

MEMORANDUM

TO: Finance Faculty
(regular, visiting, adjunct faculty, and instructors)

FROM: Anthony Saunders
Richard Levich

DATE: August 1, 2004

SUBJECT: **Suggested Grading Standards for the Department of Finance**

This memo reaffirms the existing Department of Finance policy on suggested grading standards.

Our reputation depends in part on the ability of prospective employers to quickly ascertain that a student really understands financial policy and theory, and has the technical capability to use the tools learned in finance. It is part of your responsibility as a faculty member at New York University to evaluate student understanding of the materials in your course with examinations or written assignments that are sufficiently demanding to reveal differential performance.

These are the suggested standards for Department of Finance courses. We are particularly concerned that you do not give too many A and A- grades (those should be earned competitive grades that reflect superior performance in the current class and among students from the past five years). A grade of C is appropriate for students who are clearly below standards, and grades of D or F apply for students still further and further below our expectations of performance in a top program.

Suggested Percent Grade Distributions for graduate and undergraduate Finance courses		
	Core Type Courses <i>(B01.2311, B40.2302, C15.0002, C15.0007)</i>	Advanced Electives
A	10	10
A-	10 to 15	10 to 15
B+	10	10
B and B-	50 to 60	50 to 60
C+, C, C-, D and F	10 to 15	10
IP and IF	<i>No more than 5</i>	<i>No more than 5</i>

We will not be concerned about {plus or minus} 5% variations in any distribution you have below the A or A - grade levels, and you may be still more selective on A and A- grades.

Remember also that students must specifically *request* incomplete grades from the instructor and fill out the Request for Incomplete Grade form before the last day of class. Only the instructor has the authority to grant incomplete grades, and there are strict time limits on students to complete course work or else the incomplete grade will lapse.