

FINA 4341/SECTION 11881
COMMERCIAL BANK MANAGEMENT
SPRING 2015, MW 2:30-4 PM, 112 MH

Instructor: CHARLES GUEZ, Ph.D.
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A. REQUIRED READING:

- Book:**
1. Bank Management
Timothy w. Koch and S. Scott MacDonald,
South-Western Cengage Learning, 8th Ed.
 2. Wall Street Journal, MUST read everyday

The Wall Street Journal – purchase a subscription via this link:
www.wsj.com/studentoffer

(Must have a credit card to complete - upon activation you will have immediate access to WSJ.com and mobile/tablet apps. Your print paper will begin in 3-5 days after you complete the activation and will be delivered to the address you list on the online activation form)

REQUIRED TOOL: BRING FINANCIAL CALCULATOR TO EVERY CLASS, INCLUDING EXAMS. BRING RED SCANTRON FOR ALL EXAMS.

IMPORTANT ITEM:

GUEST LECTURERS ARE INVITED FOR THE BENEFIT OF THE STUDENTS. THESE ARE VERY IMPORTANT AND SUCCESSFUL BUSINESS EXECUTIVES WHO VOLUNTEER THEIR TIME AND EXPERTISE. CLASSES ON THOSE DAYS ARE MANDATORY AND THE SUBJECT MATTERS DISCUSSED IN THOSE PRESENTATIONS MAY BE INCLUDED IN THE EXAMS.

- B. COURSE OBJECTIVES :** Primary objective is to present to the students the role Banks play in the Economy. And, to describe and study the various RISKS that a Bank faces domestically and internationally. Those risks will be defined, measured and we shall strive to find a way to manage them.

C. Academic Honesty:

The University of Houston Academic Honesty Policy is strictly enforced by the C. T. Bauer College of Business. No violations of this policy will be tolerated in this course. A discussion of the policy is included in the University of Houston Student Handbook, <http://www.uh.edu/dos/hdbk/acad/achonpol.html>. Students are expected to be familiar with this policy.

D. Accommodations for Students with Disabilities:

The C. T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To this end, in order to receive academic accommodations, students must register with the Center for Students with Disabilities (CSD) (telephone 713-743-5400), and present approved accommodation documentation to their instructors in a timely manner.

E. STUDENT EVALUATION

1. **Exams:** (3 mid-term exams @ 80 points each (240 points).
Exams will be multiple choice questions including theory as well as problems. Will cover most recent material covered from book and class.
2. **Project:** (1 project- 140 points): See Appendix below.
3. **Contribution and Professional Conduct:** (20 points)

In accordance with the University's Student Handbook, students in this class are expected to conduct themselves in a manner that is conducive to a learning environment (<http://www.uh.edu/dos/hdbk/slpolicies/expectations.html>). The contribution and professional conduct grade in this class is based upon the following tenets of the Handbook:

- **Be respectful:** Respect the learning/classroom environment and the dignity and rights of all persons. Be tolerant of differing opinions.
- **Be Courteous/Considerate:** Extend courtesy in discourse. Please do not interrupt speakers. Avoid distractions such as cell phones, beepers, and irrelevant discussions.
- **Be informed:** Familiarize yourself with the course and instructor expectations. Read the course Syllabus and other information posted on Blackboard.
- **Be punctual:** Attend classes regularly and on time. Instead of closing your notebook early, listen carefully to information given near the end of class; summary statements and instructions may be important. Moreover, leaving class early distracts from a lecture.
- **Be Participative/Curious:** Contribute and participate in class discussions; display interest during class by raising thoughtful and relevant questions that enrich discussions.
- **Be communicative:** Interact with the instructor and discuss assignments, grading and subject matter. Express complaints and concerns in a calm and respectful manner.

F. Assignment of Grades

Your grade in this course will be based upon the total number of points you earn during the semester. The following distribution for the assignment of grades will be strictly adhered to.

A	400-370	C+	319-307
A-	369-360	C	306-290
B+	359-347	C-	289-280
B	346-330	D	279-240
B-	329-320	F	239-0

ARCHIVE

SCHEDULE

1/21/15	ORIENTATION
1/26/15	CHAP 1: BANKING & THE FIN'L SERVICES INDUSTRY
1/28/15	CHAP 2: GOV'T POLICIES & REGULATION
2/2/15	GUEST LECTURER:
2/4/15	CHAP 3: ANALYZING BANK PERFORMANCE
2/9/15	CHAP 4: MANAGING NONINTEREST INCOME & NONINTEREST EXPENSES
2/11/15	CHAP 5: PERFORMANCE OF NON-TRADITIONAL BANKING COS
2/16/15	EXAM 1
2/18/15	CHAP 6: PRICING FIXED INCOME SECURITIES
2/23/15	CHAP 8: MANAGING INTEREST RATE RISK: DURATION
2/25/15	CHAP 7: ASSET-LIABILITY MANAGING INTEREST RATE RISK: GAP
3/2/15	GUEST LECTURERS: JIM RECER, Senior EVP & Managing Director, US Corporate Client Coverage, BBVA/COMPASS BANK, OK; ERIC ENSMANN, Senior EVP, BBVA/COMPASS BANK, OK; CREDIT DECISION
3/4/15	CHAP 13: OVERVIEW OF CREDIT POLICY
3/9/15	CHAP 14: EVALUATING COMM'L LOANS & MANAGING CREDIT RISK
3/11/15	CHAP 15: EVALUATING CONSUMER LOANS
3/16-3/20	SPRING BREAK
3/23/15	GUEST LECTURER: ADAM BRENNEN, VP, AMEGY BANK. CASE STUDY. OK.
3/25/15	EXAM 2
3/30/15	CHAP 12: THE EFFECTIVE USE OF CAPITAL
4/1/15	CHAP 12: THE EFFECTIVE USE OF CAPITAL, (CONT'D)
4/6/15	GUEST LECTURER: APRIL BAILEY, SVP, AMEGY BANK. OK
4/8/15	INTERNATIONAL TRADE AND FINANCE
4/13/15	INTERNATIONAL TRADE AND FINANCE, CONT'D
4/15/15	
4/20/15	WSJ PRESENTATIONS
4/22/15	CHAP 10: FUNDING THE BANK
4/27/15	CHAP 11: MANAGING LIQUIDITY
4/29/15	
5/4/15	EXAM 3

This Syllabus may be modified as needed during the semester. Any changes will be posted on Blackboard.

APPENDIX

Dr. Guez's Classes PROJECT GRADE CALCULATION UNDERGRADUATE

1. The project grade represents 35% of your total Class Grade.
2. The project grade comprises three elements:
 - Chapter Summaries (50 points)
 - Home Works (20 points)
 - Class Power Point Presentation of one Wall Street Journal Article (70 points)
3. **Chapter Summaries**: Work must be submitted **IN PERSON AT THE BEGINNING OF CLASS**.
IMPORTANT: KEEP A COPY OF ANY CHAPTER YOU SUBMIT. Chapter Summaries must be submitted the day of the class when we discuss that chapter. (Except for the first day of class). **Late submissions will not be accepted.** Chapter Summaries must include: Name, Date, Class you belong to, and must be STAPLED, chapter by chapter.
4. **Homeworks**: Work must be submitted **IN PERSON AT THE BEGINNING OF CLASS**.
IMPORTANT: KEEP A COPY OF ANY HOMEWORK YOU SUBMIT. To be submitted the day of the Assignment. No Late Submission. Must include Name, Date, Number of that Homework, Class you belong to . In case of Multiple Homeworks please submit separate page for each.
5. **Power Point Presentation**: Each student must select a WSJ article and send me an email (see address on Syllabus), requesting my approval of the article. Please include in the email: Your full name, which class you belong to and the title of the article.
DEADLINE for submission of article: NO LATER THAN April 1st, 2015).
6. **Calculation of the Participation Grade**:
 - **Chapter Summaries**: Say there are 15 Chapters we cover in class, the student who will submit all of them will obtain 100 in that category. If a student submits any number less than 15 his/her grade will be prorated. Example: 12 Chapters will be $100 \times 12/15 = 80$.
 - **Homework**: Same principle.
 - **Presentation**: A grade (from 0 to 100) will be assigned to each student commensurate with the success of the presentation.
 - **NO PRESENTATION** will be graded with a 0.

The final Participation grade will be an average of the three components described above.