DEPARTMENT OF FINANCE

The business enterprise must raise capital, use it to maximum advantage, and reward investors. Finance is the set of management challenges (and career opportunities) concerned with succeeding at these tasks.

The finance major involves both required and elective courses in three areas. The area of **Corporate Finance** encompasses tools and techniques for valuing productive assets, choosing ways of funding them, and gauging financial success. In the area of **Investments**, theoretical and practical models help assess risks and rewards of stocks, bonds, derivatives, and other “financial assets” (individually and in portfolios), as well as the financial health of firms and institutions offering them to the investing public. The area of **Markets and Institutions** explores the ways in which bankers, brokers, and other financial institutions convert savings into productive capital.

Mays finance graduates with good academic records place well in all these areas, as well as in graduate and professional schools. They work in industry, on Wall Street, in major banking and consulting firms, and as wealth managers. Accordingly, the Department of Finance emphasizes scholarship in its faculty, professionalism in its programs, and innovation in its relationships with employers and mentors.

The Department of Finance offers three certificate programs for BBA business majors. Each program is designed to complement the student’s degree by providing a concentrated course of study and participation in experiential learning opportunities or internships in the selected area.

Faculty

- **Bouwman, Christa**, Associate Professor
  Finance
  PHD, University of Michigan, 2005

- **Chen, Yong**, Associate Professor
  Finance
  PHD, Boston College, 2007

- **Donnell, Cydney C**, Executive Professor
  Finance
  MBA, Southern Methodist University, 1982

- **Dye, Richard T**, Clinical Professor
  Finance
  PHD, Texas A&M University, 1993

- **Elmore, Otis E**, Senior Lecturer
  Finance
  JD, The University of Texas at Austin, 1976

- **Erturk, Bilal**, Visiting Assistant Professor
  Finance
  PHD, Texas A&M University, 2006

- **Garey, William D**, Executive Professor
  Finance
  MBA, University of Houston - Clear Lake, 1980

- **Gaspar, Julian**, Clinical Professor
  Finance
  PHD, Georgetown University, 1981

- **Gilliland, Charles E.**, Clinical Professor
  Finance
  PHD, Texas A&M University, 1983

- **Guyton, Sally C**, Senior Lecturer
  Finance
  MBA, The University of Texas at Austin, 1982

- **Hallermann, Detlef**, Clinical Professor
  Finance
  PHD, Colorado School of Mines, 1999

- **Harris IV, T. Britton**, Executive Professor
  Finance
  BBA, Texas A&M University, 1980

- **Hercot, Philippe**, Executive Professor
  Finance
  MBA, Harvard Graduate School of Business Administration, 1993

- **Johnson, Shane A**, Professor
  Finance
  PHD, Louisiana State University, 1991

- **Kim, Hwagyun**, Associate Professor
  Finance
  PHD, University of Chicago, 2003

- **Kolari, James**, Professor
  Finance
  PHD, Arizona State University, 1980

- **Kolasinski, Adam C**, Associate Professor
  Finance
  PHD, Massachusetts Institute of Technology, 2006

- **Liu, Yan**, Assistant Professor
  Finance
  PHD, Duke University, 2014

- **Mahajan, Arvind**, Regents Professor
  Finance
  PHD, Georgia State University, 1980

- **Martindale, Lanny R**, Senior Lecturer
  Finance
  JD, South Texas College of Law, 1995

- **MBA, Texas A&M University, 1985**

- **McGrath, Karen M**, Clinical Assistant Professor
  Finance
  PHD, University of Reading, 2015

- **Mohseni, Mahdi**, Assistant Professor
  Finance
  PHD, Boston College, 2015

- **Moore, Kevin M**, Executive Professor
  Finance
  MS, Johns Hopkins University, 2013

- **MS, London School of Economics, 2000**

- **MBA, The Wharton School, 1994**
Peterson, John R, Clinical Assistant Professor
Finance
PHD, Texas A&M University, 2002

Rossi, Marco, Assistant Professor
Finance
PHD, The Pennsylvania State University, 2010

Skeie, David R, Assistant Professor
Finance
PHD, Princeton University, 2004

Sorescu, Sorin M, Professor
Finance
PHD, University of Florida, 1996

Tebeaux, William J, Executive Professor
Finance
MBA, University of Houston, 1971

White, Edward C, Executive Professor
Finance
MBA, University of Hawaii, 1972

Wolken, Lawrence C, Senior Professor
Finance
PHD, Texas A&M University, 1972

Wu, Wei, Assistant Professor
Finance
PHD, University of Chicago, 2015

**Majors**

- Bachelor of Business Administration in Finance (http://catalog.tamu.edu/undergraduate/business/finance/bba)

**Certificates**

- Commercial Banking Certificate (http://catalog.tamu.edu/undergraduate/business/finance/commercial-banking-certificate)
- Investment Banking Certificate (http://catalog.tamu.edu/undergraduate/business/finance/investment-banking-certificate)

**Courses**

**FINC 201 Personal Finance**
Credits 3. 3 Lecture Hours.
(BUSI 1307, HECO 1307) Personal Finance. Financial management problems of the individual consumer; budgeting, insurance, saving and investing, and home financing. May not be used as a finance elective.

**FINC 210 Opportunities in Finance I**
Credit 1. 1 Lecture Hour.
Introduction to major career paths in finance and assessment of students' aptitudes and interests with respect to these career paths.
**Prerequisite:** Freshman or sophomore classification in Mays Business School.

**FINC 211 Opportunities in Finance II**
Credit 1. 1 Lecture Hour.
Exploration of specific career competencies in various financial workplaces via lectures, practitioner presentations, and field experiences.
**Prerequisites:** FINC 210 and approval of instructor.

**FINC 267 Introduction to Securities and Commodities Trading**
Credit 1. 1 Lecture Hour.
Introduction to financial markets and the instruments that trade in them; describes how financial markets operate; compare and contrast a wide variety of common financial instruments, including debt, equity, derivatives and commodities; basic functions of real-world data sources (especially Bloomberg and the Wall Street Journal); and career paths in the field of finance.
**Prerequisite:** Freshman or sophomore classification in business.

**FINC 285 Directed Studies**
Credits 0 to 6. 0 to 6 Other Hours.
Directed study of selected problems in the area of finance not covered in other courses. May be taken five times.
**Prerequisites:** FINC 341 or concurrent enrollment and approval of department head.

**FINC 341 Business Finance**
Credits 3. 3 Lecture Hours.
Financial practices and financial management of modern business corporations; cash flow, planning, procurement of funds, management of long-term funds and working capital.
**Prerequisite:** Admission to upper division in Mays Business School.

**FINC 350 Ethics in Financial Decision-Making**
Credit 1. 1 Lecture Hour.
Recognition and avoidance of breaches of fiduciary duty in the financial workplace; integration of classical ethical codes of conduct into professional decision-making; analysis and application of practitioner standards of conduct.
**Prerequisites:** Admission to upper division in Mays Business School; FINC majors only.

**FINC 351 Investment Analysis**
Credits 3. 3 Lecture Hours.
Operation and functions of the organized security exchanges, fundamental security analysis and technical market analysis.
**Prerequisites:** ACCT 327 or concurrent enrollment; FINC 210; FINC 341 with a grade of C or better; SCMT 303 or concurrent enrollment, or AP STAT 301 or AP STAT 302 or AP STAT 303.

**FINC 361 Managerial Finance I**
Credits 3. 3 Lecture Hours.
Managerial problems of financial managers; financial analysis, current asset management, capital budgeting and capital structure.
**Prerequisites:** ACCT 327 or concurrent enrollment; FINC 210; FINC 341 with a grade of C or better; SCMT 303 or concurrent enrollment, or AP STAT 301 or AP STAT 302 or AP STAT 303.

**FINC 368 Trade Floor Dynamics**
Credits 3. 3 Lecture Hours.
Analysis of trade floor activities and behaviors; organizational and process structure of trade floors; characteristics of trade floors that vary by type of asset traded, trading objectives and contract structure; analysis of operational issues including credit constraints, trade strategies, and regulatory compliance.
**Prerequisites:** FINC 341 or concurrent enrollment; admission to Trading, Risk and Investment Program (TRIP).
FINC 371 Real Estate Decision-Making
Credits 3. 3 Lecture Hours.
Legal, physical and economic characteristics of real estate; overview of real estate market analysis, real estate valuation procedures and real estate production, marketing and financing methods.
Prerequisite: FINC 341 or concurrent enrollment in FINC 341.

FINC 381 Money and Capital Markets
Credits 3. 3 Lecture Hours.
Role of finance and financial institutions in the money and capital markets in the U.S. including supply of and demand for funds, interest rates and flow of funds analysis.
Prerequisite: FINC 341 with a grade of C or better.

FINC 409 Survey of Finance Principles
Credits 3. 3 Lecture Hours.
Finance survey for non-business majors; financial markets, the investment banking process, interest rates, financial intermediaries and the banking system, financial instruments, time value of money concepts, security valuation and selection, and international finance. May not be used to satisfy degree requirements for majors in business or agribusiness.
Prerequisites: Junior or senior classification; for students other than business and agribusiness.

FINC 422 Applied Investment Analysis
Credits 3. 3 Lecture Hours.
Theoretical and analytical developments in security selection and portfolio management; includes macroeconomic analysis, portfolio theory, and portfolio performance evaluation; concepts applied to the allocation of investments in a student-managed equity portfolio.
Prerequisites: Approval of instructor; FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 423 Options and Financial Futures
Credits 3. 3 Lecture Hours.
Valuation of options and financial futures; risk management and hedging applications using options and financial futures; primary focus on stock options, index options, stock index futures, interest rate futures, foreign exchange futures and futures options.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 424 Trading Risk Management
Credits 3. 3 Lecture Hours.
Mid-office risk management strategies using the energy markets as a focus; develops understanding of commodity market behavior, use of forwards and options for risk management, risk management reporting, Greeks and simulation-based VaR analysis.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 425 Active Portfolio Management
Credits 3. 3 Lecture Hours.
Analysis of investment tactics designed to earn abnormal returns; identification and evaluation of active strategies that exploit capital market anomalies and market inefficiencies; portfolio structuring, stock and sector selection, performance measurement, attribution analysis and benchmarks in inefficient markets.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 426 Trading Markets
Credits 3. 3 Lecture Hours.
Issues related to securities trading and securities markets; why and how people trade; the operation, structure and regulation of securities markets; focus on equity markets; comparisons to the markets for derivatives and other securities.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 427 Titans of Investing
Credits 3. 3 Lecture Hours.
Readings from the most influential theorists and practitioners of 20th and 21st century investing; case studies and portfolio sector exercises in an institutional context, based on detailed assessment of global investment risks.
Prerequisites: FINC 341 or FINC 409, or concurrent enrollment in either course; approval of instructor.

FINC 428 Fixed Income Analysis
Credits 3. 3 Lecture Hours.
Characteristics of fixed income securities including Treasury issues, federal agency issues, corporate and municipal bonds, mortgage-backed and asset-backed securities; institutional features fixed income markets; risks of bond investing; fixed income valuation; term structure; trade strategies; modeling and assessing credit risks; hedging with fixed income derivatives.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 435 Managerial Finance II
Credits 3. 3 Lecture Hours.
Case studies in the administration of the financial affairs of business enterprises; working capital management, capital budgeting, capital structure, and mergers and acquisitions.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 443 Valuation
Credits 3. 3 Lecture Hours.
Theory and application of various approaches to corporate valuation; measuring and managing the value of companies; principles of value creation, fundamental valuation methodology; application of value creation principles to managerial problems; special cases and complex valuation issues.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 444 Behavioral Finance
Credits 3. 3 Lecture Hours.
Psychological and sociological aspects of financial decision making for individuals, institutions, and corporations; impacts of psychological factors on the financial markets, including anomalies in asset prices and stock market bubbles and crashes.
Prerequisites: FINC 351 and FINC 361.

FINC 445/IBUS 446 International Finance
Credits 3. 3 Lecture Hours.
International business transactions, balance of payments and exchange rate systems, exchange rate risk and hedging techniques, sources of funding, relation to international financial institutions and capital instruments; foreign direct investment; international asset and liability management.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.
Cross Listing: IBUS 446/FINC 445.
FINC 446 Technical Analysis of Financial Markets
Credits 3. 3 Lecture Hours.
Use of price, volume and other non-fundamental, market and behavioral data to analyze and predict security prices; emphasis on pattern recognition and correlation analysis over theory and casual analysis; application of technical analysis as an investment discipline for institutional portfolio management; principles, terminology, techniques and emerging theories of technical analysis.
Prerequisites: FINC 351 and FINC 361.

FINC 447/ACCT 447 Financial Statement Analysis
Credits 3. 3 Lecture Hours.
Development of an analytical approach to financial statements, integrating relevant finance and accounting concepts and principles; current topics in financial analysis.
Prerequisites: FINC 341 with a grade of C or better; ACCT 327.
Cross Listing: ACCT 447/FINC 447.

FINC 448 Advanced Investments
Credits 3. 3 Lecture Hours.
Application of finance theory to complex investment problems; implementation of asset pricing models, portfolio theory and arbitrage strategies; implication of principles of market efficiency and behavioral finance for selection of individual securities and portfolios.
Prerequisites: FINC 351 and FINC 361.

FINC 449 Financial Modeling
Credits 3. 3 Lecture Hours.
Computer-based modeling of contemporary problems in investments and corporate finance including asset pricing, portfolio theory and arbitrage strategies; implication of principles of market efficiency and behavioral finance for selection of individual securities and portfolios.
Prerequisites: FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 462 Commercial Bank Management
Credits 3. 3 Lecture Hours.
Problems confronting commercial banks such as development and application of credit standards, decisions on loan applications, liquidity management and profit sensitivity to varying levels of interest rates.
Prerequisite: FINC 381 or concurrent enrollment.

FINC 463 Seminar in Commercial Banking
Credits 3. 3 Lecture Hours.
Cases and problems on contemporary management challenges and problem-solving techniques in commercial banks.
Prerequisite: Junior or senior classification and approval of instructor.

FINC 464 Commercial Credit Analysis
Credits 3. 3 Lecture Hours.
Recognized techniques for assessing the ability and willingness of business firms to service debts as originally agreed; regulatory and ethical requirements for structuring and documenting commercial bank loans to protect interests of shareholders, depositors, and deposit insurers.
Prerequisite: Admission to Mays Commercial Banking Certificate Program, or FINC 434 and approval of advisor.

FINC 465 Seminar in Investment Banking
Credits 3. 3 Lecture Hours.
Cases and problems on fundamentals of valuing publicly and privately held firms, underwriting public and private offerings of debt and equity securities, managing capital market risks, complying with SEC and NASD regulations and managing other financial services commonly offered by investment banks.
Prerequisite: Junior or senior classification and approval of instructor.

FINC 466 Wall Street, Investment Banking and the Financial Markets
Credits 3. 3 Lecture Hours.
Experience, first-hand, the major financial markets of the United States; visits to major Wall Street firms, security and commodity exchanges, and other financial institutions.
Prerequisites: FINC 351 and FINC 361 and approval of instructor.

FINC 472 Real Estate Finance
Credits 3. 3 Lecture Hours.
Real estate financing instruments, institutions and techniques; trust deed financing, mortgage underwriting and risk analysis, primary and secondary mortgage markets and institutions.
Prerequisites: FINC 351, FINC 361 and FINC 371; ACCT 328 or concurrent enrollment.

FINC 473 Real Estate Appraisal
Credits 3. 3 Lecture Hours.
Impact of socio-economic forces on urban real estate values; cost, sales comparison and capitalized income approaches to market value; demonstration appraisal.
Prerequisites: FINC 351, FINC 361 and FINC 371; ACCT 328 or concurrent enrollment.

FINC 475 Real Estate Investment Analysis
Credits 3. 3 Lecture Hours.
Real estate market analysis, equity investor decision criteria, institutional investment constraints and investment valuation; case analysis of specific real estate investment decisions.
Prerequisites: FINC 351, FINC 361 and FINC 371; ACCT 328 or concurrent enrollment.

FINC 484 Professional Internship
Credits 1 to 6. 1 to 6 Other Hours.
Professional internship with practicing professionals under the direction of a faculty member. Available for free elective only and must be taken on a satisfactory/unsatisfactory basis.
Prerequisites: Finance major and approval of instructor and department head.

FINC 485 Directed Studies
Credits 0 to 6. 0 to 6 Other Hours.
Directed study on selected problems in the area of finance not covered in other courses.
Prerequisites: Approval of department head; FINC 351 and FINC 361; ACCT 328 or concurrent enrollment.

FINC 489 Special Topics in...
Credits 1 to 4. 1 to 4 Lecture Hours.
Selected area in finance. May include attention to aspects of real estate finance, corporate financial management, investments, or financial institutions and markets.
Prerequisites: Admission to upper division in Mays Business School and approval of instructor.