



Office of the Provost and Vice President for Academic Affairs

**MEMORANDUM**

Date: July 16, 2020

To: Dr. James D. Fielder, Jr., Secretary of Higher Education  
Maryland Higher Education Commission

From: Dr. Lesia Crumpton-Young  
Provost and Senior Vice President for Academic Affairs  
Morgan State University

RE: Morgan State University's Objection to Loyola University of Maryland's New Academic Program  
Proposal - Bachelor of Science (B.S.) in Finance

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Please find attached Morgan State University's objection to the proposal from Loyola University of Maryland to offer a Bachelor of Science (B.S.) degree program in Finance.

Thank you for your consideration of our response. If you need any additional information, please do not hesitate to contact me at [lesia.young@morgan.edu](mailto:lesia.young@morgan.edu) or (443)885-3350.

c: Dr. David Wilson, President, Morgan State University  
Dr. Farzad Moazzami, Interim Assistant Vice President for Academic Affairs, MSU  
Dr. Fikru Boghossian, Dean, Earl G. Graves School of Business and Management, MSU  
Dr. Emily Dow, Assistant Secretary for Academic Affairs, Maryland Higher Education Commission

# **A REPORT ON THE BACHELOR OF SCIENCE IN FINANCE PROGRAM PROPOSED BY LOYOLA UNIVERSITY MARYLAND**

Prepared by

**The Earl G. Graves School of Business and Management  
Morgan State University  
Baltimore, Maryland**

## **I. INTRODUCTION**

Loyola University Maryland (Loyola) has submitted a proposal to the Maryland Higher Education Commission (MHEC) to offer a Bachelor of Science in Finance (BSF) degree in its Sellinger School of Business and Management. The BSF degree is currently offered by Morgan State University through the Earl G. Graves School of Business and Management. Loyola currently offers a Bachelor of Science in Business Administration degree with a concentration in finance. It is seeking to convert the finance concentration to a full-fledged BSF program with the same name as Morgan's program. Morgan and Loyola are both located in the city of Baltimore within a few miles of each other. There are other traditional white institutions (TWIs) that offer the BSF program in Maryland, including Salisbury University, University of Maryland College Park, and University of Maryland Global Campus. The program also exists at another HBCU in Maryland, the University of Maryland Eastern Shore.

We are concerned about the impact that another BSF program in the local area will have on the BSF program at Morgan. We object to the finance program proposed by Loyola on the grounds that it will cause unreasonable program duplication and bring demonstrable harm to our BSF program. This report speaks to that concern.

## **II. OBJECTIONS TO PROPOSED LOYOLA FINANCE PROGRAM**

Morgan State University's BSF program has been in operation since 1998 in the Graves School. Approximately 100 students are enrolled in the program, and about 25 students complete the program each year. Finance graduates find full-time employment at banks, investment banking firms, CPA firms, and other companies in the financial services industry. The program curriculum has been recognized by the CFA Institute since 2017.

For the BSF program at Morgan, students are required to take the following courses beyond the general education requirements and business core:

<b>Course Number</b>	<b>Course Title</b>
FIN 341	Introduction to Financial Planning
FIN 344	Security Analysis
FIN 345	Global Financial Markets and Institutions
FIN 422	Portfolio Management
FIN 443	Advanced Financial Management
FIN 446	International Finance
FIN XXX	Finance Elective
FIN XXX	Finance Elective

We are in the process of adding a financial statement analysis course requirement for both accounting and finance majors effective for fall 2020. A finance internship course is also being added that can be used to satisfy one of the finance electives. In addition, students have access to the Capital Markets lab (trading lab), where Bloomberg and other market-related tools are used.

We object to the proposed BSF program at Loyola for the following reasons:

1. Morgan's Department of Accounting and Finance is engaged in efforts aimed at attracting more high-quality students to accounting and finance majors in an attempt to build enrollment in both programs. The proposed Loyola program would put a damper on these efforts with respect to the finance program.
2. Loyola proposes to change the name of the program without changing the courses to be offered in a significant way.
3. Loyola can accomplish its objectives without duplicating Morgan's program.

These objections are discussed in more detail below.

#### A. Building Enrollment - Attracting More High-Quality Students

The Department of Accounting and Finance at Morgan is offering a program to build enrollment in the finance and accounting programs, seeking to add more high-quality students of all backgrounds. We have been offering a one-week residential program for high school students for the past few years, where students reside on campus and take non-credit classes and engage in activities (such as a case competition) related to accounting and finance. We have had some success with this program as a few of the program alumni have enrolled at Morgan and majored in finance. A new BSF program at a TWI in the local area may stifle our efforts to increase enrollment in finance.

The Graves School of Business and Management has been accredited by the AACSB since 1996. In addition, the BSF program received recognition by the CFA Institute in 2017. This recognition certifies that Morgan's finance program covers the CFA Institute's body of knowledge, including ethical standards and standards of professional conduct. This program has encouraged some of our students to sit for the CFA examination.

The Graves School opened the CML in January 2018. This trading lab provides the BSF and other business students with access to Bloomberg and other market-related tools. Students are involved in simulated trading in classes, and in competitions, we are seeking to establish a student-managed fund at this time.

We are concerned that the proposed BSF program at Loyola, if approved, will hamper our efforts to increase enrollment of high-quality students in the finance program, especially other-race students.

#### B. The Loyola Proposal is a Change in Name Only

Loyola is proposing to change the name of its finance program to agree with that of Morgan's finance program, but the courses to be offered in the new program would not differ much from the current one. According to its catalog,<sup>1</sup> the current concentration in finance has four required courses as follows:

Course Number	Course Title
FI 380	Fixed Income Securities – Valuation and Markets
FI 381	Equity Securities – Valuation and Markets
FI 440	Financial Analysis and Valuation
FI 441	Advanced Financial Management (Capstone)

Two finance electives are required for the existing program.

For the proposed new BSF program, the following courses would be required:

Course Number	Course Title
FI 340	International Finance
FI 440	Financial Analysis and Valuation
FI 441	Advanced Financial Management (Capstone)

Fewer courses will be designated as required for the proposed BSF program than are currently required for the finance concentration. Two new courses are to be added for the proposed program, one on Investments (FI 322) and another on Financial Modeling (FI 350), but these courses are not to be required of all finance students. Four elective courses will be required for the new program, two in accounting, and two in finance. This is an increase of two electives compared to the existing program, with both new electives required to be in accounting courses. Aside from the reduction in the number of required courses and the increase in the number of electives, the proposed program does not appear to be much different from the existing program. Loyola should be able to make these changes to the existing program without changing the name to duplicate Morgan's program.

<sup>1</sup> [https://catalogue.loyola.edu/preview\\_program.php?catoid=16&poid=1758&hl=Finance&returnto=search](https://catalogue.loyola.edu/preview_program.php?catoid=16&poid=1758&hl=Finance&returnto=search)

### C. Loyola's New Initiatives can be Accomplished without a Name Change

The Loyola MHEC proposal states that the changes proposed are designed to prepare its students "better for their first professional positions and for eventual promotions" (page 1). It also states that the existing finance concentration is the most popular undergraduate concentration in the Sellinger School, and it graduates an average of 100+ students each year, with a total of over 530 graduates over the last five years (page 5). According to its website,<sup>2</sup> graduates from the Loyola finance program have gained full-time employment in an array of major banks, investment companies, and Big 4 CPA firms. This shows that Loyola is already accomplishing this objective in the existing program.

The Loyola proposal stated that the finance department at Loyola aspires to have the finance program recognized by the CFA Institute and would need to offer greater depth in the finance discipline. However, the proposed changes do not add any additional required finance courses. We submit that Loyola should be able to accomplish the objective of more depth in the finance program by making more finance courses available to students under the existing concentration and requiring more electives as proposed. A name change does not appear to be needed for this.

Based on the MHEC proposal, the proposed changes in the Loyola finance program include:

- Reductions in the number of courses and credits
- The embedding of high impact teaching practices in some courses
- A new learning outcome related to diversity, equity, and inclusion
- An increase in the number of electives from two to four, where the additional electives must be in accounting

We believe that Loyola can accomplish its objectives by incorporating these changes into the existing finance concentration without duplicating Morgan's BSF program.

### III. CONCLUSION

Loyola University Maryland is proposing to offer a Bachelor of Science degree in finance at its location in Baltimore, which is only a few miles from Morgan State University. There are other BS in finance programs at other TWIs nearby Baltimore, including the University of Maryland College Park and the University of Maryland Global Campus.

Morgan State University's Department of Accounting and Finance is engaged in efforts to increase enrollment in the finance program, efforts that could be harmed by program duplication at Loyola. In terms of courses offered, the proposed changes do not significantly change Loyola's existing finance offerings. We believe other proposed changes, such as embedding high impact practices or increasing program depth, can be accomplished in the existing program. Loyola has demonstrated significant success in placing its finance students in full-time positions in the finance industry. We believe it

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<sup>2</sup> <https://www.loyola.edu/sellinger-business/academics/departments/finance/careers>

can continue this success without duplicating Morgan's finance program. With state funding dependent upon student enrollment, allowing Loyola to have the same name on its finance program as Morgan's program is likely to decrease our state funding in the long run. We respectfully request that Loyola not be allowed to duplicate Morgan's Bachelor of Science program in finance.

References:

1. Academic Program Proposal submitted to MHEC by Loyola University Maryland
2. Loyola University Website <https://www.loyola.edu/sellinger-business/academics/undergraduate/finance>