
FINANCIAL MATTERS

Department of Finance ... Adding Value

THE UNIVERSITY OF ARIZONA®

ISSUE 1

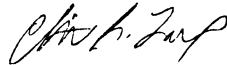
April 2004

From the Department Head...

Dear *Alumni*,

As another school year comes to a close, it is once again time to thank you for your support and encouragement, and to bring you up to date on our activities. The department is small, young, and vibrant. We continue to strive to deliver the best curriculum to all of our programs, which include the undergraduate finance major, MBA, Master's in Finance, and PhD. This year, for example, we added a new Real Estate Finance course and a new VC course in the Master's curricula, and a new introduction-to-the-major course at the undergraduate level. As always, one of the most rewarding parts of my job has been the interaction that I have with our alums. Our alums are a very diverse and accomplished group—of whom we are very proud. Since the faculty is so young, and new to the university, much of our sense of identity and accomplishment is derived from you.

Thank you,



Christopher Lamoureux
Professor

Inside this issue:

Department Head...	1
Dept. News & Numbers	1
Advisory Board	2
Faculty & Staff News	2
Benefactors	3
Classroom News	3
Students Awards	3
Where are you?	4

Did you know?

- *Over 120 students who successfully completed the Eller College Professional Admission Process in February elected Finance as their major*
- *76 juniors and seniors have held financial internships in the last year with local companies such as Quantum Advisors and the Small Business Development Center*

Department News and Numbers

Undergraduate Program

Approximately 95 juniors and 289 seniors in the Eller College are declared finance majors. Over 54 seniors received bachelor's degrees on December 20, 2003 and an estimated 140 graduated the previous May.

Master's in Finance (MMF)

There are currently 19 active students in the master's program, now in its third year. The 17 graduates of the first two years of the program are working in diverse areas such as risk management, money management and corporate

finance and are employed by institutions including Motorola, Honeywell, Morgan Stanley, Countrywide Financial and the United Nations. With 36 applicants to date for the incoming Fall 2004 class, awareness of and interest in the program is increasing.

Ph.D. Program

Four new students began the doctoral program last fall, bringing the total students in the program to 11. Fourteen applications from strong

candidates have been received and the Department plans to admit four or five students this Fall. Two Ph.D. students completed requirements in Spring 2003. *Anne Anderson*, Ph.D., joined Lehigh University as an Assistant Professor. *Alex Paseka*, Ph.D., Research Associate with the Department this year, has accepted a position at the University of Manitoba, where he will be joined by his wife, Irina, who is currently in Russia.

Advisory Board Members and Activities

Advisory Board Members **Lee Topps**, Federated Insurance Companies in Glendale, and **Jeff Fleischer**, Spirit Finance, LLC in Scottsdale, are developing corporate contacts in Maricopa County to place Master's in Finance students in strong analytical positions and junior finance majors in premier finance internships. Other active board members include **Dave Brady**, Brady Investment Counsel LLC in Chicago; **Kevin Kneafsey**, Barclays Global in San Francisco; and current chairperson, **Don Seeley**, Director of the Finance Department's Applied Portfolio Management Program. **Dr. Sharon Garrison**, Senior Lecturer for the Finance Department, also serves on the advisory board and is active in curriculum development and delivery, in addition to teaching the finance undergraduate core class.

Faculty & Staff News

Dr. Jean Helwege will be joining the Department as an Associate Professor, with tenure, Fall 2004. Professor Helwege obtained her Ph.D. from the University of California at Los Angeles (Economics, 1989), after which she spent 10 years as an economist for the Federal Reserve System, in Washington D.C. and New York, and then joined the faculty at Ohio State University in 1998. Her work on the market for initial public offerings will be forthcoming in the *Journal of Financial and Quantitative Analysis* and her work on corporate bond pricing models has been published in *The Review of Financial Studies*. She won numerous Fisher College of Business Research fellowships and awards (1999-2003) and three Best Fixed Income Paper Awards from FMA meetings (1993, 1995, 2001).

As reported in PROGRESS, Winter 2003,

Dr. Kathleen Kahle and **Dr. William Maxwell** joined the department in 2003. Dr. Kahle is an Associate Professor of Finance and obtained her Ph.D. at Ohio State University (1996). Her study on "Executive Loans" for the purpose of stock purchase, option exercise and relocation is forthcoming in the *Journal of Financial and Quantitative Analysis*. Dr. Maxwell is an Assistant Professor of Finance and obtained his Ph.D. from George Washington University (1998). His articles on two studies are forthcoming—bond market evidence for whether auditor quality and tenure matters to investors, and abnormal stock returns following R&D increases.

Lori Magloire, Administrative Assistant for the Department since 1993, retired at the end of January. Besides traveling to Europe this month with her husband, John, they plan to spend time on pro-

jects around the house and to volunteer for organizations at the University, including the Arizona State Museum. **Gay Thompson**, Administrative Associate, will celebrate her 10th year with the Department in May, and has taken on additional duties with Lori's retirement. **Kay Ross** joined the Department in October as the new Program Coordinator, working with the Master in Finance (MMF) students on recruiting and placement, the Ph.D. applicants, the undergraduate students on internships, and working as advisory board and alumni contact.

The department has extensive research in progress, including that of **Professor Tong Yao**, who is continuing his research on whether stock returns can be predicted and how to measure the performance of professional investors. While **Professor Sandy Klasa** continues to teach

entrepreneurial finance in the Entrepreneurship and MBA programs, he has two research projects underway to study why family-owned businesses choose to sell. **Professor Shu Yan's** research investigates measures of risk, how to model the dynamics of asset prices, and the consequences of the different models on pricing options and bonds.

Dr. Tom Moses retired several years ago, due to health concerns. Although he is not able to visit the department often, he is still very interested in the activities of the department and the graduates of the Finance and Real Estate programs.

In Memory. Professor Emeritus **Nestor Robert Roos** died February 20, 2004 in Tucson. His expertise in the fields of insurance and risk management was invaluable to the department and to the many students he taught during his 31 years as a professor in the department.

Benefactors

With the help of generous alumni, the Department raised over \$32,000 early this year to support faculty research and development. We wish to thank the following individuals for their contributions:

Platinum (\$5,000 or more)	James and Gail Peyton	Bronze (\$250-\$500)	Loretta Peto
Gold (\$1,000-\$5,000)	Arnold Kraus	Brass (up to \$250)	Charles Block
	William Lomicka		J.P. Feldman
	Don and Hope Seeley		John Holliman
	Tegeler Foundation		Justin McCarty
	Kerry Tyler		Leo Roop
Silver (\$500-\$1,000)	Steve Burns		William van Zyll
Bronze (\$250-\$500)	Fredric B. Layne		J.M. Carvajal
	D. Ladd Lincoln		Steven Clay
	Mark Macaluso		Robin Otterness

Classroom News and Activities

Professor Ed Dyl is currently teaching a graduate course on real estate investments, in addition to the long-standing undergraduate real estate elective course. Alumni from the industry talk with both classes. The most recent guest speakers were David Mehl of Cottonwood Properties in Tucson and John Martin, (MMF, 2003) from the Mortgage Servicing Valuation section of Countrywide Home Loans corporate office. Prof. Dyl would be very interested in hearing from alumni involved in commercial real

estate, residential real estate development, REIT's, etc.

Under **Professor Chip Ruscher's** direction, students in the Financial Intermediaries senior elective class act as loan officers for Tucson business ventures seeking commercial loans with the assistance of the Small Business Development Center. The class culminates with presentations of the credit analyses and loan structures by the student teams' to the Bank Executive Loan (B.E.L.) panel, comprised of local banking elite. Historically, 75% of

the client businesses obtain loans following the analysis and recommendations.

Following the spring semester, students in the International Markets and Institutions class taught by **Professor Deborah Gregory** have the opportunity to participate in a two week trip to London to obtain a personal perspective on the British Economy and visit many notables in the financial world, including Lloyd's of London, the Bank of England, the London Metal Exchange, and the Prince's Foundation.

Professor George Jiang is working closely with MMF students on projects related to portfolio and derivatives market analysis and corporate governance issues. Adjunct Lecturer, **Arvind Singh** (MBA) entertains his senior and master's level students in his international finance courses with tales from his 20 years in commodities trading. **Dr. Ben Tuchi**, from the Katz Graduate School of Business at the University of Pittsburgh, helps students learn corporate finance by working together to solve and review a wide variety of problems.

Student Awards

Congratulations to Spring 2004 graduates **Melinda Bair**, Outstanding Senior in Finance, and **Martine Duquette**, recipient of the Finance Department Head's Award for Academic Distinction. Melinda is receiving her degree in Finance and Entrepreneurship and plans to attend law school this fall. Following law school, she plans to practice elder and tax law in Phoenix, Arizona. Martine will be graduating with a BSBA-Finance and an International Business Certificate. While she plans to attend a graduate program in the future, she has accepted a job with the Vanguard Group in the Accelerated into Client Engagement Program in Scottsdale. **Michele Knebelberger** was awarded the Outstanding Senior in Finance for Fall 2003.

The University of Arizona ®

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Where are you? Alumni Update Form

Please share news of your work, family and adventures with us. We may include your news in a future newsletter. You can mail this form to the department or email it to financeinfo@eller.arizona.edu.

Would you volunteer to be a mentor for finance majors? If so, please include a contact phone number or email address.
