classes, this course develops the foundations of optimal financial policy and applies these principles to corporate financial decision-making including capital structure, capital budgeting, dividend policy, leasing, securities issuance and the role of investment banks, and mergers and acquisitions. Note: a student must have obtained a B or higher grade in FIN 302 to major in Finance. Earning an A in this class or any other class or classes does not eliminate that requirement.
Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 308. Intermediate Financial Management for Entrepreneurs. 3 Credit Hours.
This course is primarily for students majoring in entrepreneurship. It provides an overview of financial decision-making by entrepreneurs. Building on topics covered in the introductory finance classes, this course develops the foundations of optimal financial policy and applies these principles to entrepreneurial financial decision-making involved with such things as capital structure, working capital budgeting, leasing, hedging and risk management, securities issuance and the role of investment banks, and mergers and acquisitions. Note: Students cannot take both FIN 308 and FIN 303, so this class is not open to students who have taken FIN 303.
Components: LEC.
Grading: GRD.
Typically Offered: Spring.
FIN 315. Trading & Markets. 3 Credit Hours.
This course provides an introduction to the functioning of financial markets and the fast changing field of market microstructure. On the equity trading side, the course covers major exchanges such as NYSE Euronext and Nasdaq OMX, and new players such as BATS and Direct Edge/ISE. Students also learn about dark pools, options and futures exchanges, electronic bond trading platforms, and currency trading systems. In addition, the course provides a summary of different market structures, the role of market participants, different order types, trading strategies, and trading externalities. The course draws on theories and tools from economics and behavioral finance, current institutional practices and market regulation. Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 320. Investment and Security Markets. 3 Credit Hours.
This course introduces students to both practical and theoretical aspects of investment with an emphasis on financial markets. Topics include valuation of financial securities such as stocks, bonds and options; modern portfolio theory; the process and institutional characteristics of investing. Note that this course does not address the details of individual security valuation and selection, i.e., this course is not about stock picking or about how to get rich by investing in the markets. Instead, this course attempts to help you develop a lasting conceptual framework in which to view the investment process and to analyze future ideas and changes in investment environment. This class is essential to any student considering a finance concentration. Note: A student must have obtained a B or higher in FIN 302 to major in Finance. Earning an A in this class or any other class or classes does not eliminate this requirement. Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall, Spring, & Summer.

FIN 330. International Finance. 3 Credit Hours.
This course applies the principles of finance to international business decisions. Topics include the analysis of foreign exchange rates, balance of payments, characteristics and use of international financial institutions and instruments, the analysis and management of financial risk in the international environment, and financing multinational corporations. Note: a student must have a B or higher in FIN 302 to major in International Finance and Marketing (or Finance). Earning an A in this class or any other class or classes does not eliminate this requirement. Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall, Spring, & Summer.

FIN 340. Real Estate Principles. 3 Credit Hours.
This course provides an introduction to basic principles and fundamental practices in the real estate industry. Students learn how to apply the principles of finance to the real estate industry. Topics include common institutional aspects, brokerage, contracting, financing, ownership, management, valuation, appraisal, and investment analysis. Prerequisites: FIN 302 or FIN 300.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 344. Real Estate Investment Analysis. 3 Credit Hours.
This course introduces the theoretical concepts and analytical techniques used to make a decision to purchase an ownership interest in a commercial real estate project. There is heavy reliance on Excel applications. Each student will complete a written evaluation and investment analysis of an existing or proposed commercial real estate project in Miami-Dade, Broward or Monroe County. Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall.

FIN 347. Introduction to ARGUS. 1 Credit Hour.
ARGUS software is used extensively in the development, financing and management of commercial real estate, especially in the office, industrial and retail sectors. The introduction to ARGUS class exposes the student to the basic concepts and terminology in the commercial real estate market and to the typical inflows and outflows an owner who invests in real estate faces over the life of the investment. Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 348. Advanced ARGUS. 1 Credit Hour.
At the end of the Advanced ARGUS class the student will be able to assess the viability of detailed rent and operating expense assumptions, make decisions about the impact of financing on investor returns and critically evaluate the investment potential of leveraged office and retail property. Prerequisites: FIN 302, FIN 347.
Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 355. Smif Fund Analyst I. 1 Credit Hour.
The course is designed to introduce the student to the investment management process, including valuation of publicly traded equities. The course is one credit and meets once a week each semester; students must commit to and enroll in the follow-up class. Admission to the course is through a competitive application process.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 356. Smif Fund Analyst II. 1 Credit Hour.
The course is designed to introduce the student to the investment management process, including valuation of publicly traded equities. The course is one credit and meets once a week each semester. Enrollment in the course is limited.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 404. Applications in Corporate Finance. 3 Credit Hours.
An application of the concepts and tools of corporate finance. Primary emphasis on analyzing real-world cases dealing with liquidity issues, capital budgeting, firm valuation, advanced corporate financing, hedging with options and futures, corporate financial strategy, and other current issues in corporate finance. Prerequisites: FIN 302, FIN 303.
Components: LEC.
Grading: GRD.
Typically Offered: Spring.
FIN 405. Financial Modeling. 3 Credit Hours.
This course takes a variety of finance topics, which have been covered in the prerequisite courses, and implements them using practical spreadsheet models. Students will use the internet and financial databases to obtain input data for their models. Students will use Visual Basic for Applications (VBA) and design functions and macros to enhance their models. Students must have a solid working knowledge of Windows and Excel, as well as a good understanding of the material taught in the prerequisite finance classes. Students must have a mobile (lap-top) computer with the capability to run Windows-based software. Prerequisites: FIN 302, FIN 303, FIN 320.
Components: LEC.
Grading: GRD.
Typically Offered: Fall, Spring, & Summer.

FIN 408. Introduction to Mergers & Acquisitions. 3 Credit Hours.
This course introduces students to the world of mergers & acquisitions (M&A). More specifically, the course is designed to develop an understanding of (i) the economic, financial, and strategic issues involved in the acquisition of a (public or private) company; (ii) the analytical tools used to value an acquisition target; and (iii) academic research that reports results from large samples of M&A deals. Students will apply their understanding of these issues by analyzing various actual and potential acquisitions.
Prerequisites: FIN 302, FIN 303.
Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 409. Introduction to Private Equity & Venture Capital. 3 Credit Hours.
In this course, you will learn about the private equity (PE) industry, composed of both venture capital (VC) and buyouts (BO). The focus is on how PE investors evaluate, select, value, and structure deals. This course has several goals. First, the course will deepen your current understanding of corporate finance by applying key concepts and tools to a new and increasingly important industry. Second, the course seeks to introduce you to the institutions of the PE industry. This involves examining, for example, how funds are raised and how term sheets are structured. Finally, a goal is to understand the valuation process used by PE investors.
Prerequisites: FIN 302, FIN 303 or FIN 308.
Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 410. Financial Institutions and Markets. 3 Credit Hours.
This course examines financial institutions, such as banks (commercial, investment, mortgage, savings), credit unions, insurance companies, pension funds, and mutual funds and the money markets in which they operate, and focuses on why they exist and how to manage them. Topics include financial intermediation and transmutation, monetary theory and policy, Federal Reserve management of the money supply, velocity of money, fiscal theory and policy, interest rates, and immunization.
Prerequisites: FIN 302, FIN 320.
Components: LEC.
Grading: GRD.
Typically Offered: Fall.

FIN 411. Commercial Bank Management. 3 Credit Hours.
This course introduces the theory and practice of asset-liability management by large publicly traded commercial banks, including the fundamental principles of structuring loans into balance sheets. A major objective of this class is to provide students sufficient background to enter the credit department in the executive development program of major money center bank.
Prerequisites: FIN 302, FIN 320.
Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 412. Financial Planning and Wealth Management. 3 Credit Hours.
This course examines the investment and financial issues arising from financial planning and personal wealth management activities. It covers various topics required for the construction of a comprehensive financial plan including the identification of client financial status and goals, asset allocation, securities trading, managed funds, tax planning, risk management and insurance, and estate planning.
Prerequisite: FIN 302.
Components: LEC.
Grading: GRD.
Typically Offered: Fall.

FIN 421. Investment Portfolio Management. 3 Credit Hours.
This course provides an introduction to quantitative active management of equity portfolios. The course begins with a discussion on the sources of stock market inefficiencies. The course then covers the five key dimensions of the quantitative portfolio management process: forecasting relative stock returns using quantitative signals, measuring portfolio risk relative to a benchmark, portfolio optimization, controlling transaction costs, and measuring and evaluating portfolio returns. The course focuses on practical application and relies heavily on experiential learning and Excel spreadsheets.
Prerequisites: FIN 302, FIN 320.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 422. Speculative Markets and Derivatives. 3 Credit Hours.
This course is an introduction to derivative securities, and examines the nature of derivatives and applications of such instruments in investment and corporate settings. The emphasis is on derivatives of equity-based securities (such as stocks and stock indices), but coverage includes derivatives of debt-based securities (such as Treasury and Eurodollar securities). Topics include options, futures, forwards, and other derivatives, such as options on futures, foreign currency derivatives, swaps, exotic options, real options, as well as financial engineering using derivatives.
Prerequisites: FIN 302, FIN 303, FIN 320.
Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.
FIN 423. Introduction to Alternative Investment. 3 Credit Hours.
The objective of this course is to provide an introduction to alternative financial instruments and how capital market participants utilize them. The course covers a large set of investment choices, with a specific focus on fixed income and alternative instruments, such as commodities, interest rates and currency. While covering each instrument, the course also examines with how macro-economic, technological, labor market, taxes and regulatory issues affect specific investment decisions. Prerequisites: FIN 302, FIN 320.

Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 425. Business and Security Valuation. 3 Credit Hours.
Applications of finance theory to the problem of valuing public and non-public companies. Multiplier models, discounted cash flow analysis, and the strengths and weaknesses of traditional security valuation methods are addressed in detail. Financial spreadsheet programs and data sources are an integral part of the course. Prerequisites: FIN 302, FIN 320.

Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 427. Fixed Income Markets and Analysis. 3 Credit Hours.
This course examines financial markets that trade fixed income securities. A fixed income security is based primarily on a debt contract, such as a bond, debenture, note or Treasury bill. Topics include the valuation, computation of return, and computation of various measures of risk for fixed income securities, as well as the analysis of the term structure of interest rates and various option features commonly included in debt contracts and fixed income securities. Students must have a solid working knowledge of Excel to take this class. Prerequisites: FIN 302, FIN 320.

Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 431. International Financial Management. 3 Credit Hours.
This is an advanced class in international finance from the viewpoint of multi-national organizations, including corporations, investment banks, and commercial banks. Topics include managing the various sources of risk, such as economic, political, and currency; cash receivables, inventory, and payables management: financing; transfer pricing; taxation; currency netting; capital budgeting; and hedging. Prerequisites: FIN 302, FIN 320, FIN 330.

Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 444. Real Estate Investment Analysis. 3 Credit Hours.
This course introduces the theoretical concepts and analytical techniques used to make a decision to purchase an ownership interest in a commercial real estate project. There is heavy reliance on Excel applications and the use of the Argus database that is a standard resource in the commercial real estate market. Each student will complete a written evaluation and investment analysis of an existing or proposed commercial real estate project in Miami-Dade, Broward or Monroe County. Prerequisites: FIN 302, FIN 303 or FIN 320.

Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 445. Real Estate Finance. 3 Credit Hours.
This course introduces the theoretical concepts and analytical techniques used to make a decision to finance the purchase or development of a commercial real estate project. There is heavy reliance on Excel applications and the use of the Argus database that is a standard resource in the commercial real estate market. Students are also encouraged to use their semester projects to apply for one of the numerous case competitions. Prerequisite: FIN 344.

Components: LEC.
Grading: GRD.
Typically Offered: Spring.

FIN 446. Real Estate Market Analysis. 3 Credit Hours.
This course is an introduction to the fundamental concepts of real estate market analysis. The major topics to be covered include site analysis, economic-demographic, supply and demand analyses. This course shall also include a global prospective of real estate market analysis. This shall be accomplished by means of conducting portions of a market analysis for foreign cities of your individual choosing. Prerequisite: Or Corequisite: FIN 344.

Components: LEC.
Grading: GRD.
Typically Offered: Offered by Announcement Only.

FIN 456. Behavioral Finance. 3 Credit Hours.
The goal of this course is to expose you to selected topics from the upcoming field of behavioral finance. This will include a discussion of prospect theory and different types of behavioral biases such as representativeness, disposition effect, overconfidence, narrow framing, familiarity bias, and the house-money effect. In addition, the course will cover the implications of behavioral biases for asset pricing, corporate finance, and the overall macro-economy. Simple experiments will be conducted in class to illustrate some key behavioral concepts. Prerequisites: FIN 302, FIN 303, FIN 320.

Components: LEC.
Grading: GRD.
Typically Offered: Fall.

FIN 457. Smif Fund Portfolio Of Instructor. 1 Credit Hour.
The course is designed to introduce the student to the investment management process, including the tools used to compose a diversified portfolio that covers each of the major industrial sectors. The course is one credit and meets once a week each semester. Enrollment in the course is limited.

Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 458. Smif Fund Portfolio Manager II. 1 Credit Hour.
The course is designed to introduce the student to the investment management process, including the management of an investment organization and the evaluation of portfolio performance. The course is one credit and meets once a week. Enrollment in the course is limited.

Components: LEC.
Grading: GRD.
Typically Offered: Fall & Spring.

FIN 499. Special Topics in Finance. 3.00 Credit Hours.
Topics in selected areas of specialization.

Components: LEC.
Grading: GRD.
Typically Offered: Offered by Announcement Only.
FIN 555. Finance Honors Research Project. 3.00 Credit Hours.
Research project to fulfill requirements for Departmental Honors in
Finance.
Components: THI.
Grading: SUS.
Typically Offered: Offered by Announcement Only.

FIN 599. Directed Study. 3 Credit Hours.
Individually supervised research projects in selected finance topics.
Approval of the Chairperson and advisor is required prior to registration.
Components: LEC.
Grading: GRD.
Typically Offered: Offered by Announcement Only.