

College of Business

TENNESSEE STATE UNIVERSITY

Fall 2012

FINA 6450-0 Commercial Banking Course Syllabus

The right to make revisions to this Syllabus is reserved by the professor.

LOCATOR INFORMATION:

Course Name: FINA 6450-0 Commercial Banking

Credit Hours: 3 Credit Hours

Meeting/Contact Hours: Tuesday, 5:30pm to 8:30pm, AWC 354

INSTRUCTOR: Name: Dr. Dharmendra Dhakal
Office: AWC K418
Phone: 615-963-7345
E-mail: ddhakal@tnstate.edu (**I ONLY use this email**)

Office Hours: Tuesday 2:25pm-5:30pm
Wednesday 1:00pm-5:30pm
Thursday 2:25pm-5:30pm

REQUIRED TEXTBOOK & MATERIALS:

1. REQUIRED CLASS MATERIAL:

Textbook: Bank Management & Financial Services, Ninth Edition, by Peter S. Rose and Sylvia C. Hudgins

2. REQUIRED CALCULATOR **Financial calculator**

I will **UPLOAD** related materials (PPTs, Cases, and Journal Article) and handouts in your **MYTSU account**, and you can download them by yourself.

COURSE DESCRIPTION:

Reading, cases, balance sheet management, structure, markets competition, capital adequacy, profitability, quantitative techniques of analysis, computer simulations.
Prerequisite: **FINA 6300**

COURSE OBJECTIVES and LEARNING ENVIRONMENT:

The main objective of this course is to develop an understanding of the financial System and financial Services provided by the Banking System Topics covered are:

1. The impact of regulation on Banking Industry,
2. Organization, structure and evolution
3. Financial Statements of Banks
4. Performance Evaluation
5. Risk Management
6. Derivatives(Option,Swap, Credit derivatives....)
7. Liquidity and reserve Mangement

By the end of the course students will have a better understanding of how Banking system operate; Banks risk management (forward, future, Swap and option); and will be exposed to investment function, various Investment and Liquidity and Reserve Management strategies and tools.

ACADEMIC INTEGRITY:

Academic honesty and integrity lie at the heart of any educational enterprise. Students are expected to do their own work and neither to give nor to receive assistance during quizzes and examinations. Deliberate violations of academic integrity (plagiarism, cheating, misrepresentation, and fabrication of information) are not tolerated. Actions outlined in the Tennessee State University Student Handbook under Code of Student Conduct will be followed for incidents of academic misconduct.

REASONABLE ACCOMODATIONS:

Any students requiring accommodations should contact Patricia Scudder, Director of Students with Disabilities—Disabled Student Services Office, at 963-7400, preferably before the fourth class meeting. The College of Business, in conjunction with the Office of Disabled Student Services, makes reasonable accommodations for qualified students with medically documented disabilities. I need to be aware of your status if it will affect your class activities and assignments---before assignments are due.

CODE OF STUDENT CONDUCT:

There will be no eating, drinking, sleeping or disruptive behavior in the classroom. Each student is encouraged to participate in classroom activities, ask questions, and work along with the class as recommendations/problem solutions to illustrations, examples, and cases are examined. Additionally, cell phones must be turned off upon entering the

classroom and should remain so until class has ended. Action will be taken against those students who do not adhere to appropriate classroom behavior.

ATTENDANCE & LATE WORK:

Be on time; students who arrive late disrupt the discussion and diminish the learning process. If a student is not present, she or he cannot learn from unique thoughts and in sights of group discussion. **Attendance;** roll will be taken during each class meeting. With the understanding that “excessive absences” is defined as three missed classes, or the equivalent; a student may be reported for excessive absence from class.

Attendance, student participation, and enthusiasm are essential ingredients for success in this course. The classroom is an environment that must be conducive to active learning. You must to attend class regularly, read the assigned chapters before class and work relevant problems outside class. Failing to do so make it likely you will not master the material in this class required for future classes. You are responsible for obtaining any information that is given in class in the event you must miss a class.

Your success in this class is important to your instructor.

TEACHING STRATEGIES:

This class meets **ONCE** a week for a total of 3 hours. In this course I will be introducing financial concepts, theory and its applications to Commercial Banking Management. I intend to mix my lectures with numerous examples on how to carry out the financial calculations using financial calculator.

ASSIGNMENTS & EVALUATION CRITERIA:

There will be two mid-term exams and a final worth 100 points each. The exams will be non-comprehensive, that is, questions on each exam will be taken from chapters covered since the last exam. Exam content will be **based on PROBLEMS, HOMEWORK, EXERCISE, and EXAMPLES** in the textbook and class handouts. No other materials may be used during the exam.

However, you can take a note paper (LETTER SIZE, ONE PAGE, Front to Back) during the tests and bring pens, pencils, erasers, and a calculator.

Course Grade: Your overall course grade will depend on a combination of the following:

Term Paper*	50 Points
Homework, Cases, Attendance	

and Class Participation	100 Points
Exam 1	100 Points
Exam 2	100 Points
Final Exam	100 Points
Total Points	450 Points

*You are required to write and submit an original term paper for this course. You are assigned one of these topics:

1. Mortgage fraud
2. Identity theft
3. Globalization of banks
4. The Financial crises of 2008-09
5. The investment banks
6. US Debt crisis
7. Instructor approved topics

You may select any topic dealing with the subject matter assigned to you. You should try to keep your topics as narrow as possible and emphasize on what is happening now or in the very recent past.

Term paper must be typed, double spaced and they must not exceed 15 pages. You must follow standard format for term papers. All sources must be cited. You must do a thorough job searching the literature! Emphasis should be placed on recent article published.

GRADING SCALE: Your total possible score (450 points) = your percentage score (100%)

- A: 405 - 450 = 90 - 100% of total points
- B: 360 - 404 = 80 - 89% of total points
- C: 315 - 360 = 70 - 79% of total points
- D: 270 - 314 = 60 - 69% of total points
- F: Below 270 Points

COURSE OUTLINE AND TEST SCHEDULE: While deviations will occur, the topics in the course are as follows:

Week 1:	Aug. 28	An overview of the Changing Financial Services Sector.	Ch. 1
Week 2:	Sep.4	The impact of Government Policy and regulation on the financial services Industry.	Ch. 2
Week 3:	Sept. 11	The Organization and structure of Banking and the Financial Services Industry.	Ch. 3
Week 4:	Sept. 18	The Financial Statements of Banks and their Principal Competitors.	Ch. 5

Week 5:	Sept. 25	<u>TEST 1 (CH 1-5)</u>	
Week6:	Oct. 2	Measuring and evaluating the Performance of Banks and their Principal Competitors	Ch. 6
Week7:	Oct. 9	Risk Management for Changing Interest Rates: Asset-Liability Management and Duration Techniques	Ch. 7
Week8:	Oct. 16	FALL BREAK	
Week9:	Oct. 23	Risk Management: Financial Futures, Options, Swaps, and other hedging tools	Ch. 8
Week10:	Oct. 30	Risk Management: Asset-Backed Securities, Loan Sales, Credit Standbys, and Credit Derivatives.	Ch. 9
Week 11:	Nov. 6	<u>TEST 2 (CH 6-9)</u>	
Week 12:	Nov. 13	The Investment Function in Financial Services management.	Ch.10
Week 13:	Nov. 13	Liquidity and Reserves Management: Strategies and Policies.	Ch.11
Week 14:	Nov. 20	Lending Policies and Procedures: Managing Credit Risk.	Ch. 16
Week 15:	Dec. 4	Consumer Loans, Credit Cards and Real Estate Lending.	Ch. 18
Week 16:	Dec. 11	<u>TEST 3(FINAL EXAM)</u>	

GOOD LUCK!