

San Francisco State University
FIN 653 Bank Management Seminar
Spring 2007

Instructor: Dr. Gregory Perelman **Class Web site:** online.sfsu.edu/~perelman
Office Hours: 6:00-7:00 p.m. (BUS 305) **Class Meetings:** Mondays 7:00-9:45 TH 432

Contact Information:

e-mail: perelman@sfsu.edu You can also contact finance department's secretary at 415-338-1107 (indicate course # and my name when leaving a message).

Course Objective:

The course is designed to provide students with a thorough foundation in the business of banking. The risks inherent in financial intermediation (market, credit, operational, etc.) are introduced and then the techniques of modern risk management are studied in details. The topics of regulatory environment in which banks operate as well as the measurements of bank performance are also covered.

Teaching Style:

Lectures, class discussions and problems solving, homework assignments.

Required text:

Bank Management, by Timothy W. Koch and S. Scott MacDonald; 6th Edition, South-Western, 2006;

Other required reading materials will be distributed in class or over the class web page.

Prerequisites:

Fin 350, 353 with a grade of C- or better

Homework/Quizzes:

Some parts of the course (e.g. math of interest rates) are quantitative in nature; therefore, you will be assigned homework, which you must submit on time. Late homework will be accepted only with valid excuses and will receive lower credit. We will also have pop-up quizzes occasionally, which will be based on the assigned readings (you should bring scantrons to every class).

Class participation:

This course is structured as a SEMINAR, which means you must come prepared for class discussions and actively participate in class to receive credit. This also means that unexcused absences will count against your final grade.

Team case study project/individual research paper:

In this class you will either prepare a team (up to 4 students in each team) case study project or write an individual research paper related to banking industry. Individual papers will be limited to 10-15 students who will submit the best research proposals. More details will be provided in class discussions and on the class web page.

Exams:

We will have one midterm and a final examination. You can use calculator and one sheet of paper (both sides) with your OWN notes during any examinations. No make up exams will be given.

Grading Policies:

Homework (10%), quizzes (10%) and class participation (10%)	30%
Case study presentation or research paper	25%
Midterm	20%
Final	25%

Depending on the overall class performance, the grade might be curved and (+) and (-) in addition to letter grades will be assigned.

Disability Access:

Students with disabilities who need reasonable accommodations are encouraged to contact the instructor. The Disability Programs and Resource Center is available to facilitate the reasonable accommodations process.

Tentative class schedule (subject to change)

Week	Date	Topic	Reading
1	1/29	Introduction	
2	2/5	Overview of the banking industry	Ch. 1 and FED articles*
3	2/12	Evaluating bank performance	Chapter 2
4	2/19	Evaluating bank performance (cont.)	Chapter 2
5	2/26	Pricing fixed income securities	Chapter 4
6	3/5	Managing interest rate risk - GAP and duration	Chapter 5
7	3/12	Managing interest rate risk - futures and swaps	Chapter 7
8	3/19	Midterm	Chapters 1-7
9	3/26	Extending credit - overview	Chapter 10
10	4/2	Extending credit - businesses	Chapter 11
11	4/9	Spring recess – no class	-
12	4/16	Extending credit - consumers	Chapter 12
13	4/23	Team project presentations	-
14	4/30	Liquidity and Capital/Team presentations	Chapters 8-9
15	5/7	Liquidity and Capital (cont.)	Chapters 8-9
16	5/14	Course review (or final exam TBD)	Chapters 8-12

Links to articles (required and recommended readings) will posted on the class web page

Homework assignments will be announced in class and posted on the class web page in the homework section.

Please note: it is recommended to study between three to five hours for every hour you spend in class, so plan your class workload for this semester accordingly. The research paper will require additional time.

Policy and Procedures for Withdrawal from Business Courses

First Week through Fourth Week of Instruction

Last day to Add, using Touch-Tone Permit Number OR Late Permit Number is 2/9/2007

Last day to Drop without receiving a “W” is 2/20/2007

Course will not show on permanent transcript record, future class lists, or grade report.

Fifth Week through Thirteenth Week of Instruction (2/21/2007 - 4/25/2007)

Withdrawal from a course may be permissible for serious and compelling reasons. Poor performance is not an acceptable reason. If granted, student’s permanent record will show a ‘W’ grade. However, such grades will not be used to compute a student’s GPA. Approval of instructor and Student Services Center is required.

Fourteenth Week through End of Semester (after 4/26/2007)

Withdrawals are not permitted, except in cases of verified accident or serious illness where circumstances are beyond the control of the student, and where the assignment of an incomplete grade is not practical. Normally, only withdrawals from the University are approved, since qualifying circumstances are not course-specific. In any event, signatures are required from the instructor, the appropriate department chair, and the Associate Dean.

February 9 (Friday)	Last day to ADD a course using White Stickers . Also, last day to sign up to Audit a course.
February 20 (Tuesday)	Last day to ADD using Gold Stickers and Last day to DROP a course
No Adds or Drops after February 20, 2006	
March 20 (Tuesday)	Last day to elect CR/NC option. Once elected, the option cannot be changed a later date.
April 25 (Wednesday)	Last day for student Withdrawals . Only ONE withdrawal per COB course is permitted.