

Glassboro State College Senate Curriculum Committee

Approval Form

Proposal Title: TO: MINOR CURRICULUM CHANGE ISSUES IN FINANCE

Sponsor(s) Gulser Meric Dept.: Accounting & Finance Ext. 6409

Check one: Course Specialization Concentration Minor Achievement Certificate
 Certification Program Major Program Minor Change Title Change
(please name deletion or credit/title/catalog change)

Undergraduate Graduate Credit Hours

<p>Step 1 (Department)</p> <p><input checked="" type="checkbox"/> Approved <u>10/23/92</u> Date</p> <p><input type="checkbox"/> Not Approved</p> <p><u>Carol Welsh</u> Dept. CC Chairperson</p> <p><input type="checkbox"/> Reviewed <u> </u> Date</p> <p><u> </u> Dept. Chairperson</p>	<p>Step 2 (Receipt)</p> <p><input checked="" type="checkbox"/> SCC# <u>91-93-64</u></p> <p>Proposal Received <u> </u> Date</p> <p>GSC SENATE</p> <p>MAR 25 1992</p> <p><u> </u> RECEIVED SCC Chairperson</p>	<p>Step 3 (School CC)</p> <p>Reviewed <u>April 2, 1992</u></p> <p><input checked="" type="checkbox"/> Approved <input type="checkbox"/> Not Approved</p> <p>Comments:</p> <p><u>Thomas A. Michael</u> School Curr. Comm. Chairperson</p>
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Step 4 (Academic Dean) **Comments:**

Recommend
 Not Recommend
 Conditionally Recommend (see comments)

Reviewed Date

 Signature Dean of School

Step 5 (SCC)

Open Hearing 4 Date Approved by Senate Curriculum Committee 7 Date

Returned to sponsor(s) for the following reasons:

Step 6 (Senate)

Presented to Senate 5 Date Approved Not Approved

Notification to Executive Vice-President/Provost Date Signature SCC Chairperson

Step 7 (Executive V.P./Provost)

Received _____

Date

If no, reasons are as follows:

Approved Yes No

Student credit hours _____

Faculty load hours _____

Equalized credit hours _____

Official copy and approval sheet filed _____

Date

Signature, Executive Vice-President/Provost

Registrar

Approved course description received 25 Aug 92

Date

Hegis Taxonomy and Course Number assigned TITLE chg.

BZ Kelsey for DB

Signature Registrar

25 Aug 92

Date

Notification forwarded:

- Senate Curriculum Committee Chairperson
- Department Chairperson(s)
- Academic Dean(s)
- Registrar
- Sponsor(s)

GLASSBORO STATE COLLEGE
DEPARTMENT OF ACCOUNTING AND FINANCE

MINOR CURRICULAR CHANGE
TITLE CHANGE

I. Details:

a. Change Requested

FROM:

Special Topics in Finance (0504.516)

TO:

Issues in Finance (0504.516)

b. Sponsor:

Gulser Meric, Ph.D.
Associate Professor of Finance

II. Rationale:

a. Need:

We wish this course to be a structured course emphasizing current issues in Finance. Therefore, the title "Issues in Finance" is more reflective of the course's intended content than its current title of "Special Topics in Finance."

b. Curricular Effect:

There will be no effect on curriculum.

III. Results of Consultation:

a. This change has been approved by the Department of Accounting and Finance (March 23, 1992).

b. Dr. Robert D. Lynch, MBA Program Advisor, is consulted regarding this change.



GLASSBORO STATE COLLEGE

School of Business Administration
MBA Office

Glassboro, New Jersey 08028-1748
(609) 863-5161

March 24, 1992

To: Gulser Meric

From: Robert D. Lynch, MBA Program Advisor

RL

Subject: Change in name of **Special Topics in Finance**

I am in complete agreement with your request to change the name of **Special Topics in Finance** to **Issues in Finance**. It should more clearly reflect the nature of the course as it is currently structured.

SPRING 1992
ISSUES IN FINANCE
0504.516.01
MBA

COURSE OUTLINE

SCHOOL OF BUSINESS ADMINISTRATION
GLASSBORO STATE COLLEGE

Dr. Gulser Meric, Associate Professor of Finance
Office: Bunce Hall - Room 274
Phone: (609) 863-6409
Office Hours: Tuesday: 1:15 p.m. - 2:00 p.m.
Thursday: 3:30 p.m. - 6:45 p.m.

Section

Class

G0151

Thursday: 6:45 p.m. BUNCE 205

COURSE OBJECTIVES

The objective of the course is to familiarize the students with the current problems and issues in finance.

READING ASSIGNMENTS

Three reading articles will be assigned for each current issue, total of thirty-nine articles from thirteen different topics. The students are expected to be prepared to discuss the materials in the assigned articles.

RESEARCH PROJECTS

Each student will chose a research topic and make a presentation on his/her research topic to the class for discussion. The student is also expected to submit a written report (about 20 typed pages) presenting the findings of his/her research at the end of the semester.

EVALUATION

Course grades will be based on the two examinations grades, the class presentation grade, the research paper grade, and the class participation grade. The weight distribution is as follows:

Mid-Term Examination	25%
Final Examination	25%
Class Presentation	15%
Research Report	20%
Participation in Class Discussions	<u>15%</u>
Total	100%

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READINGS: (on reserve)

Capital Structure: Theory, Empirical Tests, and Policy

1. Miller, Merton H., "The Modigliani-Miller Propositions After Thirty Years," Journal of Applied Corporate Finance, 2, 1989/90, 6-18.
2. Myers, Stewart C., "Still Searching for Optimal Capital Structure," in Robert W. Kolb, ed., The Corporate Finance Reader, Kolb Publishing Company, 1991, 95-110.
3. Pinegar, J. Michael, and Lisa Wilbricht, "What Managers Think of Capital Structure Theory: A Survey", Financial Management, 4, 1989, 82-91.

Insider Trading and Stock Prices

4. Penman, Stephen H., "A Comparison of the Information Content of Insider Trading and Management Earnings Forecasts," Journal of Financial and Quantitative Analysis, 20, 1985, 1-17.
5. Rozeff, Michael, and Mir A. Zaman, "Market efficiency and Insider Trading: New Evidence," Journal of Business, 61, 1988, 25-44.
6. Seyhun, H. Nejat, "The Information Content of Aggregate Insider Trading" Journal of Business, 61, 1988, 1-24.

Dividends: Theory, Empirical Tests, and Policy

7. Baker, H. Kent, Gail E. Farrelly, and Richard B. Edelman, "A Survey of Management Views on Dividend Policy," Financial Management, Autumn 1985, 81-84.
8. Litzenberger, R., and K. Ramaswamy, "The Effect of Personal Taxes and Dividends on Capital Asset Prices: Theory and Empirical Evidence," Journal of Financial Economics, June 1979, 163-196.
9. Miller, M.H., and M. Scholes, "Dividends and Taxes," Journal of Political Economy, December 1982, 1118-1141.

Mergers and Acquisitions

10. Loderer, Claudio, and Kenneth Martin, "Corporate Acquisitions by Listed Firms: The Experience of a Comprehensive Sample," Financial Management, 4, 1990, 17-33.

11. Meric, Gulser, Serpil S. Leveen, and Ilhan Meric, "The Financial Characteristics of Commercial Banks Involved in Interstate Acquisitions" Financial Review, 26, 1991, 75-90.
12. Shaked, Israel, Allen Micheal, and David McClain, " The Foreign Acquirer Bonanza: Myth or Reality," Journal of Business Finance and Accounting, 17, 1990, 431-448.

Inflation and the Market Value of the Firm

13. Ely, David P., and Kenneth J. Robinson, "The Stock Market and Inflation: A Synthesis of the Theory and Evidence," in Robert W. Kolb, ed., Financial Institutions and Markets: A Reader, Kolb Publishing Company, 1991, 29-41.
14. Meric, Ilhan, "Investment Decision in an Inflationary Environment," Rider Working Paper, #148, Feb. 1990.
15. Wilson, Jack W., and Charles P. Jones, " Common Stock Prices and Inflation: 1957-1985," Financial Analysts Journal, 43, 1987, 67-72.

Stock Market Seasonality

16. Meric, Ilhan, and Gulser Meric, "Seasonality in Market Risk," presented at the annual meeting of the Financial Management Association, October 1990.
17. Gultekin, M.N., and N.B. Gultekin, "Stock Market Seasonality: International Evidence," Journal of Financial Economics, 12, 1983, 469-481.
18. Tinic, S.M., and R.R. West, "Risk and Return: January vs. the Rest of the year," Journal of Financial Economics, 13, 1984, 561-574.

1987 Stock Market Crash

19. Limmach, R. J., and C.W.R. Ward. " The October 1987 Stock Market Crash: an Exploratory Analysis of Share Price Models," Journal of Banking and Finance, 4, 1990, 273-290.
20. Roll, Richard, "The International Crash of October 1987," Financial Analysts Journal, 44, 1988, 19-35.
21. Seyhun, H. Nejat, " Overreaction or Fundamentals: Some Lessons from Insider's Response to the Market Crash of 1987," 45, Journal of Finance, 1990, 1363-1388.

International Stock Markets

22. Meric, Ilhan, and Gulser Meric, "Potential Gains from International Portfolio Diversification and Inter-temporal Stability and Seasonality in International Stock Market Relationships," Journal of Banking and Finance, 13, 1989, 627-640.
23. Philippatos, G.C., A. Christofi and P. Christofi, "The Inter-temporal Stability of International Stock Market Relationships: Another view," Financial Management, Winter, 1983, 63-69.
24. Solnik, Bruno, "The Relation Between Stock Prices and Inflationary Expectations: The International Evidence," Journal of Finance, March 1983, 35-48.

Leverage Buyouts and the Junk Bond Market

25. Blume, Marshall E., and Donald B. Keim, "Risk and Return Characteristics of Lower-Grade Bonds, 1977-1987," in Edward I. Altman, ed., The High Yield Debt Market: Investment Performance and Economic Impact, Homewood, Illinois, Dow Jones-Irwin, 1990.
26. Garfinkel, Michelle R., "The Causes and Consequences of Leveraged Buyouts," in Robert W. Kolb, ed., The Corporate Finance Reader, Kolb Publishing Company, 1991, 123-134.
27. Torabzadeh, Khalil M., and William J. Berlin, "Leveraged Buyouts and Shareholder Returns," Journal of Financial Research, Winter 1987, 313-319.

Problems of Financial Institutions

28. Cornett, Marcia Millon, and Hassan Tehranian, "An Examination of the Impact of the Garn-St German Depository Institution Act of 1982 on Commercial Banks and Savings and Loans," Journal of Finance, 45, 1990, 95-112.
29. Keeton, William R., "The New Risk-Based Plan for Commercial Banks," in Robert W. Kolb, ed., Financial Institutions and Markets: A Reader, Kolb Publishing Company, 1991, 252-272.
30. Nakamura, Leonard I., "Closing Troubled Financial Institutions: What Are the Issues?" in Robert W. Kolb, ed., Financial Institutions and Markets: A Reader, Kolb Publishing Company, 1991, 226-235.

Capital Asset Pricing

31. Banz, Rolf W., "The Relationship Between Return and Market Value of Common Stocks," Journal of Financial Economics, 9, 1981, 3-18.
32. Meric, Ilhan, and Gulser Meric, "Implied Market Risk and Capital Asset Prices," presented at the annual meeting of the Southern Finance Association, November 1990.
33. Meric, Ilhan, and Gulser Meric, "An Empirical Test of the Arbitrage Pricing Theory," the Proceedings of the S.E. American Institute for Decision Sciences, February 1986, 288-290.

Options and Futures

34. Block, Stanley B., and Timothy J. Gallagher, "The Use of Interest Rate Futures and Options by Corporate Financial Managers," Financial Management, Autumn 1986, 73-78.
35. Kawaller, I.G., P.D. Koch, and T.W. Koch, "The Temporal Price Relationship Between S&P 500 Futures and S&P 500 Indices," Journal of Finance, 42, 1987, 1309-1329.
36. Zeckhauser, R., and V. Niederhoffer, "The Performance of Market Index Futures Contracts," Financial Analysts Journal, Jan.-Feb. 1983, 59-65.

Financial Characteristics of United States and Japanese Firms

37. Gultekin, M.N., N.B. Gultekin, and A. Penati, "Capital Controls and International Capital Market Segmentation: The Evidence from the Japanese and American Stock Markets," Journal of Finance, 44, 1989, 849-869.
38. Meric, Ilhan, and Gulser Meric, "The Determinants of Financial Structure in United States and Japanese Manufacturing Corporations," American Business Review, June 1992.
39. Meric, Ilhan, and Gulser Meric, "A Comparison of the Financial Characteristics of United States and Japanese Manufacturing Firms," presented at the annual meeting of the Financial Management Association, October 1988.

<u>DATE</u>	<u>TOPICS TO BE COVERED</u>
January 16	<u>Introduction</u>
January 23	<u>Capital Structure: Theory, Empirical Tests, and Policy</u> Articles #1, #2, #3
January 30	<u>Insider Trading and Stock Prices</u> Articles #4, #5, #6
February 6	<u>Dividends: Theory, Empirical Tests, and Policy</u> Articles #7, #8, #9
February 13	<u>Mergers and Acquisitions</u> Articles #10, #11, #12
February 20	<u>Inflation and Market Value of the Firm</u> Articles #13, #14, #15
February 27	<u>Mid-Term Examination</u>
March 5	<u>Stock Market Seasonality</u> Articles #16, #17, #18
March 12	<u>1987 Stock Market Crash</u> Articles #19, #20, #21
March 26	<u>International Stock Markets</u> Articles #22, #23, #24
April 2	<u>Leveraged Buyouts and the Junk Bond Market</u> Articles #25, #26, #27
April 9	<u>Problems of Financial Institutions</u> Articles #28, #29, #30
April 16	<u>Capital Asset Pricing</u> Articles #31, #32, #33
April 23	<u>Options and Futures</u> Articles #34, #35, #36
April 30	<u>Financial Characteristics of United States and Japanese Firms</u> Articles #37, #38, #39
May 7	<u>Final Exam</u>