



THE FACULTY SENATE

January 27, 2014

EXP 2014-01-8977

MEMORANDUM

TO: Dr. Mark A. Hussey, Interim President

FROM: Walter Daugherty, Speaker *Walter Daugherty*

SUBJECT: Undergraduate Curriculum Committee (FS.31.257)

At its regular meeting on January 13, 2014 the Faculty Senate approved the following items from the Undergraduate Curriculum Committee. The Faculty Senate submits for your approval. Attached is a copy of the material sent to our Senators.

Special Consideration

Mays Business School
 Department of Finance
 Certificate in Trading, Risk and Investments
 Request for a new certificate program

Attachment

cc: Karan Watson
 Pamela Matthews
 Michael Benedik
 Sandra Williams
 Jerry Strawser

FACULTY SENATE AGENDA ITEM REVIEW

This item has been reviewed by the Office of the Provost (OP). Below are recommended action(s): RE: FS-31.257

Approved: _____ Reviewed: _____

<i>Presidential Action:</i> <input checked="" type="checkbox"/> Recommend Approval <input type="checkbox"/> Review Only	<i>OP Recommended Action</i> <input type="checkbox"/> Hold for Further Review <input type="checkbox"/> Hold Released _____ <input type="checkbox"/> System Review/Submission <input type="checkbox"/> BOR Approval <input type="checkbox"/> THECB Approval/Notification <input type="checkbox"/> SACSCOC Approval/Notification
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Mark A. Hussey

Mark A. Hussey, Interim President

4/16/14
Date

28. Special Consideration

Mays Business School

Department of Finance

Certificate in Trading, Risk and Investments

Request for a new certificate program

SPECIAL CONSIDERATION

H19

SPECIAL CONSIDERATION

MAYS BUSINESS SCHOOL

DEPARTMENT OF FINANCE

CERTIFICATE IN TRADING, RISK AND INVESTMENTS

REQUEST FOR A NEW CERTIFICATE PROGRAM

Submitted by (Contact Person):

Lanny R. Martindale

LMartindale@mays.tamu.edu

Name

Email

Senior Lecturer

979-845-4859


Title

Phone

Certification Statement

By signing below, the Dean of the College certifies the proposed program complies with coordinating board standards. If the program is delivered through Distance Education, the Dean of the College certifies that they are following the *Principles of Good Practice for Academic Degree and Certificate Programs and Credit Courses Offered Electronically*.

Use additional signature lines if program is between three or more departments or colleges.

 _____
Signature, Department Head or Interdisciplinary Program Chair Date
11/20/13

Signature, Department Head or Interdisciplinary Program Chair (if joint program) Date

Typed or Printed Name

Typed or Printed Name

Chair, College Review Committee Date

 _____
Chair, College Review Committee Date
11/25/13

Dean of College Date

 _____
Dean of College Date
11/25/13

Chair, University Curriculum Committee or Graduate Council Date

Chair, University Curriculum Committee or Graduate Council Date

Additional Approvals Required: Faculty Senate and President.

New Program Request Form for Certificate Programs, Bachelor's and Master's Degrees

Directions: An institution shall use this form to propose a new bachelor's or master's degree program. In completing the form, the institution should refer to the document *Standards for Bachelor's and Master's Programs*, which prescribes specific requirements for new degree programs. Note: This form requires signatures of (1) the Chief Executive Officer, certifying adequacy of funding for the new program; (2) a member of the Board of Regents (or designee), certifying Board approval, and (3) if applicable, a member of the Board of Regents or (designee), certifying that criteria have been met for staff-level approval. NOTE: Preliminary authority is required for all engineering programs. An institution that does not have preliminary authority for a proposed engineering program shall submit a separate request for preliminary authority prior to submitting the degree program request form. That request shall address criteria set in Coordinating Board rules Section 5.24 (a).

Administrative Information

1. Institution: Texas A&M University
2. Program Name – Certificate in Trading, Risk, & Investments
3. Proposed CIP Code: 52.0807.00
4. Brief Program Description – Describe the program and the educational objectives:

Participants complete a 3-credit seminar in trade floor dynamics, 13 hours of related academic course work, 2 semesters (4 hours) of cooperative education, and numerous field experiences. Participants make 2 formal presentations to (and otherwise interact extensively with) advisory board representatives of some 60 major firms and financial institutions.

The educational objectives of the program are to acquaint each participant with the fundamentals of trading securities, commodities, and derivatives for the short- and long-term risk-adjusted financial benefit of either institutional or individual investors.

Number of Semester Credit Hours Required: 20

5. Administrative Unit – The Department of Finance within Mays Business School
6. Proposed Implementation Date – Spring 2015
7. Contact Person – Provide contact information for the person who can answer specific questions about the program:

Name: Lanny R. Martindale

Title: Senior Lecturer in Finance

E-mail: LMartindale@mays.tamu.edu

Phone: 979.845.4859

Program Information

I. Need

A. Job Market Need – The department has delivered this program in non-certificate form since 2009. Some 80% of graduates in groups I through III went immediately to a full-time job with an advisory board member firm, while the remainder completed master's degrees before doing so. Groups IV and V are presently completing the program, and Group VI is presently being recruited.

B. Student Demand –

Group I	7 students
Group II	14 students
Group III	19 students
Group IV	24 students
Group V	21 students

C. Enrollment Projections –

YEAR	1	2	3	4	5
Headcount	22	24	26	28	30
FTSE	22	24	26	28	30

II. Quality

A. Certificate Requirements

Category	Semester Credit Hours
Required Courses	11
Prescribed Electives	9
TOTAL	20

B. Curriculum

Prefix and Number	Required Courses	SCH
ACCT327	Financial Reporting I	3
BUSN392	Cooperative Education	4
FINC368	Trade Floor Dynamics	3
FINC485	Directed Studies—Final Presentation	1
	Total	11

	Prescribed Electives—Choose <i>Three</i> (9 hours)	SCH
FINC422	Applied Investment Analysis	3
FINC423	Options and Financial Futures	3
FINC424	Trading Risk Management	3
FINC425	Active Portfolio Management	3
FINC427	Titans of Investing	3
FINC428	Fixed Income Analysis	3
FINC429	Advanced Investments*	3
FINC443	Valuation	3
FINC448	Technical Analysis*	3
FINC449	Financial Modeling	3
FINC466	Wall Street, Investment Banking, and Financial Markets (a.k.a. “Aggies on Wall Street”)	3

*permanent course request pending

C. Faculty

Name of Core Faculty and Faculty Rank	Highest Degree and Awarding Institution	Courses Assigned in Program	% Time Assigned To Program
Hallermann, Detlef R.* Clinical Associate Professor of Finance	Ph.D. in Mineral Economics, Colorado School of Mines	BUSN392 FINC368 FINC423 FINC424 FINC485	70%

*Director of Program

For this program, the Department requests an exception to the requirement that core faculty be tenured or tenure-track. The incumbent Director founded the program, recruited its advisory board, and is primarily responsible for its growth and success during its pre-certificate phase. The incumbent director reports directly to the Department Head who, with several other tenured and tenure-track faculty, is part of the program's support faculty.

Name of <u>Support</u> Faculty and Faculty Rank	Highest Degree and Awarding Institution	Courses Assigned in Program	% Time Assigned To Program
Sorescu, Sorin Patricia and Bookman Peters Professor of Finance	Ph.D. in Finance, University of Florida	FINC466	5%
Johnson, Shane A. Thomas W. Leland Memorial Chair in Finance	Ph.D. in Finance, Louisiana State University	FINC443	3%
Deer, Shannon K. Lecturer in Accounting	M.S. in Finance, Texas A&M University	ACCT327	3%
Tebeaux, William Jene Executive Professor of Finance	M.B.A., University of Houston	FINC422; FINC425	10%
Harris, T. Britton Executive Professor of Finance	B.B.A. in Finance, Texas A&M University	FINC427	3%
Kim, Hwagyun Assistant Professor of Finance	Ph.D. in Economics, University of Chicago	FINC428	3%
Chen, Yong Assistant Professor of Finance	Ph.D. in Finance, Boston College	FINC429	3%
Moore, Kevin M Executive Professor of Finance	M.B.A., The Wharton School M.S., London School of Economics M.S. in Computer Science, Johns Hopkins University	FINC448	3%
Kuvvet, Emre Assistant Professor of Finance	Ph.D. in Finance, University of Memphis	FINC449	3%

- D. Students – The department markets this program each Fall to undergraduates who indicate serious interest in this career field. The Department dedicates half the time of one undergraduate advisor to this program.
- E. Library – The program requires no change in existing library facilities or resources.
- F. Facilities and Equipment – The program requires no change in existing facilities or equipment.
- G. Accreditation – The discipline does not have a national accrediting body.
- H. Evaluation – The department will include the program in its regular assessment of undergraduate learning outcomes.

III. Costs and Funding

Five-Year Costs and Funding Sources – This program incurs no incremental costs to the institution.

Five-Year Costs		Five-Year Funding	
Faculty Salary Supplements	\$150,000	Reallocated Funds	\$0
Operating Expenses	\$325,000	Anticipated New Formula Funding ³	\$0
Graduate Assistants and Student Workers	\$125,000	Special Item Funding	\$0
Staff Salary Allocations	\$165,000		
		Advisory Board Dues	\$765,000
Total Costs	\$765,000	Total Funding	\$765,000

1. Report costs for new faculty hires, graduate assistants, and technical support personnel. For new faculty, prorate individual salaries as a percentage of the time assigned to the program. If existing faculty will contribute to program, include costs necessary to maintain existing programs (e.g., cost of adjunct to cover courses previously taught by faculty who would teach in new program).
2. Specify other costs here (e.g., administrative costs, travel).
3. Indicate formula funding for students new to the institution because of the program; formula funding should be included only for years three through five of the program and should reflect enrollment projections for years three through five.
4. Report other sources of funding here. In-hand grants, "likely" future grants, and designated tuition and fees can be included.

Signature Page

1. Adequacy of Funding – The chief executive officer shall sign the following statement:

I certify that the institution has adequate funds to cover the costs of the new program. Furthermore, the new program will not reduce the effectiveness or quality of existing programs at the institution.

Chief Executive Officer

Date

2. Board of Regents or Designee Approval – A member of the Board of Regents or designee shall sign the following statement:

On behalf of the Board of Regents, I approve the program.

Board of Regents (Designee)

Date of Approval

3. Board of Regents Certification of Criteria for Commissioner of Assistant Commissioner
Approval – For a program to be approved by the Commissioner or
the Assistant Commissioner for Academic Affairs and Research, the Board of
Regents or designee must certify that the new program meets the eight criteria under
TAC Section 5.50 (b): The criteria stipulate that the program shall:

- (1) be within the institution's current Table of Programs;
- (2) have a curriculum, faculty, resources, support services, and other components of a degree program that are comparable to those of high quality programs in the same or similar disciplines at other institutions;
- (3) have sufficient clinical or in-service sites, if applicable, to support the program;
- (4) be consistent with the standards of the Commission of Colleges of the Southern Association of Colleges and Schools and, if applicable, with the standards or discipline-specific accrediting agencies and licensing agencies;
- (5) attract students on a long-term basis and produce graduates who would have opportunities for employment; or the program is appropriate for the development of a well-rounded array of basic baccalaureate degree programs at the institution;
- (6) not unnecessarily duplicate existing programs at other institutions;
- (7) not be dependent on future Special Item funding
- (8) have new five-year costs that would not exceed \$2 million.

On behalf of the Board of Regents, I certify that the new program meets the criteria specified under TAC Section 5.50 (b).

Board of Regents (Designee)

Date