

Student Managed Investment Fund I
FINN 4158 / MBAD 5158 Fall 2016
Tuesday 6:30 – 9:15 PM

Professor: Judson W. Russell, Ph.D., CFA
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Required Materials:

Daily access to the *Wall Street Journal*, various readings and assignments throughout the semester.

Course Objective:

The SMIF is a two-semester sequence of courses whereby a very select group of students manage a live portfolio, which is made possible by a grant from the University Endowment Fund. Students enrolled in this course receive credit for six hours. The students selected to manage the fund are entirely responsible for the investment decisions involving the composition of the portfolio. Student Managers establish the stock selection criteria, research the prospective stocks, generate reports, make decisions to invest or liquidate, and execute the trades. Student Managers also play an integral role in interviewing, evaluating and recommending the students that will manage the portfolio the following year. The Instructor serves in an advisory capacity and will answer questions and make periodic presentations on relevant aspects of investments. The final responsibility of the Student Managers is to create an Annual Report and present it to the Advisory Board at the annual meeting at the end of the second semester.

Specifically, the Fall version of this course, SMIF I, provides background information for operating and administering the fund, and begins the management process of the portfolio. Student Managers formulate an investment philosophy that will govern their decisions throughout the year. In addition, administrative responsibilities are assigned and analytical teams are formed. The foundation of the Annual Report and presentation to the university administration is constructed. Field trips to area businesses, invited presentations from professional guests in the investments industry, and Student Manager presentations dealing with recommendations concerning the composition of the fund will be arranged during the semester.

Prerequisites:

Only students that have completed Financial Management and Investments at their respective undergraduate and graduate levels are eligible to apply for this class. About a dozen students are invited to enroll after the applications are evaluated by members of the finance faculty. Consideration may be given to otherwise qualified students who are currently taking investments.

Responsibilities and Maintenance:

1. The course outline presents the schedule for class meetings. Attendance at meetings is a mandatory part of the class. Failure to attend a class subjects the student to possible dismissal and a grade of U. At each meeting the Analysts, under the direction of the Administrator, will brief the Faculty Advisor on the performance of the fund over the previous week. Any trades in the fund will be described. The Faculty Advisor will also assign tasks to be completed for the following week.
2. A report detailing the current holdings of the fund is to be prepared each week by the Accountants. The report should include all currently active positions and give some

indication of the returns on each security for the week, the semester-to-date, and the year-to-date. In addition, similar performance figures are to be presented for the whole fund. The corresponding benchmark returns should be provided for comparative purposes.

3. Student Managers will work in teams of two and will each analyze several stocks in their respective industry sector(s). The Administrator, in lieu of his/her managerial responsibilities, will work independently, and will prepare and monitor the Annual Report and presentation progress. The other Officers may be given some relief in research and report writing in consideration of their administrative responsibilities.

Measurement of Course Performance:

The Faculty Advisor may choose to incorporate peer input in evaluating the performance of each student. Additionally, the students will be assessed on the following schedule:

Analyst Reports	50%
Class Participation	25%
Officer Responsibilities	25%

Grades will be assigned based on the following scale:

Final Grade	Total Points
A	90-100
B	80-89
C	70-79
U	< 70

Academic Conduct:

You are expected to conduct yourselves as a community of scholars. Any breach in this code will result in disciplinary action as directed by your student handbook. Dr. Russell will distribute a copy of the UNCC Code of Student Academic Integrity on the first class.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.