

NEW YORK UNIVERSITY
Stern School of Business - Graduate Division

FINC-GB.3320
Managing Investment Funds

Richard Levich
Spring 2013

OVERVIEW

Managing Investment Funds is a capstone course that requires students to draw on their knowledge of finance as well as macroeconomics, accounting, competitive analysis, strategy, marketing and other fields to manage a \$1.6 million endowment fund held by New York University. In addition to honing their analytical skills, by organizing all activities related to institutional asset management, students gain experience in financial writing and oral presentations, advancing financial decisions in a group setting, and handling all of the governance and fiduciary responsibilities of a university endowment fund.

The central mission of this course is for students to learn through having practical, hands-on investment management experience. Because of the time requirements in formulating an investment strategy, screening and reviewing prospective stocks, updating the status and performance of existing positions, and all of the ancillary duties connected with the operation of a real, live portfolio, the experiential or hands-on component consumes the bulk of class time. However, a related mission is for students to acquire knowledge about institutional funds management and current industry practices and trends. This more traditional learning experience comes through readings and presentations from industry professionals.

The endowment funds under management operate as the Michael Price Student Investment Fund (MPSIF). The Fund began in early 2000 thanks to a generous gift from Michael F. Price. During its relatively short life, MPSIF has been a very popular course that helps Stern students to differentiate themselves by providing valuable experience for careers in asset management and related fields. For more detailed information about MPSIF, see the website at <http://pages.stern.nyu.edu/~mpsif>, and in particular *The MPSIF Guidebook* that is available at the site.

Please read the following carefully. By registering in the course you affirm that you understand and agree to the course policies, including the following.

At a meeting on November 24, 2008 the MPSIF Executive Committee voted to adopt two new policies for the course. One pertains to attendance and the second pertains to professional standards and ethics for students engaged in investment management.

1. Attendance Policy.

Attending class in MPSIF is mandatory. In accordance with Stern policy, excused absences (for religious reasons, family emergencies, and documented health problems) are permitted. Mandatory events for MBA1s scheduled at 12:00 Noon are also considered as excused absences. Unexcused absences (e.g. to engage in job search, interviewing, part-time or full-time work, and so on) that total more than two occurrences per semester may have a material adverse impact on the grade assigned for the course.

Note: Commencing Fall 2009, FINC-GB.3320 will meet on Tuesday and Thursday at 12:00 Noon to minimize conflicts with required MBA1 events.

2. Professional Standards and Ethics Policy.

In MPSIF, students are given fiduciary responsibility over endowment funds that are the property of New York University, the proceeds of which will benefit future generations of students at the Stern School. As in any position of fiduciary responsibility, there is an expectation to maintain a high level of professional conduct. The attached pages reflect an overview of the professional standards and ethics expected of students in MPSIF.

In addition, as students are taking part in a course (“Managing Investment Funds”) Stern’s student Honor Code applies to all deliverables and presentations within the class. For example, all analysis and presentations are expected to reflect the student’s own analysis and writing, with the analysis and opinions of others referenced in accordance with standard citations.

Failure to abide by the MPSIF professional standards and ethics policy, as well as the Stern School’s code of conduct, may have a material adverse impact on the grade assigned for the course.

Note:

MPSIF students have always been expected to attend the Annual and Semi-Annual meetings held at the end of each semester. Commencing Fall 2011, attendance to at least one of these meetings is required. Failure to meet this course requirement will have a material adverse impact on the grade assigned for the course.