I. Course Objective

The goal of this course is to enrich student education through active participation in financial markets. Each student will use their finance background to make decisions related to portfolio management.

II. Learning Objectives

Each student should be able to:

- Obtain, compile, and evaluate data relevant to the current investment environment (domestic and international);
- Analyze and value equity and fixed income securities;
- Review, update and apply each fund’s investment policy statement;
- Review and revise the fund’s target allocation mix, e.g. sector analysis;
- Review and develop fund trading policies;
- Plan for cash inflows and outflows;
- Implement investment strategy, e.g. reviewing and revising portfolio holdings;
- Calculate and evaluate returns for the portfolios and their associated benchmarks;
- Perform attribution analysis of fund returns; and
- Prepare reports and present to students, faculty, past and potential donors, the COB Advisory Board, and finance professionals.

III. Course Materials

There is no required text for this course. Course materials will be provided in class and on D2L.

IV. Course Methodology

Online seminar format.

V. Course Expectations

This course will emphasize the application of analytical methods to actual securities. Students who undertake this course will be expected to have a fundamental background in basic finance. A basic background in accounting and statistics is also expected. Course work will include projects and assignments which will require familiarity with the use of spreadsheets. In addition, class members will need to acquire skills in using data bases to gather needed information for course presentations and assignments.
VI. Student Evaluation

Assignments for each week vary depending on the topics being discussed, e.g. analysis on existing securities held in the portfolio, updating the class participants on a sector or proposals for a buy, sell or stop-loss order.

25% Review of current holdings in assigned sector(s): Each analyst will present and respond to questions and comments on their evaluation of current holdings in their assigned sector(s). Some holdings will be reviewed more once per term, as determined by the instructor, and any holding with a 7% or more weight in its portfolio is reviewed each week.

For each of the holdings in their assigned sector(s), students must make a BUY, SELL, HOLD or HOLD-WATCH recommendation and assign a review value of between [1] needs to be reviewed and [5] can be reviewed later (see the sector assignment for a description of each review ranking category). Each review justifies the recommendation and the review ranking value. If a student recommends a stop-loss order for a holding, the student must post a stop-loss proposal in that week’s new proposal discussion section.

25% Portfolio recommendations and proposals: Each student is required to make at least one new buy proposal for a security not currently held in any of the SMEF Program funds. Students are to follow the “Guidelines for Presentations” as found in the contents area of D2L and include a review ranking. Students must post a “Final Proposal,” which specifies: security name and ticker, number of shares of the security, the type order, the SMEF Program fund, and the source of the cash used for a purchase or the use of the proceeds if the security is sold. For example, Buy X shares of X Inc., XXXX, at market, for the Z fund using the proceeds of selling Y shares, of Y-EFT, YYYY, at market, and the balance from the Z fund’s cash account.

25% Quality of discussion and participation: Students are required to participate in all D2L discussions related to a proposal or the review of an existing holding. The contribution grade is the professor’s subjective evaluation of how well a student knows course material and how the student used that knowledge to improve the learning environment of all students. The instructor is evaluating the student’s independent analysis and interpretation of information.

All students must post at least one comment on each proposal. Each comment should include: (+) one advantage of holding/buying security, (−) one disadvantage of holding/buying the security and (?) a relevant question, which was not addressed by the proposer.

All students must post a comment for each review of an existing holding. Each comment should include: (+) one advantage of holding/buying security, (−) one disadvantage of holding/buying the security, (=) recommendation (i.e., BUY or SELL or HOLD (which requires a review ranking of [1] through [5]) and/or (?) relevant question.

Students are required to read all discussion posts and to vote (using the D2L survey) for each approved proposal by the designed time set by instructor.

25% Contribution to Semi-annual Report, and/or recruitment and and/or presentation(s): Students are required to participate in the preparation and presentation of the fund’s activities for the Semi-annual Report and/or any presentation that the SMEF Program is asked to make. This may include an analysis of the student’s assigned sector, a biography, and professional photo. Students enrolled during the fall and spring terms are required to make presentations to other business classes and to describe the Student-Managed Endowment Fund Program and the activities involved in managing the portfolio.
Letter grades are typically allocated as follows:

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<thead>
<tr>
<th>Grade</th>
<th>Percentage Range</th>
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<tbody>
<tr>
<td>A</td>
<td>93% and above</td>
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<tr>
<td>A-</td>
<td>90-92%</td>
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<tr>
<td>B+</td>
<td>87-89%</td>
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<tr>
<td>B</td>
<td>83-86%</td>
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<tr>
<td>B-</td>
<td>80-82%</td>
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<tr>
<td>C+</td>
<td>77-79%</td>
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<tr>
<td>C</td>
<td>73-76%</td>
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<tr>
<td>C-</td>
<td>70-72%</td>
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<tr>
<td>D+</td>
<td>67-69%</td>
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<tr>
<td>D</td>
<td>63-66%</td>
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<tr>
<td>D-</td>
<td>60-62%</td>
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<td>F</td>
<td>Below 60%</td>
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**Weekly Schedule for Fall 2011:**

**Monday**
Post new proposals and weekly reviews (assigned by review rankings) on D2L by noon

**Tuesday**
Questions/Comments on proposals posted in D2L by noon

**Wednesday**
Proposer’s/Reviewer’s responses to questions posted in D2L by noon

**Thursday**
Follow-up questions asked and answered and Final Proposal posted by noon

**Friday**
Vote on Proposal using D2L Survey by noon

**Sunday**
Manager updates Morningstar.com portfolio, Sector Assignment spreadsheet and asset allocation spreadsheet by noon

**Fund Managers:** Kiersten Beecroft, Nick Burling, Matt Lueke, Scott Mattmiller, and Myles Osswald

Manager duties include participating in the preparation for the Semi-Annual Report, updating the Morningstar.com portfolios, sector assignment spreadsheet, allocation spreadsheet, monitoring asset allocation, calculating and evaluating returns, reporting to the College of Business Alumni Association on returns, and overseeing the activities of the analysts. In the event an analyst is not able to perform duties for their assigned sector, the manager is expected to assume those duties. Each manager is expected to learn how to update the Morningstar Direct portfolio and learn how to produce some basic reports in Morningstar Direct.

**Analysts:**

Analyst duties include analysis of each holding in assigned sectors, review of analysis of holdings in other sectors, buy and sell proposals, and participation in the preparation for the Semi-Annual Report.

**Quick Facts:**
- New purchases are limited to 5% of the portfolio
- It is OK to use Stop and Limit orders but we cannot sell short
- A holding is evaluated if it becomes worth more than 7% of the portfolio. We are obligated to trim the holding if it is more than 10% of the portfolio

Proposals are approved if they received at least two-thirds of the votes. Managers’ votes have more weight than analysts’ votes.

**ACADEMIC INTEGRITY**
The University of Wisconsin Oshkosh is committed to a standard of academic integrity for all students. The system guidelines state: "Students are responsible for the honest completion and representation of their work, for the appropriate citation of sources, and for the respect of others’ academic endeavors." Guidelines and procedures may be found on the Dean of Students website, [www.uwosh.edu/dean/conduct.htm](http://www.uwosh.edu/dean/conduct.htm).