

FIL 370
Educational Investment Fund
Fall 2026

Professor: Dr. (Stella) Min-Yu Liao
Time/Location: M/W 11:00 AM - 12:15 PM / SFHB0022E
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COB Mission:

Through our shared commitment to excellence in teaching, research, and service, we prepare students to be skilled and ethical business professionals who will make significant positive contributions to organizations, to communities, and to our larger society.

Academic Integrity:

You are expected to be honest in all academic work, consistent with the academic integrity policy as outlined in the Code of Student Conduct. All work is to be appropriately cited when it is borrowed, directly or indirectly, from another source. Unauthorized and unacknowledged collaboration on any work, or the presentation of someone else's work, is plagiarism. In certain circumstances, I may be required to refer violations to the Student Conduct and Community Responsibilities, a unit of the Dean of Students Office.

Course Prerequisites:

Permission of Department Chair. FIL 242 with a grade of C or better, and credit or concurrent enrollment in FIL 241.

Course Description and Objective:

This course has a significant applied investment management component. You will research equities and make investment recommendations for the Educational Investment Fund (EIF). The EIF is a stock portfolio with approximately \$1 million in assets under management and is managed under the supervision of the Department of Finance, Insurance & Law on behalf of the ISU Foundation.

The objective of the course is to apply fundamental analysis of common stocks and manage an equity portfolio. At the end of the term, upon successful completion of the course, students will be able to:

- Evaluate equity securities.
- Analyze optimal investment decisions.
- Develop oral communication skills.
- Create written security reports.
- Build professional networks.

Required Textbook:

Investment Valuation: Tools and Techniques for Determining the Value of any Asset, University Edition. 2nd Edition. *Wiley*. Author: Aswath Damodaran
ISBN: 978-1-118-20659-1

Milner library has free access to the electronic copy of the textbook: [Investment valuation : tools and techniques for determining the value of any asset - Illinois State University \(ISU\) —Normal, IL \(exlibrisgroup.com\)](#)

Supplemental Material:

[Investing Webinars](#) | [Investing Topics On Demand](#) | [Fidelity](#)

Coursework And Activities:

Students will analyze 2 securities:

1. The first security analysis is a learning practice and will be taught in class. Each student will select a security from the EIF portfolio and make a presentation in class. Your assignments for the first security analysis are: (1) write a company and industry analysis; (2) write a DuPont analysis; (3) complete the valuation Excel spreadsheet, including DuPont, financial data, FCFE, DCF, PE, and sensitivity analysis; (4) deliver an 8-minute presentation individually in class.
2. The second security analysis will be presented at the board meeting. Each student will select a security NOT included in the EIF portfolio. Your assignments for the second security analysis are: (1) complete the valuation Excel spreadsheet, including DuPont, financial data, FCFE, DCF, PE, and sensitivity analysis; (2) deliver an 8-minute presentation individually at the board meeting. (3) write a full final written paper about security.

Please see the due dates for each assignment in the schedule. Late submission will result in a 10% reduction in score for every day after the due date.

Board meetings:

Students are required to attend two board meetings (Sep 12 and Nov 14). Each student will be paired with a board member as mentor-mentee and is expected to initiate and maintain professional contact with their mentor. Individual security analysis will be presented during the second board meeting. The presentations are evaluated in an internal competition, with prizes for first and second place. Each student should be prepared to engage with the board members during both meetings.

Mock Interview Requirement

Each student is required to complete one 30-minute mock interview with their assigned mentor during the semester. Students are responsible for contacting their mentor to schedule the interview at a mutually convenient time. The interview may be conducted either in person or virtually (e.g., via Zoom or Microsoft Teams), depending on the preferences and availability of both the student and mentor.

Students should initiate contact with their mentor early in the semester and complete the mock interview by the deadline announced in class. This activity is a required component of the course and is designed to help students develop their interviewing skills and receive individualized feedback.

Comprehensive Final Analysis Report:

You must include (but not limited to) the following items in your final report.

1. Company analysis
2. Industry analysis
3. Dupont analysis discussion (discuss the financial health of the company)
4. Discounted Cash Flow (justify your discount rate, growth rate, and the variation of the two)
5. PE analysis
5. Sensitivity scenario analysis for DCF and PE
6. Recommendation of security: buy or not buy? If it is a buy, at what price?

*Please see the rubric for grading. A separate guide (Security Analysis Outline) is posted on Canvas.

In-class and Board Presentation:

Each student will make an 8-minute presentation. Please see the rubric for grading. A separate guide (Presentation Guide) is posted on Canvas.

EIF Network:

<https://www.linkedin.com/groups/1793205/>

Grading:

Your grade will be determined as follows:

Category	Weight	Included item
Mock Interview	10%	Mock interview.
First securities excel and analysis	20%	First security valuation spreadsheet, company, industry, and DuPont analysis.
In-class presentation	20%	In-class presentation of the first security analysis.
Board presentation	25%	Presentation of the second security analysis.
Final report	25%	Written report of the second security analysis.

Grade	Course Points
A	90-100
B	80-89
C	70-79
D	60-69
F	below 60

UNIVERSITY AND BUSINESS SCHOOL POLICIES AND PROCEDURES

Academic Integrity

General Statement from The Dean of Students Office:

Academic integrity is an important part of this university and the course. Academic integrity is required of you the student and myself as the instructor. Students are expected to be honest in all academic work. It is the student's and faculty's responsibility to uphold the principles of academic integrity. Academic integrity should be used in the preparation of this course, in class time, regarding exams, and with regard to written assignments. A student's placement of his or her name on any academic exercise shall be regarded as assurance that the work is the results of the student's own thought, effort and study.

Students who have questions regarding issues of academic dishonesty should refer to the Code of Student Conduct, B1 (Academic Integrity), which outlines unacceptable behaviors in academic matters. In certain circumstances (such as cheating or plagiarism), I may be required to refer a student to Community Rights and Responsibilities for a violation of Illinois State University's Code of Student Conduct. If you are uncertain about whether or not something is dishonest, please contact me. Academic penalties regarding academic dishonesty may range from failure of the assignment (with a zero for the piece of work) to dismissal from the University, depending upon the seriousness of the infraction and the student's disciplinary record.

Link to code of student conduct:

<http://deanofstudents.illinoisstate.edu/students/get-help/crr/documents/CodeOfStudentConduct-Revised5.12.pdf>

Absence Due to Illness or Bereavement

If you have to miss class due to an extended illness (3 or more consecutive class days) or a bereavement, the Dean of Students Office can help. It's located in Room 387, Student Services Building.

For additional information and help...

For help with study skills, test taking, writing skills, grammar, and other academic assistance, the University Center for Learning Assistance (438-7100) provides training that can help you succeed.

Any student needing to arrange a reasonable accommodation for a documented disability should contact Disability Concerns at 350 Fell Hall, 309-438-5853

www.disabilityconcerns.ilstu.edu.

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Fall 2026 Tentative Schedule

Week	Date	Day	Topic	Reading Before Class	Due 11:55pm
1	08/17/2026	Monday	Review of Financial Statement; Ratio Analysis;	P11-23; 27-55; 58-68	
	08/19/2026	Wednesday	Ratio Analysis; Company 10-K;	P258-260; 271-273; 275-276; 278-302	
2	08/24/2026	Monday	Fundamental Analysis (Excel work)	P351-353; 359-363	
	08/26/2026	Wednesday	Company Analysis		1 st security DuPont analysis (worksheet + analysis)
3	08/31/2026	Monday	Industry and Economic Analysis		
	09/02/2026	Wednesday	Fundamental Analysis (Excel work)		(1) 1 st security “Financials” worksheet (2) Resume
4	09/07/2026	Monday	Labor Day-No class		
	09/09/2026	Wednesday	Fundamental Analysis (Excel work)		1 st security company and industry analysis
	09/12/2026	Saturday	Board Meeting. 9:00 AM to noon		
5	09/14/2026	Monday	Fundamental Analysis (Excel work)		
	09/16/2026	Wednesday	Fundamental Analysis (Excel work)		1 st security “FCFE, G, R” + “DCF” worksheets
6	09/21/2026	Monday	Fundamental Analysis (Excel work)		1 st security “PE” worksheet
	09/23/2026	Wednesday	1st Security Presentation		1 st security PPT slides
7	09/28/2026	Monday	1st Security Presentation		1 st security PPT slides
	09/30/2026	Wednesday	1st Security Presentation		1 st security PPT slides
8	10/05/2026	Monday	1st Security Presentation		1 st security PPT slides
	10/07/2026	Wednesday	2nd Security Analysis		
9	10/12/2026	Monday	2nd Security Analysis		
	10/14/2026	Wednesday	2nd Security Analysis		2nd security “DuPont” + “Financials” worksheets
10	10/19/2026	Monday	2nd Security Analysis		
	10/21/2026	Wednesday	2nd Security Analysis		2nd security “FCFE, G, R” + “DCF” worksheets
11	10/26/2026	Monday	2nd Security Analysis		
	10/28/2026	Wednesday	2nd Security Analysis		2nd security “PE” worksheet
12	11/05/2026	Monday	2nd Security Analysis + Final report		
	11/04/2026	Wednesday	2nd Security Analysis + Final report		2nd security PPT slides. Seek feedback from mentors
13	11/09/2026	Monday	2nd Security Analysis + Final report		
	11/11/2026	Wednesday	Final Review for Board		

			Presentation		
	11/14/2026	Saturday	Board Meeting. 9:00 AM to noon		Presentation Competition
14	11/16/2026	Monday	Portfolio Transaction Voting		
	11/18/2026	Wednesday	Final report		
15	11/23/2026	Monday	Final report		
	11/25/2026	Wednesday	Final report		
16	11/30/2026	Monday	Final report		
	12/02/2026	Wednesday	Final report		2nd security comprehensive final paper