

# FINANCE - GRADUATE (MSF)

**MSF 6604 Theory and Practice of Financial Reporting.** (Formerly 604) This course focuses on the theory and practice behind the preparation and use of financial statements, including the balance sheet, income statement and statement of cash flows. The objective of the course is to provide an understanding of the significance and limitations of financial statements. The impact of decisions made by corporate executives with regard to the financial statements and their presentation will be discussed. Useful for those pursuing careers in professional accounting and managers requiring a sophisticated knowledge of financial statements as a result of bottom line responsibility. Cross-listed as MSF 6604/MSA 6604. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Winter and Summer Terms)

**MSF 6643 Financial Mathematics.** (Formerly 643) Mathematics provides an overview of the basic mathematical functions and techniques which are widely used in the financial markets. The course goes over simple models including the formulations for basic financial products such as options and forward contracts. The course gives a general description of the valuation of time and the application to financial products, specifically to cash flows. The course then goes over linear algebra and matrix manipulation through the application of portfolio management of single and multi-asset portfolios. The course ends with discrete and continuous time models. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Fall Term)

**MSF 6646 Fixed Income Securities.** (Formerly 646) A comprehensive analysis of debt markets, enhanced exploration into derivative strategies. Thorough examination of pricing and risk management methodologies. To make the material broadly accessible, concepts are, whenever possible, explained through hands-on applications and examples, rather than through advanced mathematics. The course also develops a basic command of the Bloomberg Professional data terminal. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Fall Term)

**MSF 6647 Behavioral Finance.** (Formerly 647) Behavioral finance attempts to explain market bubbles or extreme deviations in asset prices from the fundamental value of the underlying asset itself. These excess returns and losses can be attributed to the aggregate markets behavior of overconfidence, momentum and excess risk-aversion. This course seeks to define the prevailing market theory of rational investments through the Markowitz theory and the efficient market hypothesis theory. After these theories are developed the course will provide compelling evidence across various asset classes such as equities, foreign exchange and fixed income of deviations from traditional financial theory. These are evidence in the stock market premium puzzle and the forward rate premium puzzle. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Spring Term)

**MSF 6648 History of Regulation.** (Formerly 648) This course gives students the opportunity to learn how the compliant environment came to be through the foundation of the Federal Reserve. The course is broken into four different over-arching topics starting with how the gold standard became the norm. The course discusses from a historical perspective the strengths and weakness of the gold standard. Next, the creation of the Federal Reserve is examined. This section focuses on both the goals of the Federal Reserve and the tools of how those goals are achieved. Additionally, the Federal Reserve is evaluated through history whether those goals have been achieved. Moving forward, students will explore the aftermath of World War 1, focusing on how the United States became the global currency in which other currencies pegged. This section will discuss Bretton Woods, the gold standard and the United States leaving the gold standard. The final section of the course will focus on 1990 through present day. This section evaluates the global financial crashes which increased in both intensity and frequency. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Fall Term)

**MSF 6649 Compliance Legislation.** (Formerly 649) Compliance has evolved with the creation of new compliance regulation which has resulted from a financial crisis. As each crisis occurred, new legislation was developed for the purpose of protecting the interests of the public and investors. This course seeks to examine four major pieces of compliance regulation from equities (Sarbanes-Oxley), to banking (Basel 1 Basel 11), to pensions (ERISA) and finally through Trading Firms (Dodd-Frank). The course is broken into four sections covering each of the four pieces of legislation. The first section focuses on the equities market. The section begins with an understanding of the equities market in general, followed quickly with the scandals in accounting and accountability with upper management. Students will then examine the legislation of Sarbanes-Oxley itself, followed by the implementation on the equities industry. The second section focuses on the banking industry. The section begins with an understanding of the banking industry in general, followed quickly with the associated scandals. Students will then examine the legislation of Basel 1 Basel 11 themselves, followed by the implementation on the banking industry. The third section focuses on the pension industry. The section begins with an understanding of the pension industry in general, followed quickly with the associated scandals. Students will then examine the legislation of ERISA itself, followed by the implementation on the pension industry. The final section focuses on the trading industry. The section begins with an understanding of the trading industry in general, followed quickly with the associated scandals. Students will then examine the legislation of Dodd-Frank itself, followed by the implementation on the trading industry. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Winter Term)

**MSF 6650 Risk Management.** (Formerly 650) This course provides an overview of risk management in the finance industry. It utilizes the Value-at-Risk (VAR) methodology, which is an established method for calculating and reporting financial risk. Topics include regulatory standards, computation, back-testing, stress-testing, simulation and reporting of market, credit and operational risk. The course is designed for students interested in understanding how large-scale, complex risk management is actually performed in a financial institution. Cross-listed as MBA 6650/MSF 6650. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Spring Term)

**MSF 6651 Compliance Systems.** (Formerly 651) Compliance systems' introduces the concepts of the implementation of compliance rules and regulations in a firm. The course is broken into three sections. The first of these sections is the development of the compliance rules and regulations to best suit the needs and requirements of a particular firm. Students have the opportunity to design and develop the appropriate rules and regulations. During the next phase of the course students develop monitoring systems for the compliance rules and regulations which have been developed in the first part of the course. Students gain hands-on experience developing reporting systems and monitoring systems. In the final section, the students are given situations which fall outside of their prescribed rules and regulations. In this sections students are taught how to address these issues and how to manage, mitigate and report the issues. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Fall Term)

**MSF 6653 Investment Theory and Portfolio Management.** (Formerly 653) This course applies modern capital market theory to investment analysis and portfolio management. Topics include risk and return measurement, evaluation of portfolio performance, efficient market theory, pricing of call options, corporate bonds, and equity. Cross-listed as MBA 6653/MSF 6653. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Fall Term)

**MSF 6654 Problems in Corporate Financial Analysis.** (Formerly 654) This course employs challenging cases, current events, and readings to create a framework for students to utilize their qualitative and quantitative skills in corporate finance. Students will be expected to apply techniques learned in MBA 6651 and research new techniques. Cross-listed as MBA 6654/MSF 6654. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Spring Term)

**MSF 6655 Securities Regulations.** (Formerly 655) The course focuses on the basics of federal regulation of securities transactions – public offerings, private placements, market disclosures and insider trading. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Fall Term)

**MSF 6656 Investment Analysis.** (Formerly 656) This course covers the history and rationale of futures and options trading, methods of derivative trading, types of charts, size of contracts and value of each tick. This course covers the concepts covered in the CFTC commodities futures and options trading exam (Series 3). Cross-listed as MBA/MSF 6656. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Summer Term)

**MSF 6658 Derivative and Risk Management.** (Formerly 658) This is a course on the analytics of financial derivatives and risk management and covers a range of topics in contemporary finance. Specifically, the course examines the pricing and use of financial derivatives, including options, forwards, futures, swaps and credit derivatives in risk management. The course will extensively focus on the theory and applications of risk management tools. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Spring Term)

**MSF 6660 Investment Seminar Capstone.** (Formerly 660) This is a capstone course in finance that uses a series of cases to explore and apply theoretical and practical tools of financial decision-making. Students will develop expertise in applying financial theory, including capital budgeting, capital structure, dividend policy, portfolio management and risk management to the types of problems that arise in the management of a modern corporation. Students will also develop expertise in applying financial mathematics to the types of problems that arise in the management of a modern corporation, including the valuation of financial and real assets. 4 quarter credit hour/s.

**Campus:** LISLE (Typically Offered: Spring Term)