UNIVERSITY OF MARYLAND
The Robert H Smith School of Business
BMGT 841
Ph.D. Seminar: Corporate Finance

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I. SEMINAR METHODOLOGY AND APPROACH

This seminar deals with contemporary issues in corporate financial theory and some related empirics. It focuses on selected classic and current theoretical and empirical research in corporate finance. The main objective is to provide an advanced and rigorous background in the mainstream issues of modern corporate finance. *Journal articles* constitute the primary material for the seminar, although books, that provide synthesis of selected topics, are also listed.

The readings list is by no means intended to be exhaustive. The list mentions important background or related articles, where applicable. The last section of the list includes recent survey articles and syntheses of some mainstream issues. Please note that the references in the papers presented are considered an integral part of the reading list. Articles can be retrieved or downloaded from *JSTOR* and various *websites.*

The seminar includes articles intended to simulate research-oriented discussions in an open *forum* that may involve participation by interested faculty. The core seminar is open only to students so as to maximize uninhibited discussion of articles among themselves.

Grading for the course is determined by:

(a) Oral presentations of articles *and* the corresponding written reports,
(b) Class participation,
© Critiques of at least three outside papers presented in the Finance Workshop
or a term project (***** *A two-page proposal is due on Feb 18)*

NOTES: 1) **Paper critiques** must be submitted the day before the workshop, and the written reports *(presentation slides plus a two-page executive summary)* must be submitted the day before the presentation of the articles.

2) The requirement for the **term paper** may be satisfied by any of the following:
(a) A critique of an article on a significant issue
(b) A replication of a significant empirical study
(c) A literature survey on a specific topic, leading to a thesis proposal. Analyze various papers in the area and identify the central issues.
(d) An original piece of work

3) As the objective of the seminar is to read and understand recent work in corporate financial theory, *all* participants are expected to spend adequate time giving thoughtful attention to the assigned readings before coming to class.

4) There will be no formal lectures. No texts are required, but the following are recommended. You may purchase them for your personal library.

A. Barnea, R. Haugen, and L. Senbet. Agency Problems and Financial Contracting) (Prentice-Hall, 1985). [Referred as BHS in the Reading List].

P. Milgrom and J. Roberts. Economics, Organization and Management (Prentice, 1992).

O. Hart. Firms, Contracts, and Financial Structure (Clarendon Press, 1995).

R. Jarrow, V. Maksimovic, and W. Ziemba (Eds.), Finance (Handbooks in Operations Research and Management Science, Elsevier, 1995) [JMZ].

G. Constantinides, M. Harris, and R. Stulz (eds.). Handbook of the Economics of Finance [Amsterdam: North –Holland, 2003].

J. Tirole. The Theory of Corporate Finance (Princeton University Press, 2006).

E. Eckbo (ed.), Handbook of Corporate Finance: Empirical Corporate Finance (Elsevier/North-Holland, 2007) [Handbooks in Finance Series].

The *Journal of Finance* (JF), the *Journal of Financial Economics* (JFE), and the *Review of Financial Studies* (RFS) are the leading forums for publication of scholarly contributions in finance. Journals, such as *Financial Analysts Journal* and *Journal of Applied Corporate Finance,* feature expositional and practitioner-oriented articles.

Significant contributions to finance have also appeared in other finance, economics and business journals, such as:

AER	American Economic Review
EC	Econometrica
FM	Financial Management
JB	Journal of Business
JBF	Journal of Banking and Finance
JET	Journal of Economic Theory
JFQA	Journal of Financial and Quantitative Analysis
JIMF	Journal of International Money and Finance
JMCB	Journal of Money, Credit and Banking
JPE	Journal of Political Economy
MS	Management Science
QJE	Quarterly Journal of Economics
RAND	Rand Journal [Formerly Bell Journal]

II. **READINGS**

A. The Economic Theory of Agency: *Classics*

1. B. Holmstrom. "Moral Hazard and Observability," Bell (Spring 1979), pp. 74-91.

[Background readings: See BHS (Ch. 3) and S. Shavell. "Risk Sharing and Incentives in the Principal and Agent Relationship," Bell (Spring 1979)].

2. M. Harris and A. Raviv. "Optimal Incentive Contracts with Imperfect Information," JET (April 1979), pp. 231-259.

[Background: Harris and Raviv, AER (1978); Ross, AER (May 1973)].

B. The Financial Theory of Agency: Debt and Private Action

1. R. Green. "Investment Incentives, Debt and Warrants," JFE (March 1984), pp. 115-36.

[Other Financial Agency Readings: *Background*: BHS (Chs. 3 & 6). M. Jensen and W. Meckling, JFE(October 1976). *Stock Options*: Haugen and L. Senbet "Resolving the Agency Problems of External Capital Through Stock Options," JF (June 1981). *Markets*: E. Fama. "Agency Problems and the Theory of the Firm," JPE (April 1980). *Underinvestment*: S. Myers. "Determinants of Corporate Borrowing," JFE (November 1977). *Free Cash Flow*: BHS (Ch. 5).M. Jensen. "Agency Costs of Free Cash Flow, Corporate Finance and Takeovers," AER (May 1986). *Empirical Study*: R. Parrino, M. Weisbach, "Measuring Investment Distortions Arising from Stockholder-Bondholder Conflicts", JFE (July 1999); N. Moyen. "Investment-Cash Flow Sensitivities: Constrained versus Unconstrained Firms", JF (October 2004)].

2. R. Rajan. "Insiders and Outsiders: The Choice between Informed and Arm's-Length Debt," JF (September 1992), pp. 1367-1400.

[Empirics on a related topic: M. Cantillo and J. Wright, "How Do Firms Choose Their Lenders? An Empirical Investigation", RFS (Spring 2000), pp. 155-189; A generalized theory: D. Diamond and R. Rajan. "A Theory of Bank Capital", JF (December 2000), pp. 2431-2465] .

3. R. Rajan and J. Wulf. "Are Perks Purely Managerial Excess", JFE (January 2006), pp. 1-33.

C. Taxes and Corporate Finance

1. R. Dammon and L. Senbet. "The Effect of Taxes and Depreciation on Corp Investment and Financial Leverage", JF (June 1988), pp. 57-373.

[Background : Miller "Debt and Taxes" JF (May 1977). H. DeAngelo and R. Masulis. "Optimal Capital Structure Under Corporate and Personal Taxation," JFE (March 1980). A. Barnea, R. Haugen, and L. Senbet. "An Equilibrium Analysis of Debt Financing Under Costly Tax Arbitrage and Agency Problems," JF (June 1981). and S. Ross. "Debt and Taxes and Uncertainty," JF (July 1985)]

2. J. Graham and A. Tucker. "Tax Shelters and Corporate Debt Policy", JFE (September 2006), pp. 563-594ebt," JF (October 2000), pp. 1901-1942

[Background and complementary readings: Empirical: J. Graham. "How Big are the Tax Benefits of Debt,", JF (October 2000); J. Graham."Debt and the Marginal Tax Rate,"JFE (May 1996), pp. 41-73; S; D. Givoly, C. Hayn, A. Ofer, and O.Sarig. "Taxes and Capital Structure," RFS (1992), Vol 5, No. 2, pp.331-355.; R. Green and B. Hollifield. "The Personal Tax Advantages of Equity," JFE (Feb 2003), pp. 175-216].

3. M. Desai, A. Dyck, and L. Zingales. "Theft and Taxes", JFE (June 2007), pp. 591-623

[Related: K. John, V. Nair, and L. Senbet. "Law, Taxes and Organizational Form: A Stakeholder Perspective", Wharton/Maryland/NYU working paper, 2007].

D. Private Information and Corporate Finance: *Classics and Updates*

1. S. Ross. "The Determination of Financial Structure: The Incentive Signalling Approach," Bell (Spring 1977), pp. 23-40.

[Related readings: H. Leland D. Pyle, " Information Asymmetries, Financial Structure, and Financial Intermediation", JF (May 1977; Barnea, Haugen, Senbet. "A Rationale for Debt Maturity Structure and Call Provisions in the Agency Theoretic Framework", JF (June 1980]

2. A. Ditmar and A. Thakor. "Why Do Firms Issue Equity?", JF (February 2007), pp. 1-54.

[Background and Foundation Reading: S. Myers and N. Majluf. "Corporate Financing and Investment Decisions When Firms Have Information Investors Do not Have," JFE (1984)]

***Forum:**

1. E. Fama and K. French. "Testing Trade-Off and Pecking Order Predictions about Dividends and Debt", RFS (Spring 2002), pp. 1-33.

[Related: M. Frank and V. Goyal. “Testing the Pecking Order Theory of Capital Structure, ” JFE (Feb 2003), 217-248].

2. L. Pastor and P.Veronensi. “Rational IPO waves", JF (August 2005) [Background: K. Rock. "Why New Issues are Underpriced," JFE 15 (1986). D. Mauer and L. Senbet. "The Effect of the Secondary Market on the Pricing of Initial Public Offerings: Theory and Evidence," JFQA (March 1992]

E. Financial Distress, Debt Renegotiation, and Workouts

1. R. Giammarino. "The Resolution of Financial Distress" RFS, Vol. 2, 1989, pp. 25-47.
[Background and additional readings: R. Haugen and L. Senbet. “The Insignificance of Bankruptcy Costs to the Theory of Optimal Capital Structure,” JF (May 1978), pp.383-393. Also a follow-up by R. Haugen and L. Senbet, JFQA (March 1988). S. Titman, "The Effect of Capital Structure on a Firm's Liquidation Decision," JFE (March 1984), 137-15. *On bankruptcy auction:* S. Bhattacharyya and R. Singh, “The Resolution of Bankruptcy by Auction: Allocating the Residual Right of Design”, JFE (December 1999)].

2. S. Gilson, K. John, and L. Lang. "Troubled Debt Restructurings: An Empirical Study of Private Reorganization of Firms in Default," JFE 27 (1990), pp. 315-353.
[Related and Update Readings: A. Kalay, R. Singhal, E. Tashjian. “Is Chapter 11 Costly?”, JFE (June 2007); H. Almeida and T. Philippon. “The Risk-Adjusted Cost of Financial Distress”, JF (December 2007); A. Bris, I. Welch, and N. Zhu. “The Costs of Bankruptcy: Chapter 7 Liquidation versus Chapter 11 Reorganization”, JF (June 2006)]

***Forum**

1. R. Gertner and D. Scharfstein. "A Theory of Workouts and the Effects of Reorganization Law", JF (September 1991), pp. 1189-1222.
[See also O. Hart and J. Moore, “Default and Renegotiation: A Dynamic Model of Debt”, QJE (1998), 115, pp. 1-41; Also, T. Noe and J. Wang, “Strategic Debt Restructuring”, RFS (Winter 2000), pp. 985-1015].

2. G. Andrade and S. Kaplan. “How Costly is Financial (not Economic) Distress?   Evidence from Highly Leveraged Transactions that Became Distressed,” JF (October 1998), pp.1443-1493.
[Background Survey: L. Senbet and J. Seward, “Financial Distress, Bankruptcy and Reorganization”, JMZ (1995); see also V. Maksimovic and G. Phillips, “Asset Efficiency and Reallocation Decision of Bankrupt Firms”, JF (October 1998)]

F. The Design of Securities

1. F. Allen and D. Gale. "Optimal Security Design," RFS (Fall 1988), pp. 229-263.
[Background and Updates: R. Townsend. "Optimal Contracts and Competitive Markets with Costly State Verification," JET, 21 (1979), D. Madan and B. Soubra. "Design and Marketing of Financial Products", RFS (1991, vol.4, no.2). L. Senbet and R. Taggart. "Capital Structure Equilibrium under Market Imperfections and Incompleteness", JF (March 1984) Also, see a survey by A. Winton, "Corporate Financial Structure, Incentives and Optimal Contracting," Finance (JMZ, eds., 1995].

2. U. Axelson. "Security Design with Investor Private Information", JF (December 2007), pp. pp. 2557 – 2632.
[Background and Related Readings: P.Aghion and P. Bolton. "An Incomplete Contracts Approach to Financial Contracting," Review of Economic Studies, (1992. For an application of mechanism design, see Harris and Townsend. "Resource Allocation Under Asymmetric Information," Econometrica (January 1981). Also see J. Zender, "Optimal Financial Instruments," JF (December 1991) and P. Demarzo. "The Pooling of Tranching of Securities: A Model of Informed Intermediations", RFS (Spring 2005)].

*** Forum**

1. D. Diamond, "Financial Intermediation and Delegated Monitoring," Review of Economic Studies, 51 (1984), pp. 393-414]
[Related Readings and Empirics:. D. Diamond. "Monitoring and Reputation: The Choice Between Bank Loans and Directly Placed Debt," JPE , 99, pp. 689-721; Empirical study on delegated monitoring: J. Houston and C. James. "Bank Information and the Mix of Private and Public Debt Claims," JF (December 1996]

2. S. Myers. "Outside Equity", JF (June 2000), pp. 1005-1037.
[See Related: Z. Fluck, "Optimal Financial Contracts: Debt Versus Equity", RFS 11 (1998), pp. 265-269]

G. Corporate Governance and Executive Compensation

Classics

1. S. Grossman and O. Hart. "Takeover Bids, The Free-Rider Problem and the Theory of the Corporation," Bell (Spring 1980), pp. 42-64.
[Follow-up Reading: R. Israel. "Capital and Ownership Structures, and the Market for Corporate Control, " RFS (1992), Vol. 5, no. 2, pp. 181-198].

2. A. Shleifer and R. Vishny. "Large Shareholders and Corporate Control," JPE, Vol. 94, 1986, No. 3, pp. 461-88.

[Related readings: See JFE Symposium (1988), particularly, S. Grossman and O. Hart. "One Share/One Vote and the Market for Corporate Control"; Ernst Maug, "Large Shareholders as Monitors: Is There a Trade-Off Between Liquidity and Control?," JF (February 1998)].

Executive Compensation

1. R. Aggarwal and A. Samwick, "The Other Side of the Tradeoff: The Impact of Risk on Executive Compensation", JPE (1999), pp. 65-105. [Related readings: R. Agarwal and A. Samwick, "Performance Incentives Within Firms: The Effect of Managerial Responsibility,", JF, August 2003. See a classic empirical study: M. Jensen and K. Murphy. "Performance Pay and Top Management Incentives," JPE (1990)].

2. K. John, A. Saunders, and L. Senbet. " A Theory of Bank Regulation and Management Compensation," RFS (Spring 2000), pp. 95-125.

[Related reading: K. John and T. John. "Top-Management Compensation and Capital Structure,"JF (July 1993), 949-973. Impact of Regulation: T. Perry and M. Zenner, "Pay for Performance? Government Regulation and the Structure of Compensation Contracts", JFE (December 2001)].

3. N. M. Lowry and K. Murphy. "Executive Stock Options and IPO Underpricing", JFE (July 2007), pp. 39-65S.

[Background and Related Readings: R. Haugen and L. Senbet, "Resolving the Agency Problems of External Capital Through Options", JF (1981 L. Meulbroek. "The Efficiency of Equity-Linked Compensation: Understanding the Full Cost of Awarding Executive Stock Options", FM (Summer 2001). B. Hall and K. Murphy. "Stock Options for Undiversified Executives," Journal of Accounting and Economics (2002); Ross. "Compensation, Incentives, and the Duality of Risk Aversion and Riskiness", JF (2004)].

Board Effectiveness and Performance Effects of Governance

1. R. Adams and D. Ferreira. "A Theory of Friendly Boards", JF (February 2007), pp. 217-250.

[Related readings: M. Harris and A. Raviv. "A Theory of Board Control and Size", forthcoming, RFS (2008); B. Hermalin and M. Weisbach. "Endogenously Chosen Boards of Directors and Their Monitoring of Management", AER (March 1998); A. Boone, L. Field, J. Karpoff, and C. Raheja. "The Determinants of Corporate Board Size and Composition: An Empirical Analysis", JFE (July 2007)]

2. P. Gompers, J. Ishii, and A. Metrick. "Corporate Governance and Equity Prices," QJE (February 2003), pp. 107-155.

[Related Reading: S. Claessens, "Corporate Governance and Equity Prices: Evidence from the Czech and Slovak Republics", JF (September 1997].

H. Corporate Payouts

1.. E. Fama and K. French, "Disappearing Dividends: Changing Firm Characteristics or Lower Propensity to Pay", JFE (April 2001), pp.3-43.
[Related Reading: M. Miller and M. Scholes. "Dividends and Taxes" JFE (March 1989), pp.333-64]

2. H. DeAngelo, L. DeAngelo and D. Skinner. "Are Dividends Disappearing? Dividend Concentration and the Consolidation of Earnings", JFE, 72 (2004), pp. 425-456.

*** Forum**

1, M. Baker and J. Wurgler. "A Catering Theory of Dividends", JF, 59 (2004), pp. 271-288.
[Also by the same authors: "Appearing and Disappearing Dividends: The Link to Catering Incentives", JFE, 73 (2004); 21st Century perspective: B. Alon, J. Graham, C. Harvey, and R. Michaely. "Payout Policy in the 21st Century", JFE, 77 (2005), pp. 483-528].

I. Industry Product Markets and Corporate Finance

1. A. Brander and T. Lewis, "Oligopoly and Financial Structure," AER (December 1986), pp. 956-978].

2. V. Maksimovic and J. Zechner. "Debt, Agency Costs, and Industry Equilibrium," JF (December 1991), pp.1619-1643.
[Related readings: V. Maksimovic. " Financial Structure and Product Market Competition," in Finance (JMZ, eds.), 1995]

3. P. Mackay and G. Phillips. "How Does Industry Affect Firm Financial Structure", RFS (Winter 2005) .
[See also, G. Phillips. "Increased Debt and Industry Product Markets", JFE, (1995), No. 2; J. Chevalier. "Capital Structure and Product Market Competition: An Empirical Study of Supermarket LBOs", AER, 85 (1995)]

J. Corporate Restructuring and Refocusing

1. R. Rajan, H. Servaes, L. Zingales, "The Cost of Diversity: The Diversification Discount and Inefficient Investment" JF (2000), 55, pp. 35-80
[Background reading: P. Berger and E. Ofek, "Diversification's Effect on Firm Value", JFE (1995), 37. Critique: Other Perspectives: T. Whited, " Is It Inefficient Investment that Causes the Diversification Discount?", JF (2001);

O. Lamont, C. Polk. "Does Diversification Destroy Value? Evidence from the Industry Shocks", JFE (January 2002); J. Campa and S. Kedia. " Explaining the Diversification Discount", JF (August 2002)].

2. B. Villalonga. "Does Diversification Cause the Diversification Discount"? FM (Summer 2004)

3. J. Stein, "Internal Capital Markets and the Competition for Corporate Resources", JF (1997), 52, pp. 111-133.
[Background readings: R. Gertner, D. Scharfstein, and J. Stein, "Internal versus External Capital Markets", QJE (1994), 109. *Updates and extensions*: R. Mathews and D. Robinson. "Market Structure, Internal Capital Structure, and the Boundaries of the Firm", working paper, Duke Univ; B. Lambrecht and S. Myers. "A Theory of Takeovers and Disinvestment", JF (April 2007)]

K. Corporate Risk Management

1. K. Froot, D. Scharfstein, J. Stein, "Risk-management: Co-ordinating Corporate Investment and Financial Policies", JF (1993), 48, pp. 1629-1658.
[See C. Smith and R. Stulz, "The Determinants of Firms' Hedging Policies", JFQA (1985), 20, 391-405].

2.. M. Petersen and S. R. Thiagarajan. "Risk Measurement and Hedging: With and Without Derivatives", FM (Winter 2000), pp. 5-30.
[Related: Peter Tuafano. "Who Manages Risk? An Empirical Examination of Risk Management Practices in the Gold Mining Industry," JF (Sept1996); *Update*: M. Faulkender. "A Panel Data Analysis of Interest Rate Risk Management", working paper (2007), Washington University].

3. R. Aggarwal and A. Samwick. "Why Do Managers Diversify Their Firms? Agency Reconsidered, " JF (February 2003), 71-118.

L. Dynamic Corporate Finance: A Case of Capital Structure

1. H. Leland. "Corporate Debt Value, Bond Covenants, and Optimal Capital Structure," JF (September 1994)
[Extension: D. Hackbarth, C. Hennessy, and H. Leland. "Can the Trade-off Theory Explain Debt Structure?", RFS (August 2007)]

2. C. Hennessey and T. Whited. "Debt Dynamics", JF (June 2005)
[Background: E. Fischer, R. Heinkel, and J. Zechner. "Dynamic Capital Structure Choice: Theory and Tests", JF, 44 (1989)]

3. I. Strebulaev. "Do Tests of Capital Structure Theory Mean What They Say?", JF (August 2007), pp. 1747- 1787.

[Related Readings: M. Leary and M. Roberts. " Do Firms Rebalance Their Capital Structures?", JF (December 2005) ; I. Welch. "Stock Returns and Capital Structure", JPE 112 (2004)]

4. P. Demarzo and M. Fishman. "Optimal Long-Term Financial Contracting", RFS (November 2007).

M. Behavioral Corporate Finance and Market Timing

1. U. Malmendier and G. Tate. "CEO Overconfidence and Corporate Investment", JF (December 2005), pp. 2661-2700
[Related: G. Tate and U. Malmendier, "Who Makes Acquisitions? CEO Overconfidence and the Market's Reaction", Stanford working paper, October 2005; Background: J. Heaton. "Managerial Optimism and Corporate Finance", FM, 31 (2002), pp. 33-45]

2. E. Ofek and M. Richardson. "DotCom Mania: The Rise and Fall of Internet Stocks", JF, 58 (2003), pp. 1113-1138.

3. M. Baker and J. Wurgler. "Market Timing and Capital Structure", JF, 57 (2002)

.

N. Corporate Finance Paradigms and International Finance

1. J. Hodder and L. Senbet. "International Capital Structure Equilibrium," JF (December 1990)

2.. R. Rajan and L. Zingales. "Financial Dependence and Growth," AER, (1998), 88

3. L. Booth, V. Aivazian, A. Demirguc-Kunt, and V. Maksimovic, "Capital Structures in Developing Countries", JF (February 2001)

4. M. Desai, C. F. Foley, and J. Hines JR. "A Multinational Perspective on Capital Structure Choice and Internal Capital Markets", JF (December 2004)

5. R. Cull, L. Senbet, and M. Sorge. "Deposit Insurance and Financial Development", JMCB 37 (2005).

6. C. Doidge, A. Krolyi, R. Stulz. "Why Do Countries Matter So Much for Corporate Governance?", JFE (October 2007

7. A. Gande, K. John, L. Senbet, "Bank Incentives, Economic Specialization, and the Role of Incentives in the Prevention of Crises in Emerging Economies", forthcoming, JIMF *(2008)*

Summing Up: Comprehensive Issues/Surveys

1. M. Harris and A. Raviv. "The Theory of Capital Structure," JF (March 1991).

2. L. Senbet and J. Seward. "Financial Distress, Bankruptcy, and Reorganization," Finance, JMZ (eds.), 1995

3. A. Shleifer and R. Vishny, " A Survey of Corporate Governance", JF (1997).

4. R. Levine. "Financial Development and Economic Growth: Views and Agenda", *Journal of Economic Literature* 35 (1997), 688-726.

5.. K. John and L. Senbet. "Corporate Governance and Board Effectiveness," JBF (1998).

6. J. Graham. "Taxes and Corporate Finance: A Review," RFS (Winter 2003).

7. B. Barber and R. Thaler. "A Survey of Behavioral Finance" in CHS (2003).

8. K. John and L. Senbet, "Executive Compensation: Issues and Reform Proposals", background piece for the Financial Economists Roundtable (July 2003); See the FER Statement "The Controversy Over Executive Compensation".

9. R. Stulz. "The Limits of Financial Globalization", JF (August 2005).

10. M. Jensen. "Agency Costs of Overvalued Equity", FM 34 (2005)

11. M. Baker, R. Ruback, J. Wurgler. "Behavioral Corporate Finance", in B. E. Eckbo (ed.), Handbook: Empirical Corporate Finance (North-Holland, 2006)

Reminder: Special Topics Seminar in Public Policy Perspectives of Finance (BMGT 808C – Fall 2005)

The focus was on corporate governance and financial reforms with specific attention to the reforms of governance/executive compensation practices, financial development, and financial crisis. Specific areas covered include:

Governance
- **Pay for Performance**
- **Incentive Effects of Stock Options**
- **Risk and Executive Compensation**
- **Governance and board effectiveness**
- **Stakeholder perspective: extensions into bank incentives n**

Financial Reforms, Liberalization, and Development

Financial Crisis

These topics and the readings discussed in that seminar are complementary to the current seminar.

Journal References

JSTOR

Google Scholar

ScienceDirect (Elsevier)

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Academic Integrity, Honor Pledge, and Special Needs

Academic Integrity: The University's *Code of Academic Integrity* is designed to ensure that the principles of academic honesty and integrity are upheld. All students are expected to adhere to this Code. The Smith School does not tolerate academic dishonesty. All acts of academic dishonesty will be dealt with in accordance with the provisions of this code. Please visit the following website for more information on the University's Code of Academic Integrity: **http://www.inform.umd.edu/CampusInfo/Departments/JPO/AcInteg/code_acinteg2a.html**

Honor Pledge: On each assignment you will be asked to write out and sign the following pledge. "*I pledge on my honor that I have not given or received any unauthorized assistance on this exam/assignment.*"

Special Needs: Any student with special needs should bring this to the attention of the instructor as soon as possible, but not later than the second week of class