

Classroom Technology and Student Endowment Accounts

Scott A. Adams, Taylor University

ABSTRACT

Blackboard, in conjunction with other on-line sites and self-made tools in Microsoft Excel, can be used to facilitate a university's student managed endowment account. Blackboard has the capability to permit many activities necessary for the running of a student endowment. It also allows links to the World Wide Web for easy student access, a place to store Excel and Word files, and discussion boards.

INTRODUCTION

Many Universities now have or are developing student managed endowment funds. These are stock and bond portfolios managed by a group of students, along with a faculty advisor, who are given the opportunity to manage part of their universities' endowments for college credit while they are completing degree programs. While many universities' programs are large and able to provide major funding for the operation of this type of program, others are small and lack resources. Since most universities are now using Blackboard as a platform for educational activities, there are almost no additional costs to using it for an additional purpose such as the operation of a student managed endowment fund. This allows universities with limited resources an option for starting and maintaining a student managed endowment account.

Blackboard, in conjunction with other on-line sites and self-made tools in Microsoft Excel, can be used to facilitate a university's student managed endowment account. Blackboard has the capability to permit many activities necessary for the running of a student endowment. It also allows links to the World Wide Web for easy student access, a place to store Excel and Word files, and discussion boards. All of which are needed for a successful education program in portfolio management. Thus, Blackboard is an option to help facilitate the running of a student managed endowment program.

BLACKBOARD

The first key advantage Blackboard provides is 24-hour, 7-day-a-week access from any computer that is connected to the World Wide Web. Blackboard is one of the primary tools used in on-line and other alternatively delivered educational programs. A student managed endowment account is unique from typical university classes in that it is necessary to have it operational year round and not just when school is in session. There are several times during a calendar year when students are not on campus because of breaks and holidays. However, investment portfolios need to be managed on a day-to-day basis. Thus, first and foremost Blackboard helps facilitate a class that needs to run year round on a schedule that is different than the rest of the university.

Blackboard can be set up with unique start and stop dates and all previous information on the site can be easily uploaded into a new Blackboard course. It is a simple process to start a new class each semester, for example, and load the previous work for new students to see and use. Thus, the students and faculty advisor can access Blackboard from about anywhere in the world and acquire the information that is needed and do the work that is necessary for the management of an investment portfolio.

Countless tools can also be placed on Blackboard that can be used from any location. Since the portfolio is managed year round, the likelihood exists that a quarterly report will need to be completed when school is not in session. This is very likely to occur during the summer, for example. It is typical for the board of trustees of the university to want a quarterly report within two weeks of the completion of a fiscal quarter. All of the spreadsheets and templates can be maintained on Blackboard and individual students can work together from anywhere in the world to complete the report. Thus, a folder can be made under the documents tab titled annual report tools. If desired, students can be given facilitator status in Blackboard allowing them access to the control panel. This allows them to upload edited documents directly back from where they downloaded them. This can lessen the load on the faculty advisor and keep information more up-to-date. If members of the student management team are only given student access then the faculty advisor will need to upload all items once edited. Either approach is workable.

Since student managed accounts are designed to promote learning, individual spreadsheets and templates can be placed on Blackboard not only as tools but to aid in the learning process. Typical spreadsheets should include calculating internal rate of return, position summaries, industry weightings, risk calculations, etc. Students can simply download the template they need and insert the new information and place it in the annual report document. Learning outcome would include calculating internal rate of return using Excel, working with weighted averages, and calculator risk management benchmarks such as the Sharp Ratio or Treynor Index.

Another folder that should be under the documents tab is one to store all operational criteria for the fund. Key documents to be maintained under this tab include buy and sell criteria. Further, investment policy statements and asset allocation guidelines can be stored here providing easy access for students. Also under the documents tab an analysis tools folder should be maintained. This would contain spreadsheets, etc. for keeping track of stocks or bonds that are meeting certain buy criteria. For example, if stocks require a certain minimum revenue growth rate to be candidates for the portfolio the information can be maintained on a spreadsheet.

Also under the documents tabs, a folder should be kept that stores all quarterly and annual reports for easy access. Finally, a folder should be set up to keep track of all research on individual stocks and bonds. Since these are student managed funds no one person, other than the faculty advisor, stays on the team much more than one year. Thus, new students would have a place to find the research on current positions so that they know why they were originally purchased.

In addition to storing research on current and older positions under the documents tab, the Blackboard discussion board can also be used at any time for discussion about buying, selling, or maintaining positions. Blackboard is widely used in on-line education programs and has discussion boards as part of its platform. This allows students to discuss when away from campus buying or selling of a position or any other issues that need addressed relating to the portfolio. An important advantage of this is that the record of discussions is stored and later

students can learn why positions were established. Again, student portfolio teams tend to turn over often because of graduation. The record in the discussion board and the saving of research work on Blackboard allows students to access the original reasons why a stock was purchased and such discussion could help in a reevaluation process. Further, it provides a solid record of why things were purchased and sold if ever needed for a board meeting, etc.

Another advantage of Blackboard is the external links platform. The first link that needs to be established is to the portfolio itself. It is usually not recommended that all students be given access to the actual brokerage account. However, it is simple to establish the current portfolio in any on-line platform such as MSN.com or Yahoo.com. The position can be bought or sold in this account for students to monitor and occasionally this would just need to be double checked against the brokerage account to make sure money market account balances are the same, etc. Students can then see the value of the portfolio from anywhere and are able to monitor day-to-day account activity. Other important information such as cost basis and purchase dates can be stored on these on-line sites such as MSN.com.

EXTERNAL LINKS

Links can also be established for any information that needs to be easily found. These links should open in a separate window for ease. Examples are a link to general market data so that students can see how the S&P500, Dow Jones Industrial Average, or NASDAQ are performing. Also, links to general market news and specific stock news of the day can be established. Many portfolios are benchmarked against specific indexes such as the Russell Value or Russell Growth and a link can be easily established to those indexes. Further, links can be provided for tools that the students use. Thus, a link can be established for a charting site such as stockcharts.com. If technical analysis is used by students, then they have a simple link to develop the charts necessary to make an investment decision. A link to stock betas is helpful since most portfolios will need to monitor the risk associated with a portfolio. Also, links to fundamental analysis tools such as Edgar should be established for easily access to companies' annual reports, etc.

CONCLUSION

Thus, Blackboard can be an excellent tool for universities to use for the operation of a student managed endowment account. It is accessible 24 hours a day from anywhere in the world from which a computer can be connected to the World Wide Web. The ability to store documents and tools for the management of funds makes the Blackboard platform ideal. Further, the discussion boards allows for a record of why stock positions were established originally and communications when students are not on campus. Finally, the ability to link to other sites on the World Wide Web makes Blackboard a centerpiece for getting students to the information they need. Therefore, Blackboard provides a platform that is already in place at most universities and there is no major costs to begin or maintain a student managed endowment account.

