

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

ACST834
Financial Institutions
Management and Regulation
Second Semester 2010

Actuarial Studies Department

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE**

Year and Semester:	Second semester 2010
Unit convenor:	Shauna Ferris
Credit points:	4

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

- Unit description (unit description to be consistent with description in handbook)
- Unit rationale (why it is significant & any relevant relationship to other units in the program)

TEACHING STAFF

- Convenor : Shauna Ferris
Email : shauna.ferris@mq.edu.au
Room : E4A 617
- Other Staff Hong Xie (Teaching Assistant)

We will also have some guest lecturers during the term.

CONSULTATION TIMES

If you have any enquiries about the unit, or if you wish to arrange an appointment to discuss any aspect of the unit, please send an email to Shauna Ferris at shauna.ferris@mq.edu.au

Shauna Ferris has consultation times from 4:00 to 5:00 on Mondays and Wednesdays.

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours.

Students experiencing significant difficulties with any topic in the unit should seek assistance immediately.

CLASSES

The classes are held on Friday afternoon between 2 pm and 5 pm, in X5B 143.

Students are strongly encouraged to attend class and participate in class discussions.

The timetable for classes can be found on the University web site at:
<http://www.timetables.mq.edu.au/>

Note that there is no lecture in week 7, since this is Conception Day.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

- There are no textbooks for this unit. Course notes and readings and links to websites will be placed on the Blackboard.
- Certain books which will be useful background reading for assignments will be placed in Special Reserve in the library. Students have a choice of topics for assessment tasks so a range of references will be used.

TECHNOLOGY USED AND REQUIRED

- Some of the programs we will watch are available on the internet, so students will find it helpful to have internet access.

UNIT WEB PAGE

All the course material (lecture notes, readings, and assignments) will be posted on the BlackBoard. The web page for this unit can be found at <http://learn.mq.edu.au>

LEARNING OUTCOMES (THIS AND THE FOLLOWING SECTION MAY BE REPLACED BY A COMBINED SECTION AS SHOW BELOW)

This unit is designed for students who intend to work in the financial services industry, in a risk management role or in a prudential regulation role.

Students should be able to

- Identify the main risks which affect each type of financial institution
- Describe methods for assessing, measuring, and monitoring different types of risk
- Understand how different risks can be effectively managed by a financial institution
- Understand the aims of prudential regulation
- Evaluate the effectiveness of different approaches to prudential regulation
- Have some understanding of the history of the financial services industry

GRADUATE CAPABILITIES

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this by developing the following graduate capabilities:

- 1 Discipline Specific Knowledge and Skills*
- 2 Critical, Analytical and Integrative Thinking
- 3 Problem Solving and Research Capability
- 4 Effective Communication
- 6 Engaged and Ethical Local and Global citizens
- 8 Capable of Professional and Personal Judgement and Initiative
- 9 Commitment to Continuous Learning

TEACHING AND LEARNING STRATEGY

Each week we will start by looking at one or more risk management issues in the financial services industry. We will illustrate the issues by using case studies. A case study might be presented by the lecturer, and/or presented via an audio-visual presentation (e.g. a documentary DVD). Then we will discuss the lessons which can be learned from the case studies, from the perspective of both (a) managers of financial institutions and (b) prudential regulators. Discussions will be supplemented by notes and readings which will provide a theoretical framework for different topics in risk management.

Students will be asked to participate by joining in class discussions and presenting the results of their own research.

A list of topics to be covered during the course is given separately in the document "ACST834 TOPICS".

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The assessment tasks for this course are as follows:

Tutorial Exercises

In most weeks, students will be given a short exercise relating to the topic covered that week. Each tutorial exercise will be two pages long (A4 page). Students must hand in six of these tutorial exercises during the term, They must be handed in within two weeks of the relevant tutorial. Each will be worth 5% of the final marks.

Total $5 \times 6\% = 30\%$

Essays

Students will be asked to do two 1500-word essays. Each essay will be worth 15%.

The first essay will be due on Friday September 17 (just before the mid-semester break)

The second essay will be due on Friday November 5 (week 12).

Total $2 \times 15\% = 30\%$

Final Examination

There will be a 3-hour final exam worth 40%.

Further information about each of these assessment tasks is given on the Blackboard – see Assessment Tasks Folder.

Assessment Tasks must be submitted electronically via the Blackboard.

- **Extension requests** : Students who are unable to complete their assignments on time should contact the unit convenor, Shauna Ferris. Extensions may be granted in cases of unavoidable disruption (such as illness).
- **Late submissions**: work which is submitted late will incur a penalty of 10% of the marks for each day late.
- **Attendance**: Attendance at lectures is compulsory. We will record attendance each week.

Examinations

A 3 hour final examination for this unit will be held during the University Examination period.

The University Examination period in / Second Half Year 2010 is from November 17 to December 3.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on special consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Faculties may wish to signal when the Faculties' Supplementary Exams are normally scheduled.)

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.htm>

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at

http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

GRADES

Please refer to relevant Bachelor Degree rule in the Handbook of Undergraduate Studies.

GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

http://www.businessandconomics.mq.edu.au/for/new_and_current_students/undergraduate/admin_central/grade_appeals.

SPECIAL CONSIDERATION

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy and procedure are available at:

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

http://www.mq.edu.au/policy/docs/special_consideration/procedure.html

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

[Individual Unit Convenors may wish to add Unit/ Faculty specific support eg BESS, Room, PAL, E4B Consultation Room.]

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

RULES REGARDING TESTS AND EXAMINATIONS

You should ensure that your handwriting in the class tests and in the final examination is legible. Sections of work that are not legible will not be marked. For true/false questions, answers that are not clearly legible as either T or F will be assumed to be wrong and marked accordingly.

CLASS ETIQUETTE

Mobile phones should be switched off during all lectures and tutorials. If there is a reason for you to keep your phone on you should request to be allowed to do so before the start of the class. Lectures commence at 5 minutes past the hour and you are expected to be punctual. You are expected to keep talking to a minimum during classes so as not to disrupt your fellow students (and the lecturer!).

ELECTRONIC COMMUNICATION AND YOUR STUDENT FILE

Every business keeps a record of its correspondence with its customers. The University is no exception and it maintains a file for every student. Staff are required to ensure that copies of all correspondence with you are added to your file. Historically, "correspondence" meant letters, but nowadays it also includes electronic communication such as email. Staff have some discretion here and might not file copies of trivial emails, but it is difficult to define precise boundaries here, so it is safer to assume that any email you send to a staff member will be added to your file.

Some people regard email as more ephemeral than a letter and thus tend to take less care with issues such as clarity of expression, grammar and spelling. Before sending an email to a staff member, a good question to ask yourself is: "If a member of staff is reviewing my student file prior to writing a reference for me, and they see a copy of this email, would that staff member gain a favourable impression of my level of communication skills?"

