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1 TEACHING TEAM

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1.1 OFFICE HOURS

Office hours are by appointment only. Please e-mail to make an appointment.

2 COURSE DESCRIPTION AND PREREQUISITES

2.1 FOUNDATIONAL COURSES

There are no formal pre-requisites for this course; however, the following courses provide a foundation for learning the competencies in this course and will have been taken prior to this course.

- Managerial Accounting (SUS6000) providing a foundation for analysis of financial reports and evaluation of sustainable performance
- Managerial Finance (SUS6040) providing a foundation for understanding ratios, liquidity, long-term capital, rate of return, net present value, cash flow, financial planning and forecasting, and risk assessment and management.
- Managerial Economics (SUS6020) providing a foundation for critical thinking about economic models and tools that underlie financial management concepts
- Ecological Economics & Macroeconomics (SUS6200) providing a foundation of critical thinking about economic models and tools that underlie financial management concepts

The following courses provide support for development of the competencies.

- Effective Management Communication & Action (SUS6195) providing support for relationship management and personal power and efficacy in team settings
- Principles of Sustainable Management (SUS6010) providing support for the language and tools of systems thinking and sustainability literacy

- Business, Government and Civil Society (SUS 6015), providing an overview of definitions, frameworks and perspectives regarding the role of business in society.

2.2 DESCRIPTION

(From Catalog) Building upon the fundamentals of finance and economics introduced earlier, this course is an overview of capital markets, financial instruments, and institutions that comprise the global financial system. This course will offer an in-depth study of the marketplaces that play central roles in the global - down to the local – economy. Topics include financing enterprises through debt, angel investing, venture capital and private equity funding, initial public offerings (IPOs), fixed income securities offerings, and commercial paper. Financial instruments in a global market will be examined through a review of spot exchange, currency forwards, hedging, options, swaps as well as international bonds and equities. Fundraising in the non-profit sector will likewise be considered. Basics of macroeconomics will also be presented as a background to financial decision-making. Topics include monetary and fiscal policy, aggregate demand and supply, exchange rates and inflation. When time permits, the course also surveys the legal aspects of organizing, financing and operating a business enterprise, with emphasis on contracts, government regulation, intellectual property rights, corporate governance and shareholder rights, as well as the national and international finance and investment systems, including a sustainability critique and reorientation.

(Additional Description) The primary purpose of this course is to explore, understand and appreciate the institutions, flow of money, functions, laws and language of the Capital Markets, so that we are able to relate the concepts of sustainability as we examine the capital markets. We will explore how the capital markets can be accessed and used to achieve sustainability goals, and we will learn how we can be impacted by the capital markets as we pursue sustainability goals, even if we are not or do not intend to be directly involved in the capital markets.

During the course, students will explore how capital moves between investors and companies, and the role of commercial banking, investment banking, investment management, risk analysis, pension fund management, insurance and indices. The course will also cover capital market instruments, and how capital markets operate, including:

- Debt and the Debt Markets
- The Primary Market
 - The IPO Process – How it generally works and what alternatives exist

- Is Pricing and Distribution Fair?
- The Secondary Market – Listed and Over-the-Counter
 - Its evolution, current differences in markets, and the future
- The Private Marketplace
 - Past and Future
- The Bond Market –
 - Similarities and differences with the stock market
- The Commodities Market
- The Options Market
- Physical vs. Electronic Markets
- Alternative Trading Systems
- Emerging Marketplaces
- Instruments Traded, including:
 - Equities
 - Debt Securities
 - Investment Funds
 - Exchange Traded Funds
 - Units and Trusts
 - Rights and Warrants
 - Derivatives
- Characteristics of Investing
- Financial Information and How to Read It
- Laws and Regulations Governing All of the Above

2.3 INSTRUCTIONAL CONTACT HOURS & CREDITS

4 credit course:

- Total Time: 60 hours/semester
- Time in class: 35 hours/semester or 7 hours per residency
- Asynchronous online forum/activity: 25 hours/semester
- Study/preparation time outside of residencies: 8 hours per week

2.4 LEARNING OBJECTIVES

The 4 key learning objectives are as follows:

- Ability to analyze how all components of capital and the capital markets interact with each other, and understand how the markets work within the macro economy;
- Ability to evaluate what aspects of the markets work well, and which aspects add to or distract from the concepts of sustainability (e.g. the current state of disclosure and transparency, and what it should look like in the future);
- Provide a critical analysis of how the markets impact business and how sustainability can play a greater role in the markets in the future (e.g. the links between sustainability (comprising environmental and social issues) and financial performance, including the role of Sustainability Performance Indicators);
- Synthesize the many components of the markets and the economic forces that impact the markets, and develop creative improvements to any component of the markets toward a higher level of sustainability.

3 COURSE MATERIALS & RESOURCES

3.1 REQUIRED READINGS

The required text book is: Money and Capital Markets (8th ed. or more recent), Peter S. Rose, McGraw-Hill, 2003.

Kelly, Marjorie. The Divine Right of Capital; Dethroning the Corporate Aristocracy. Berrett-Koehler. 2001

Kelly, Marjorie. Not Just For Profit. Strategy and Business. Spring, 2009.

Johnson, Simon. The Quiet Coup. The Atlantic, 2009.

Kuttner, Robert. Financial Regulation After the Fall. Demos, 2009.

Other Required Readings will be posted on the Presidio Network Course Page T.B.D.

3.2 RECOMMENDED READINGS & OPTIONAL RESOURCES

Herman, R. Paul. The HIP Investor: Make Bigger Profits by Building a Better World. John Wiley & Sons, Inc. 2010.

Graham, Benjamin The Intelligent Investor The Definitive Book on Value Investing, A Book of Practical Counsel Harper & Row, 1949

Bogle, John C. The Battle for the Soul of Capitalism. Yale University Press, 2005.

Einhorn, David. Fooling Some of the People All of the Time: A Long Short Story. Wiley, 2008.

Greider, William. The Soul of Capitalism: Opening Paths to a Moral Economy. Simon & Schuster, 2004.

Larry Sawyers, Saniel Schydrowsky, David Nickerson. Emerging Financial Markets in the Global Economy. World Scientific Publishing Company, 2000.

Seligman, Joel. The Transformation of Wall Street: A History of the Securities and Exchange Commission and Modern Corporate Finance. Aspen Publishers, 2003.

Stephan Schmidheiny, Federico J.L. Zorraquin. Financing Change, The Financial Community, Eco-Efficiency and Sustainable Development. The MIT Press, 1996.

3.3 ADDITIONAL RESOURCES

Capital Markets is a class that incorporates current events as much as possible. In that regard, we will continually be posting links to articles that will supplement your other assigned readings. Links to Financial Times articles and other relevant current event articles will be added to the class page on the Presidio Network throughout the semester.

4 METHODS OF INSTRUCTION

Various instructional methods are used in this course, including: lectures, articles, a trading game, case studies, guest lectures, panels, internet sites, textbooks, daily business press (including specifically the Financial Times), exercises and problems, short essays, and a final research project on a subject of choice.

The focus of this course will be on a group project around a topic of your choosing relating to the course content and learning objectives. I have designed this course to give you a high degree of choice for the focus of your study so it either supports your Capstone activity or some other area that is of professional relevance to you. I will approve submissions based upon the need to maintain a variety among the group projects so we can collectively cover the learning objectives. The instructor and assistants will be available to offer guidance in your selection of the project.

There is a substantial amount of current event activities, articles and studies that relate to the content and learning objectives of this course, and you will be asked to develop a portfolio of materials throughout the semester and use this portfolio as the source material for your group project. You will present to the rest of the class a component of your portfolio as it progresses through the forum discussions.

To develop your portfolio, you will be given access to an electronic edition of the Financial Times and your library access through the school provides further entry into developing other source material. I will also be posting to our course site a variety of

articles during residencies, and students are encouraged to post articles as well. We will further provide material through a variety of methods including guest lecturers who will focus on a particular area.

The following table describes how various activities of the course will help you achieve the learning objectives. Please refer to the rubrics for elaboration on the evaluation method for the variety of learning activities. As noted below, the instructor will use a variety of instructional methods including readings, videos, case studies, forum discussions, trading game, and a course project.

COURSE LEARNING OBJECTIVE	ACTIVITIES TO REINFORCE LEARNING OBJECTIVE	MAIN MODE TO EVALUATE	EXPECTED PROFICIENCY	EXEMPLARY
Analyze how all components of capital and the capital markets interact with each other, and understand how the markets work within the macro economy	Text, videos, articles, speakers/class discussion and the course project. Each helps to build toward this objective. The project helps to unify the competencies toward this objective.	Level of accuracy in depth of critical thinking skills	Evaluate and make recommendations for use of capital within markets, recognizing social and ecological capital. Critique economic models and articulate the emergent models that integrate sustainability	Design/Apply new models to create change in a system
Evaluate what aspects of the markets work well, and which aspects add to or distract from the concepts of sustainability	Same as above although the key activity to reinforce this learning objective will be the course project.	Sufficient level of understanding of the current methods and operations of markets, and the state of disclosure and transparency, and what they should look like in a sustainable future.	a) Propose a case to optimize the use of all forms of capital. b) Identify levers of change, and orient organizational structure and culture in support of sustainability (integrating ethical values). c) Apply the language and tools of	a) Implement organizational change initiatives in support of sustainability. b) Reframe problems to lead to innovative solutions

			sustainable whole systems thinking to the markets.	
Critical analysis of how the markets impact business and how sustainability can play a greater role in the markets in the future	The course project will be the key activity to reinforce this objective. Class discussions about the industry, understanding how trading works today, and feedback on other student's projects will also reinforce it. Other supporting activities include the forum discussions and residency discussions.	Depth of analysis and level of transparency as indicated in discussions contained within the key activities Depth of analysis, appropriateness to the content, level of transparency, and accuracy.	Identify the links between sustainability (comprising environmental and social issues) and financial performance, including the role of Sustainability Performance Indicators), and develop recommendations for improvements.	Critique and/or propose new approaches to how the markets operate and are regulated that integrate sustainability features.
Synthesize the many components of the markets and the economic forces that impact the markets, and develop creative improvements to any component of the markets toward a higher level of sustainability.	The course project and letter will be the primary activities to support this objective. Other supporting activities include the forum discussions and residency discussions.	Depth of analysis and level of transparency as indicated in discussions contained within the key activities Depth of analysis, appropriateness to the content, level of understanding of all components of the market and how society impacts and influences markets..	a) Critique new approaches to the markets/regulation that integrate sustainability features. b) Synthesize and construct the rationale for systemic action/solutions. c) Effective performance on teams and apply group dynamics knowledge in multiple group/team contexts.	a) Propose new approaches to the markets/regulation that integrate sustainability features. b) Propose a case to optimize the use of all forms of capital. c) Create/design financial reporting methods that integrate sustainable metrics d) Create plans for disruptive,

				sustainable, and/or innovative solution e) Apply a new interpretive framework in a way that guides belief (mindset, thinking, perspective) and shifts action f) Reframe values of groups, organizations, and systems around social justice to create a new culture.
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5 ASSESSMENT CRITERIA & METHODS OF EVALUATING STUDENTS

5.1 COURSE ASSIGNMENTS AND DELIVERABLES

Students should plan on spending approximately six to eight hours a week on reading, assignments, and online communication within the course. Please notify the teaching team at least 48 hours in advance if you will be unable to attend class or complete an assignment on time (see Late Assignment Section below for more information).

Four different activities have been designed to help you achieve the learning objectives of this course. A description of each follows.

Deliverable	Points	Due Date	Deliverable	Points	Due Date
Course Project (team)	300		Trading Game	150	
PPT 1	25	2-24-11	Trading Game Prep	10	2-2-11
PPT 2	25	3-31-11	Online Trade 1	5	2-4-11
Letter	50	3-3-11	Online Trade 2	5	2-18-11
Draft Paper	25	4-20-11	Online Trade 3	5	2-25-11
Final Paper	125	5-12-11	Online Trade 4	5	3-11-11
In Class Pres.	50	5-19-11	Online Trade 5	5	3-25-11
Participation (individual)	100		Online Trade 6	5	4-1-11
Forum Disc. PPT 1	10	3-10-11	Online Trade 7	5	4-1-11
Forum Disc. PPT 2	10	4-7-11	Online Trade 8	5	4-8-11
Peer Evaluation	30	5-23-11	Trading Paper	100	5-5-11
General Disc. Forums	50	ongoing			
			Total Points	550	

Summary of Assignment Deliverables

In an effort to improve communication and reduce the amount of “deciphering” students need to do to figure out dates and requirements for deliverables, we have created a Google Calendar with all deliverables and the pertinent information for each. Instructions will be sent out at the beginning of the semester for how to access the Google Calendar.

5.1.1 Assignment I: Course Project - Capital Markets and Sustainability Project (55% or 300 points)

The course project will have four parts to it, which you will deliver during different points in the semester. Each part is intended to build toward an in-depth look at a topic related to capital markets and sustainability and to share this learning with the rest of the class. The overall purpose of the project is to make a recommendation about how sustainability concepts can or should be factored into a segment of the capital markets. The course project will be completed in groups. The assignment consists of 3 presentations, a letter and a final report. Report guidelines will be posted online (via The Presidio Network and/or Google Calendar). Ideas for a topic can be found in Appendix B.

5.1.2 Assignment II: Trading Simulation: (27% or 150 points)

Each student will individually participate in an investment simulation using a theoretical dollar amount and trading various financial instruments during specific time periods. The purpose of the assignment is to give you as close as possible to a real experience of investing in a variety of financial instruments. You will be required to make a set of 8 trades over a twelve-week period. Following the trades, students will complete a 1250-1500 word report. Report guidelines will be posted online (via The Presidio Network and/or Google Calendar). Students will be graded based upon the accuracy of following the assignment, not on the final value of the portfolio.

5.1.3 Assignment III: Participation (18% or 100 points)

You will be expected to engage in each residency session in a way that fosters group learning. Quality of engagement is the key versus quantity of engagement.

You will also be expected to engage in the online discussions between residencies. These online discussions, worth 5-10 points each, will be based on the presentations that each of your teams submit as well as required readings. Each forum has different level of required involvement so pay close attention to the instructions within the forum itself. Again, contributions are judged on quality and not quantity. A well thought out

paragraph that moves the conversation along is far superior to a long-winded essay. Please note that forum posts are held to the same academic integrity requirements as written papers and presentations.

At the end of the semester you will be evaluated by your peers for the quality of collaboration in the group project (see collaboration rubric in Appendix C). The peer evaluation will be worth up to 30 points. Peer ratings may be adjusted at the sole discretion of the instructor.

5.2 ASSESSMENT METHODOLOGY

The instructor team will be using certain specific rubrics to assess the work of the students, similar to the collaboration rubric found in Appendix C. This rubric can be found on the course page.

5.3 GRADING STANDARD

Letter grades will be assigned for cumulative points according to the following formula. The baseline—meets expectations—means that students have demonstrated overall proficiency in the learning outcomes of your course and will earn a B level grade.

95 – 100%	A	Exemplary performance
90 – 94%	A-	Consistently above expectations
87 – 89%	B+	Above expectations, very good
84 – 86%	B	Meets expectations, good overall performance
80 – 83%	B-	Meets expectations most of the time
77 – 79%	C+	Mostly meets expectations although below some of time
74 – 76%	C	Below expectations but passing
70 – 73%	C-	Below expectations and needs improvement
67 – 69%	D+	Consistently below, but enough to get credit
64 – 66%	D	Under performing
60 – 63%	D-	Should consider repeating the course
< 60%	F	No credit for the course

6 CLASS POLICIES & PROCEDURES

6.1 LATE ASSIGNMENTS

The instructor will reduce the grade of any assignment that is not turned in on time. Exceptions might be made if you arrange something with the teaching team at least 48 hours before the due date of the assignment, but only for extenuating circumstances. Assignments turned in late without prior notification to the instructor will be deducted as follows:

- 10% deduction per day you are late
- 10% additional (one-time) deduction if you fail to notify the teaching team of your tardiness (applies only to assignments that are >1 day late)
- 50% of the total available points is the most you can lose on a single assignment

Assignments turned in one minute past the designated time will be considered late, so posting too close to the cutoff time will put your assignment at risk of losing points.

Please note: it is the responsibility of the student to keep records of their assignments, including the submission time and date. The teaching team will use the time stamp from the last file you upload to The Presidio Network.

If you must miss class time, please make arrangements in advance to fulfill any written assignments, but missing a residency session will mean that you will lose points for participation as there is no way to make up residency participation.

6.2 ATTENDANCE POLICY

Participation in all residencies is a requirement of the course. Students missing more than one class will not qualify to pass the course. Exceptions can only be made in extenuating circumstances. Students who need to miss a class must inform the instructor in advance and submit the necessary documents and make-up material within 2 weeks of the class in order not to forfeit the participation grade. This requires the student to:

- Arrange for a colleague to take notes
- Review the lecture PPTs from the professor (and if appropriate any guest lecture PPTs)
- Write a 500 word review of the class and intended learning outcomes.

6.3 APA CITATIONS

Please use the APA citation format for research papers, in-text citations, endnotes/footnotes, and the reference page for ALL papers written at Presidio. For assistance in using APA citations or for general tips and guides on research writing, please see the Library Resources section on Moodle:

<https://moodle.presidiomba.org/course/view.php?id=210>.

6.4 ACADEMIC INTEGRITY

The instructors in this course take academic integrity very seriously. Please keep in mind that plagiarism applies to online posts as much as it does to written papers. Moreover, academic integrity goes beyond plagiarism, it also includes taking

responsibility for your own learning. For tips on how to avoid plagiarism through proper citations please see our Presidio APA style FAQs:

http://elearn.presidionetwork.net/file.php/38/Library_docs/APA_FAQ_s_4.pdf

If you have questions about the parameters of plagiarism, see guidelines here: <http://owl.english.purdue.edu/owl/resource/589/01/>

Any work found to be plagiarized will receive a zero. If a portion of group work is suspected to be plagiarized all members of the group share equal responsibility. Students are responsible for familiarizing themselves with the complete plagiarism policy and procedure, which can be found in the Presidio Catalog.

6.5 PRIVACY AND CONFIDENTIALITY IN THE CLASSROOM

Students are able to draw on the wealth of examples from their own organizations or other organizations with which they are familiar in class discussions, written work, and oral presentations. Although this enriches the academic experience, it is imperative that students not share information that is confidential, privileged, or proprietary in nature. Students must be mindful of any contracts they have agreed to with their companies. Students must similarly respect the confidentiality of presentations offered by any guest speakers.

6.6 DISABILITY ACCOMODATIONS REQUEST

If you need disability-related accommodations in this class, please contact Laura Hobson, Student Services Coordinator at laura.hobson@presidioedu.org. All accommodations must be requested at least 2 weeks prior to the start of the semester.

6.7 STANDARDIZATION OF FILE NAMES AND FONT SIZE

This section describes a few small things you can do to make your grader profoundly happy. For readability please make sure to use a **minimum of 11pt font**.

You are also **required** to name your files in a standardized way. Please use the following format (and yes, Mac users, you are **required to use file extensions**):

Team Project

[Topic] – [Assignment] – [Team Members (alphabetical by last name)].ppt

Carbon Markets – PPT1 – V. Fry, J. Katovich, S. Tiell.ppt

Carbon Markets – PPT2 – V. Fry, J. Katovich, S. Tiell.ppt

Carbon Markets – PPT3 – V. Fry, J. Katovich, S. Tiell.ppt

Carbon Markets – Letter – V. Fry, J. Katovich, S. Tiell.doc

Carbon Markets – Paper – V. Fry, J. Katovich, S. Tiell.doc

Trading Game Prep Worksheet

[First Name] [Last Name] – Prep .doc

Vanessa Fry – Prep.doc

Steve Tiell – Prep.doc

Trading Game Final Paper

[First Name] [Last Name] – [Ending Rank] .doc

Vanessa Fry – 1.doc

Steve Tiell – 2.doc

Team Evaluations

[Team Members (alphabetical by last name)] – [Reviewer Name].xls

V. Fry, S. Tiell – J. Katovich.xls

Failure to follow these rules will result in an automatic 1% reduction in your overall grade for the assignment.

6.8 STYLE SHEETS AND PROFESSIONAL DOCUMENTS

MS Word gives users the ability to use standardized formatting across all aspects of their document – from automatically numbering sections and sub-sections, to ensuring the same font style, size, and line spacing, to automatically creating the table of contents and much more. Learn to use this feature. It will save you countless hours and help your written communications look professional and polished. You can find free online tutorials for [Office 2003](#) and [Office 2007](#).

Similarly, make sure your presentations are professional. The software does most of the work for you if you [invest a few hours to learn how to use it](#).

6.9 ELECTRONIC DEVICES

In order to foster a respectful classroom learning/teaching environment, there will be limited use of electronics during class time. This includes cell phones, computers, PDA's, MP3 players, etc. Electronic devices can be both incredibly helpful in accomplishing our work, saving us time (and paper), for note-taking, and quickly connecting us with others, but they can also be a major distraction that can keep us from being fully present. You may return phone calls/emails during breaks. At various times during class meetings we may need to ask you to close your computers so that

you may focus your full attention on experiential exercises, and we request that you respect the integrity of the learning community by only using your laptop to take notes, or to briefly look up something that is being discussed. **Use of electronic devices is strictly forbidden during guest lectures, even to take notes. If this policy is ignored by a student, your participation grade will be reduced.**

7 COURSE AGENDA & WEEKLY OUTLINE

(NOTE: Topics are subject to change based on guest lecture schedules, current event projects, etc.)

Week 1: January 20 – January 26, 2011

FIRST RESIDENCY (7 HOURS IN CLASS)

COURSE OVERVIEW AND INTRODUCTION TO MONEY, CAPITAL, BANKING, & EARLY STAGE FUNDING

Residency Activities:

Participate:

Residency Discussion of:

- Overview of course objectives
- Discussion on what Money is, how do we differentiate Capital, and how it all moves in Markets
- Overview of environmental and social impacts of capital markets: problem, solutions and strategies
- Current events

Guest Speakers:

Paul Herman

Assignment:

Read and Post About:

The Quiet Coup by Simon Johnson

Activities:

Participate:

Confirm that you have received and reviewed the syllabus (January 26)

Read:

Begin Reading The Divine Right of Capital; Dethroning the Corporate Aristocracy, by Marjorie Kelly – finish by third residency for presentation and forum discussion.

Read:

Rose; Chapters 1-2

Functions and Roles of the Financial System in the Global Economy
Financial Assets, Money, Financial Transactions, and Financial Institutions

Week 2: January 27 – February 2, 2011

MONEY MARKETS – NATIONALLY AND INTERNATIONALLY

Assignments:**Upload:**

Upload Trading Game Prep Worksheet (February 2)

Upload vCard and Headshot Picture (January 31)

Set Up:

Make sure your account with StockTrak is set up (January 28)

Listen to and Post About:

NPR's Giant Pool of Money (Feb 2) (1.5 hours)

Activities:**Read:**

Investment Strategies by Leslie Christian

Making Sense of Market Forecasts by Jason Zweig

Rose, Chapters 10-12 (8th ed.) or 10-11 in later editions

Introduction to the Money Market and the Roles Played by Government

Commercial Banks, Major Corporations, and Federal Credit Agencies

Week 3: February 3 – February 9, 2011**INTERNATIONAL TRANSACTIONS AND BANKING****Assignment:****Participate:**

Trade #1: Build your portfolio with 5-10 equity picks (February 4)

View and Post About:

Video of The Money Fix (Feb 9) (1.5 hours)

Activities:**Participate:**

Declare Project teams in Wiki on Presidio Network (February 4)

Call with project mentor / teaching team regarding course project (Feb 9) (1 hour)

View:

Demo for Trade #1: How to Execute: Building Your Portfolio (5 minutes)

Read:

Betting Against Conventional Wisdom in the New Year by James B. Stewart

Market Predictions with Many Grains of Salt by Jeff Sommer

Rose, Chapters 22 and 25 (8th ed.) or 23-24 in later editions

International Transactions and Currency Values

International Banking

Week 4: February 10 – February 16, 2011**BUSINESS BORROWING****Assignments:****Read and Post About:**

The New Masters of Wall Street (Feb 16) (1 hour)

Activities:**Read:**

Rose, Chapter 21 (in 8th ed.) or 19 in later editions

Business Borrowing: Corporate Bonds, Asset-Backed Securities

Participate:

Select final project topic and indicate on Presidio Network (February 11)

Select and Read:

3-4 articles in Financial Times and other financial news about selected topic

Week 5: February 17 – February 23, 2011

SECOND RESIDENCY (7 HOURS IN CLASS)

**SUSTAINABILITY RATING SYSTEMS - LINKING ESG ISSUES TO COMPANY VALUE
SECURITIES EXCHANGES**

Residency Activities:

Participate:

Securities technical analysis activity

Residency Discussion of:

- Current news items
- NPR's Giant Pool of Money
- The Money Fix
- Exchanges and sustainability rating systems that includes ESG

Guest Speakers:

Vincent Siciliano, another banker, Paul Hermann, and Adam Feldman

Assignment:

Participate:

Trade #2: Add 3-5 indexes/mutual funds/ETFs to your portfolio (February 18)

Participate and Post About:

Elluminate Live! Session with Mike Van Patten of Mission Motors (Feb 23) (2 hours)

Activities:

Read:

2-3 more articles in Financial Times and other financial news about selected topic

View:

Demo for Trade #2: How to Execute: Indexes/Mutual Funds/ETFs (5 minutes)

Week 6: February 24 – March 2, 2011

**SOURCES OF FINANCIAL INFORMATION
FORUM I PRESENTATIONS**

Assignments:

Participate:

Trade #3: Short 3-5 stocks (February 25)

Upload:

Group Forum I Presentation (February 24)

Present:

Elluminate Session for First Presentation

Activities:

Read:

Rose; Chapter 3 (8th ed.) or 3 in later editions.

The Financial Information Marketplace

View:

Demo for Trade #3: How to Execute: Shorts (5 minutes)

Week 7: March 3 – March 9, 2011**DISCUSSIONS ABOUT COURSE PROJECTS****Assignments:****Upload:**

Upload your team's group project letter and post on Triple Pundit (March 3)

Listen and Post About:

Toxie the Toxic Asset (Mar 9) (2 hours)

Activities**Participate:**

Project discussion time with teaching staff (Mar 9) (1.5 hours)

Week 8: March 10 – March 16, 2011**FIXED INCOME INSTRUMENTS (TREASURIES AND MUNI'S)****Assignments:****Participate:**

Review of presentations and participation in 2 Discussion threads in Forum I (March 10) (3 hours)

Participate:

Trade #4: Add 3 - 5 bonds to your portfolio (March 11)

Activities:**Read:**

[Not Just for Profit](#) by Margorie Kelly

Read:

Rose, Chapters 19-20

View:

Demo for Trade #4: How to Execute: Bonds (5 minutes)

Week 9: March 17 – March 23, 2011**THIRD RESIDENCY (7 HOURS IN CLASS)****SECURITIES AND DERIVATIVE INSTRUMENTS AND EXCHANGES
UNDERWRITERS AND ALTERNATIVE FUNDING METHODS.
PREDICTION MARKETS****Residency Activities:****Participate:**

Prediction market exercise

Residency Discussion of:

- Current news items
- Funding mechanisms

Guest Speakers:

Jenny Kassan and Susan Morgan

Assignments:**Participate and Post About:**

Elluminate Live! Session with Margorie Kelly (March 23) (1.5 hours)

Activities:**Read:**

2-3 more articles in Financial Times and other financial news about selected topic

Week 10: March 24 – March 30, 2011**MARKETS, REGULATIONS AND POLITICS****Assignments:****Participate:**

Trade #5: Add 3 - 5 options to your portfolio (March 25)

View and Post About:

The Trillion Dollar Bet (March 30) (2 hours)

Activities**View:**

Demo for Trade #5: How to Execute: Options (5 minutes)

Week 11: March 31 – April 6, 2011**FORUM II PRESENTATIONS****PROJECT DISCUSSIONS****Assignments:****Participate:**

Trade #6: Participate in at least 3 day trades (April 1)

Trade #7: Participate in rebalancing your portfolio by making at least 3 trades (April 1)

Present:

Elluminate Session for Second Presentation

Upload:

Group Forum II Presentation (March 31)

Activities:**View:**

Demo for Trade #6: How to Execute: Day Trades (5 minutes)

Listen:

Mike Shumann Presentation (1 hour)

Week 12: April 7 – April 13, 2011**FORUM II DISCUSSIONS****Assignments:****Participate:**

Review of presentations and participation in 2 Discussion threads in Forum II (April 7) (3 hours)

Read and Post About:

Financial Regulation After the Fall by Robert Kuttner (April 13) (1 hour)

Participate:

Trade #8: Trade 3-5 securities total, from at least 2 different countries. (April 8)

Activities:**View:**

Demo for Trade #8: How to Execute: Foreign Trading (5 minutes)

Week 13: April 14 – April 20, 2011**FOURTH RESIDENCY (7 HOURS IN CLASS)****NEW AND ALTERNATIVE MARKETS AND REGULATION OF MARKETS****Activities:****Participate:**

Residency Discussion of:

- Current news items
- The Trillion Dollar Bet
- Marjorie Kelly's Elluminate Session
- Kuttner's Article on Regulation
- ESG factors across various asset classes
- Practical construction of sustainable investment products.

Guest Speakers:

Saskia Feast

Upload:

Drafts of project reports (April 20)

Week 14: April 21 – April 27, 2011 (Spring Break)**Week 15: April 28 – May 4, 2011****PROJECT FEEDBACK AND REVIEW****Assignments:****Listen and Post About:**

How High Frequency Trading is Changing Wall Street (May 4) (1 hour)

Activities:**Select and Read:**

2-3 more articles in Financial Times and other financial news about selected topic

Week 16: May 5 – May 11, 2011**TRADING SIMULATION PAPER****PROJECT FEEDBACK AND REVIEW****Activities:****Participate:**

Project discussion time with teaching staff (May 5) (1.5 hours)

Assignments:**Upload:**

Trading Simulation Paper (May 5)

Week 17: May 12 – May 18, 2011**FINAL PROJECT SUBMISSION****Assignment:**

Upload:

Final Report (May 12)

Week 18: May 19 – May 25, 2011

FIFTH RESIDENCY (7 HOURS IN CLASS)

COURSE REVIEW

FINAL PROJECT PRESENTATIONS

Final day of Semester May 25

Assignments:

Upload and Present:

Project presentations (upload by May 19) (present on May 20/21)

Upload:

Collaboration rubric on each member of project team (May 23)

Appendix A: Program Integration

This course provides an overview of financial markets and the ways that markets can integrate and promote sustainability. It builds on the practical and theoretical aspects of Accounting, Economics, Finance and Principles of Sustainability. Since all activities connect in some way to financial markets, the information in this class threads through all the course work in the M.B.A., including Capstone.

The following table illustrates the relationship between the course learning objectives and the MBA program outcomes.

Table 1: Program Integration		
Course Learning Objective	Program Outcome to Which Learning Objective is Linked	Relevant Core Competencies
<i>I. Analyze how components of markets interact with each other, and within the macro economy</i>	1. Business Foundations - Demonstrate understanding of the fundamentals of microeconomics and components of the macro economy 2. Knowledge of basic macro financial concepts.	1. Economics 2. Capital Management
<i>II. Evaluate which aspects of markets add to or distract from the concepts of sustainability</i>	Same as above.	Same as above
<i>III. Provide a critical analysis of how the markets impact business and how sustainability can play a greater role in the markets in the future</i>	1. Business Foundations - Interpret the financial conditions of an enterprise and evaluate the use of financial capital to optimize value for all stakeholders, taking into account other forms of capital, specifically social and natural capital. 2. The ability to conceptualize, apply, analyze, synthesize, and/or evaluate the nature of information and knowledge through observation, experience, reflection, reasoning, and communication, in ways that guide belief and action.	1. Capital Management 2. Critical Thinking

	<p>3. Sustainable Leadership (<i>Supporting</i>) - Demonstrate influential leadership of positive change through varying spheres of influence from the self, to the team, to the organization and ultimately to the system.</p> <p>Demonstrates capacity to adjust to changing situations and obstacles and promote productivity and sustainability through a variety of contexts including relationships, teams, and organizations.</p> <p>4. Sustainable Systems (<i>Supporting</i>) : Apply systems thinking and sustainability frameworks to guide business strategy</p>	<p>3. Efficacy, Resilience & Adaptability</p> <p>4. Systems Thinking</p>
<p>IV. Synthesize market and economic components - develop creative improvements toward a higher level of sustainability.</p>	<p>1. Business Foundations - Integrate the fundamentals of business to design, develop, and manage sustainable businesses.</p> <p>2. Sustainable Leadership (<i>Supporting</i>) Demonstrate behaviors recognizable as an influential leader of positive change through varying spheres of influence from the self, to the team, to the organization and ultimately to the system. Influences change by building on competencies of personal power and efficacy, relationship management, a results orientation, adaptability and agility, and highly ethical and social justice orientations.</p> <p>3. Sustainable Systems -Integrate systems thinking and sustainability frameworks to guide business strategy.</p> <p>4. Sustainable Leadership (<i>Supporting</i>) - Encourage and influence relationships across multiple stakeholders and roles within the global, social, political, ethical and cultural context of business</p>	<p>1. Economics</p> <p>2. Organizational Change</p> <p>3. Systems Thinking</p> <p>4. Relationship Management</p>

	5. Business Foundations (<i>Supporting</i>) - Integrate sustainability principles into the design, commercialization, marketing, and production of products and services.	5. Innovation
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Appendix B: Possible Topics for Course Project

1. Water markets (may have opportunity to publish thought leadership with Cisco Systems' Global Public Sector consulting practice; speak with Steve Tiell)
2. The American financial regulatory system – its structure, responsibilities, linkages, and evolution.
3. Environmental, Social, and Governance (ESG) metrics in risk analysis and valuation.
 - a. Review and comparative analysis of ESG/SRI research providers
 - b. ESG performance assessment and materiality
4. Sustainability, Transparency, and Corporate Risk
 - a. Shareholder Activism (Foundations, Private Investors, Fiduciary Responsibility, and Sustainability)
 - b. Legal implications of taking ESG issues into investment decisions. ESG and the Fiduciary Duty
5. Affordable housing markets – evolution, growth, contribution to economic development
 - a. Green Real Estate and Green REITs
6. Impact investing (catalyzing invested funds for social and/or environmental impact; may include metrics, methodologies, etc)
 - a. Elaboration and design of Socially Responsible Investing Strategy for a Pension Fund or a Foundation
 - b. Mission Related Investing
7. Asset Management: Creation of a Sustainable Investment Product (Mutual Fund, Bond product, VC fund, Green index, etc.)
8. Community Investing (community banks vs. commercial vs. investment banks)
9. Direct Public Offerings (giving non-accredited investors access to growth markets)
10. Sell-side (brokers) research and ESG issues: The Enhanced Analytics Initiative
11. Buy-side economics and Socially Responsible Investing
 - a. Inclusionary vs. Exclusionary screens
 - b. Socially Responsible Stock Indices and related funds
 - c. Socially Responsible Mutual Funds and ETF's
 - d. Socially Responsible Exchanges
12. Micro Finance
13. Venture Philanthropy for funding sustainable companies
14. Start Up Funding for Double or Triple Bottom Line businesses
15. Investment sources for companies in Developing Countries
 - a. Informal Markets
16. Clean Technology Investing—Energy, Water, etc.
17. Corporate Social Responsibility Rating systems
18. Carbon Finance / Carbon Emission trading (Cap 'n Trade vs. Tax from an economic and market perspective)
19. The UN Principles of Responsible Investments and its application
20. A topic or your choosing (with approval of instructors)

Appendix C: Rubric for Collaboration/Teamwork

STUDENT:

Criteria	Graduations of Quality				Score
	1 = Poor	2 = Fair	3 = Good	4 = Excellent	
Contribute					
Research & gather information	Does not collect any information that relates to the topic of study	Collects very little information-some relates to the topic of study	Collects some basic information-most relates to the topic of study	Collects a great deal of information-all relates to the topic of study	
Share information	Does not relay any information to teammates	Relays very little information-some relates to the topic of study	Relays some basic information-most relates to the topic of study	Relays a great deal of information-all if not most relates to the topic of study	
Timeliness of meeting team deliverables	Does not meet any deliverables	Meets most deliverables late	Meets most deliverables on time.	Meets on all deliverables on time	
Quality of deliverables	All poor quality	Mixed quality	Most are good quality	All of good quality and some even inspiring	
Take responsibility					
Fulfill roles and duties as assigned	Does not perform any duties of assigned role	Performs very little duties	Performs nearly all duties	Performs all duties of assigned role	
Share equally	Always relies on others to do the work	Rarely does the assigned work-often needs reminding	Usually does the assigned work-rarely needs reminding	Always does the assigned work without having to be reminded	
Take initiative and leadership	Waits for others to assign tasks and/or guide the group work	Mostly waits for others to assign tasks and guide the group work	Shows some initiative in task and goal setting and shows occasional leadership in group process	Takes initiative in task and goal setting and shows leadership in the group process	
Value others' viewpoints					
Listen to other teammates	Is always talking-never allows anyone else to speak	Usually doing most of the talking-rarely allows others to speak	Listens, but sometimes talks too much	Listens and speaks a fair amount	
Cooperate with teammates	Usually argues with teammates	Recognizes conflicts	Respectful during conflicts	Facilitates and resolves conflicts	
Make fair decisions	Usually wants to have things their way	Often sides with friends instead of considering all views	Usually considers all views	Always helps team to reach a fair decision	
TOTAL					

Comments: