

**THE GRADUATE SCHOOL - UNIVERSITY OF RHODE ISLAND  
NEW PROGRAM REPORT FROM THE GRADUATE COUNCIL TO THE  
FACULTY SENATE  
CURRICULAR REPORT 2014-15-3B; 24 November 2014**

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At Meeting No. 485 held on 24 November 2014, the Graduate Council approved the attached proposal that is now submitted to the Faculty Senate.

**SECTION I  
BACKGROUND INFORMATION**

**ABSTRACT**

The Graduate Council approved a proposal from the College of the Environment and Life Sciences to create a *Master of Science in Finance (MSF)*. With ever-increasing financial globalization and competition for employment in the financial sector, it is crucial that professionals prepare for the increasingly complex world of Finance by building a solid foundation. The MSF degree is rapidly gaining popularity in the US and abroad – especially in light of its shortened timeline (10 courses in one year) and in-depth investigation into the field of finance. Its curriculum encompasses many of the topics that appear on the Chartered Financial Analysts (CFA) exam. The Master of Science in Finance (MSF) is an innovative program designed to help financial professionals advance their careers through comprehensive training in global financial markets, financial theory, analysis, and strategy. The need to acquire subject specific knowledge in finance has generated a demand for a focused, intensive course of study in the technical aspects of corporate finance, business and security valuation, trading strategies, hedging, and corporate reorganization.

**BACKGROUND**

The program provides students advanced training in modern financial theory and practice to address analytical problems where finances are essential factors. Students completing the URI MSF program will be competent in addressing issues in fields such as corporate finance, investment, risk management and personal financial planning. Upon graduation, students will have the opportunity to explore career opportunities in investment banks, mutual funds, consulting companies and major corporations. The MSF curriculum provides comprehensive coverage of critical topics in finance, including valuation, mergers and acquisitions, risk management, derivatives, insurance and investments. The curriculum will be of assistance to students preparing for their CFA or CFP exams.

**SECTION II  
RECOMMENDATION**

The Graduate Council approved the proposal to create a *Master of Science in Finance* at its Meeting No. 485 held on 24 November 2014, and forwards it to the Faculty Senate with a recommendation for approval.

**A Proposal for a**

**A. PROGRAM INFORMATION**

- 1. Name of institution**  
University of Rhode Island
- 2. Name of department, division, school or college**  
**Area of Finance and Decision Sciences**  
**College of Business Administration**
- 3. Title of proposed program and Classification of Instructional Programs (CIP) code**  
Master of Science in Finance CIP code=52.0801
- 4. Intended initiation date of program change. Include anticipated date for granting first degrees or certificates, if appropriate.**  
Initiation date: September 2016  
First degree date: July 2017
- 5. Intended location of the program**  
URI Providence Campus, College of Business Administration
- 6. Description of institutional review and approval process**

	<u>Approval Date</u>
Department	2/18/2014
College	2/25/2014
CAC/Graduate Council	
Faculty Senate	
President of the University	
- 7. Summary description of proposed program (not to exceed 2 pages)**

The URI Master of Science in Finance (MSF) program provides students advanced training in modern financial theory and practice to address analytical problems where finance are essential factors. Students completing the URI MSF program will be competent in addressing issues in fields such as corporate finance, investment, risk management and personal financial planning. Upon graduation, students will have the opportunity to explore career opportunities in investment banks, mutual funds, consulting companies and major corporations.

The MSF curriculum provides comprehensive coverage of critical topics in finance, including valuation, mergers and acquisitions, risk management, derivatives, insurance and investments. The curriculum will be of assistance to students preparing for their CFA or CFP exams.

## 8. Signature of the President

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David M. Dooley

## 9. Person to contact during the proposal review

Name: Shaw Chen and Bingxuan Lin

Address: Area of Finance and Decision Sciences, College of Business Administration

Phone: 874-4339; 874-4895

Email: [chenshaw@uri.edu](mailto:chenshaw@uri.edu); [blin@uri.edu](mailto:blin@uri.edu)

## 10. Signed agreements for any cooperative arrangements made with other institutions/agencies or private companies in support of the program.

N/A

## B. RATIONALE: There should be a demonstrable need for the program.

### 1. Explain and quantify the needs addressed by this program, and present evidence that the program fulfills these needs.

With ever-increasing financial globalization and competition for employment in the financial sector, it is crucial that professionals prepare for the increasingly complex world of Finance by building a solid foundation. The MSF degree is rapidly gaining popularity in the US and abroad – especially in light of its shortened timeline (10 courses in one year) and in-depth investigation into the field of finance. Its curriculum encompasses many of the topics that appear on the Chartered Financial Analysts (CFA) exam. The Master of Science in Finance (MSF) is an innovative program designed to help financial professionals advance their careers through comprehensive training in global financial markets, financial theory, analysis, and strategy. The need to acquire subject specific knowledge in finance has generated a demand for a focused, intensive course of study in the technical aspects of corporate finance, business and security valuation, trading strategies, hedging, and corporate reorganization.

There is no MSF program in the state of Rhode Island. Many undergraduates in Economics and Finance from Brown University, University of Rhode Island and other schools have to go to nearby States to complete their graduate programs. The program will therefore serve the demand from local professionals. Rhode Island is home to Fidelity and as well as many other banking institutions. It has a large number of companies in the financial services industry and many of their professionals are looking for more focused programs to advance their careers.

The proposed MSF program is significantly different from the existing MBA programs in the state. Existing MBA programs are generic programs geared towards middle managers with one finance course, though some programs might offer a few finance electives. Students in our MBA program might take up to three finance courses as electives; while

MSF program requires ten courses in finance that bring more depth and breadth of coverage in finance. Moreover, the CFA focus of the MSF program is not available to any regular MBA program. It is very common for MSF courses to be cross-listed as MBA electives. This will provide more electives for our MBA program as well. The college is in the process of requesting a separate code for MSF program so that we can cross list between MBA and MSF courses.

**C. INSTITUTIONAL ROLE: The program should be clearly related to the published role and mission of the institution and be compatible with other programs and activities of the institution.**

**1. Explain how the program is consistent with the published role and mission of the institution and how it is related to the institution's academic planning.**

The mission of the College of Business is to expand, transmit, and foster the application of business and management knowledge. The MSF program will become a key instrument to fulfill such mission at the graduate level. It will also provide additional elective courses for students in other majors such as economics, accounting, math, industrial and systems engineering and for MBA students.

In addition, the MSF program will also provide an opportunity for our top undergraduate students to continue their study at URI. At the same time, it will also allow us to identify potential candidates for the doctoral program. The MSF program in Boston College accepts about 38 students out of 857 applicants. Among them, 38% have an undergraduate major in finance and 25% in other majors in business. MSF programs are very selective and the demand for MSF programs is huge and increasing in the New England area. It also provides an opportunity for our own undergraduate students to receive advanced training in the field. For instance, it would be possible to develop a 3+2 or 4+1 year program with BS in finance students so that they can earn a graduate degree in 5 years and greatly increase the attractiveness of our undergraduate program.

**D. INTERINSTITUTIONAL CONSIDERATIONS: The program should be consistent with all policies of the Board of Governors pertaining to the coordination and collaboration between public institutions of higher education. (Consult the Board of Governors' *Coordination Plan for Academic Programs in Rhode Island Public Institutions of Higher Education* [[www.ribghe.org/publicreg.htm](http://www.ribghe.org/publicreg.htm)] for guidelines and restrictions regarding the types and levels of programs the institutions are allowed to offer.)**

Since there is no existing MSF program available in the state of Rhode Island, our program will enhance the overall education opportunity in the State.

**1. Estimate the projected impact of program on other public higher education institutions in Rhode Island (e.g. loss of students or revenues), provide a rationale for the assumptions made in the projections, and indicate the manner in which the other public institutions were consulted in developing the projections.**

Neither RIC nor CCRI offer an MSF program. The proposed program will complement and strengthen higher education throughout the State of Rhode Island.

2. **Using the format prescribed by RIOHE, describe provisions for transfer students (into or out of the program) at other Rhode Island public institutions of higher education. Describe any transfer agreements with independent institutions. The institution must also either submit a Joint Admissions Agreement transition plan or the reason(s) the new program is not transferable. (See *Procedure for Strengthening the Articulation/Transfer Component of the Review Process for New Programs* which can be found at [www.ribghe.org/publicreg.htm](http://www.ribghe.org/publicreg.htm).)**

There will be no student transfers from other Rhode Island public institutions of higher education, since they do not offer similar programs.

3. **Describe any cooperative arrangements with institutions offering similar programs. (Signed copies of any agreements pertaining to use of faculty, library, equipment, and facilities should be attached.)**

No cooperative arrangements are required for this program.

4. **If external affiliations are required, identify providing agencies. (Indicate the status of any arrangements made and append letters of agreement, if appropriate.)**

N/A

5. **Indicate whether the program will be available to students under the New England Board of Higher Education's (NEBHE) Regional Student Program (RSP).**

This program will be available to students under the New England Board of Higher Education's Regional Student Program.

**E. PROGRAM: The program should meet a recognized educational need and be delivered in an appropriate mode.**

1. **Prepare a typical curriculum display for one program cycle for each sub-major, specialty or option, including the following information:**
  - a. **Name of courses, departments, and catalog numbers and brief descriptions for new courses, preferably as these will appear in the catalog. In keeping with each institution's timetable for completion of student outcomes assessment, each institution should provide an assessment plan detailing what a student should know and be able to do at of the program and how the skills and knowledge will be assessed. For example, if a department brings forth a new program proposal but that department is not slated to have its student outcomes assessment completed until 2008, the program could be approved but with the provision that the department return no later than 2008 and present to the Academic and Student Affairs Committee its student outcomes for that particular program.**

The MSF program will be based on existing classes with two newly approved courses (MBA 558, MBA 570). We are able to do this as our current MBA students<sup>1</sup> have the option of choosing a finance specialization (3 courses) from six finance electives. With the addition of MBA 558, MBA 570; utilizing MAC 504 and two undergraduate courses that are approved for graduate credit (BUS 421 and 435), these courses represent the major courses in a typical MSF program. We will continue to innovate and offer new courses to ensure our curriculum stays current. Currently, a typical curriculum might look like:

#### Full Time

##### Semester 1:

MBA 566	Security and Investment Analysis
MBA 582	Applied time Series Methods and Business Forecasting
MAC 504	Financial Statement Analysis and Reporting
MBA 569	Advanced International Financial Management

##### Semester 2:

MBA 567	Advanced Portfolio Theory and Security Analysis
MBA 568	Advanced Financial Theory
BUS 421	Derivative Markets
MBA 558	Fixed Income Analysis

##### Summer:

BUS 435	Topics in Insurance: Risk Management
MBA 570	Hedge Fund and Investment Banking

#### Part Time

##### Semester 1:

MBA 566	Security and Investment Analysis
MBA 582	Applied time Series Methods and

##### Semester 2:

BUS 421	Derivative Markets
MBA558	Fixed Income Analysis

##### Summer:

BUS 435	Topics in Insurance: Risk Management
MBA 570	Hedge Fund and Investment Banking

##### Semester 3:

MAC 504	Financial Statement Analysis and Reporting
MBA 569	Advanced International Financial Management

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<sup>1</sup> Different from the MSF program, an MBA with finance specialization does not have the broad coverage of finance topics. Additionally, the MBA program does not have the opportunity to integrate various finance areas to formulate corporate financial strategy or investment recommendations.

Semester 4:

MBA 567	Advanced Portfolio Theory and Security Analysis
MBA 568	Advanced Financial Theory

The MSF program does not require a thesis. Students are required to pass a written comprehensive examination towards the end of the course work. In MBA 566 and MBA 568, students will be required to submit a paper involving significant independent study. In MBA 566, students are required to provide a detailed company analysis and provide investment recommendations. In MBA 568, students are required to analyze various cases and provide detail recommendations with respect to corporate financial policy.

**b. Required courses in area of specialization and options, if any.**

Required Courses:

MBA 566	Security and Investment Analysis
MBA 582	Applied time Series Methods and Business Forecasting
MAC 504	Financial Statement Analysis and Reporting
MBA 568	Advanced Financial Theory
MBA 569	Advanced International Financial Management
MBA 567	Advanced Portfolio theory and Security Analysis
BUS 421	Derivative Markets
MBA 558	Fixed Income Analysis
BUS 435	Topics in Insurance
MBA 570	Hedge Fund and Investment Banking

**c. Course distribution requirements, if any, within program, and general education requirements.**

N/A

**d. Total number of free electives available after specialization and general education requirements are satisfied.**

Free electives will be developed in the future to meet program needs.

**e. Total number of credits required for completion of program or for graduation. Present evidence that the program is of appropriate length as illustrated by conformity with appropriate accrediting agency standards, applicable industry standards, or other credible measure, and comparability of lengths with similar programs in the state or region.**

Total Credits Required to Complete the Program = 30 credits (10 courses).

- f. **Identify any courses that will be delivered or received by way of distance learning. (Refer to [www.ribghe.org/publicreg.htm](http://www.ribghe.org/publicreg.htm) for the *Standards for Distance Learning in the Rhode Island System of Public Higher Education*.)**

All classes will meet in person. None are delivered by distance learning at this time. We are planning to incorporate more online content as we grow the program. Some courses can be packaged in different online modules for delivery. Online delivery of our curriculum will be one of the major directions to consider when we design and modify our program in the future.

2. **Describe certification/licensing requirements, if any, for program graduates and the degree to which completion of the required course work meets said requirements. Indicate the agencies and timetables for graduates to meet those requirements.**

N/A

3. **Include the learning goals (what students are expected to gain, achieve, know, or demonstrate by completion of the program) and requirements for each program.**

The learning goals for the MSF program are:

Goal 1: Demonstrate competency in the key fields of corporate finance, investments, banking and financial institutions, and risk management.

Goal 2: Demonstrate an understanding of the importance of ethical financial governance and its impact on stakeholders.

Goal 3: Demonstrate effective communication skills.

Goal 4: Effectively apply critical thinking skills.

4. **Demonstrate that student learning is assessed based on clear statements of learning outcomes and expectations.**

Goal 1 Outcomes:

1.2 Students will acquire advanced level skills in financial modeling

1.2 Demonstrate mastery of a range of research methods common to finance and economics.

1.3 Construct an individual research project and develop a research agenda that addresses timely questions relevant to the field of finance.

Goal 2 Outcomes:

2.1 Demonstrate in-depth knowledge of professional standards.

2.2 Demonstrate an understanding of the impact of financial and economic decisions for different stakeholders.

Goal 3 Outcomes:

3.1 Demonstrate effective oral communication skills

3.2 Demonstrate effective written communication skills



Goal 4 Outcomes:

4.1 Solve problems using critical thinking skills

**F. FACULTY AND STAFF: The faculty and support staff for the program should be sufficient in number and demonstrate the knowledge, skills, and other attributes necessary to the success of the program.**

- 1. Describe the faculty who will be assigned to the program. Indicate total full-time equivalent (FTE) positions required for the program, the proportion of program faculty who will be in tenure-track positions, and whether faculty positions will be new positions or reassignment of existing positions.**

Shaw Chen, Professor, College of Business, existing position

Gordon Dash, Professor, College of Business, existing position

Peter Dadalt, Assistant Professor, College of Business, existing position

Alex Hazera, Professor, College of Business, existing position

Yul Lee, Associate Professor, College of Business, existing position

Bingxuan Lin, Professor, College of Business, existing position

Henry Oppenheimer, Associate Professor, College of Business, existing position

Yin Yang, Assistant Professor, College of Business/ Arts and Science, existing position

Tong Yu, Professor, College of Business, existing position

These faculty have been provided a copy of this MSF program proposal to review and all feedback we have received has been positive and supportive.

No new FTE's are required for the program.

**G. STUDENTS: The program should be designed to provide students with a course of study that will contribute to their intellectual, social and economic well-being. Students selected should have the necessary potential and commitment to complete the program successfully.**

- 1. Describe the potential students for the program and the primary source of students. Indicate the extent to which the program will attract new students or will draw students from existing programs and provide a specific rationale for these assumptions. For graduate programs, indicate which undergraduate programs would be a potential source of students.**

We anticipate three types of student pursuing this degree program. (1) Undergraduate students from local universities such as URI, Brown, Bryant and etc. majoring in economics, finance, accounting, mathematics and engineering; (2) International students who desire to pursue a graduate degree in U.S. (3) Working professionals who seek a graduate degree to advance their careers.

There will be one prerequisite, MBA 504 – Financial Management, required for students without the sufficient background. The course will be offered online as has been for the past four years during the summer before program starts.

**L. EVALUATION: Appropriate criteria for evaluating the success of a program should be development and used.**

- 1. List the performance measures by which the institution plans to evaluate the program. Indicate the frequency of measurement and the personnel responsible for performance measurements. Describe provisions made for external evaluation, as appropriate.**

We expect to enroll 20 students the first year, and then steadily grow the program to 30 students per year in 3 years. Professors Chen and Lin will measure the success of the overall program (annually) using the following criteria.

Threshold values for each cell are based on our initial expectations for the program.

<b>Metric</b>	<b>Successful Beyond Expectations</b>	<b>As Expected</b>	<b>Does Not Meet Expectation</b>
Number of applicants per year. The larger this number, the more successful the program.	>20	15-20	<10
Number of degrees granted per year. A student should be able to complete the degree in one year if he/she takes five classes per semester. Part-time students should be able to complete the program in five semesters. If students fail to complete the requirements in these time windows, we will have to determine what the obstacles are.	>20	15-20	<10
Student diversity. We will advertise the MSF program to reach students representing a diversity of cultures, genders, ages, and stage of career.	Equitable distribution of students across all diversity categories	Some representation of diversity categories but not spread evenly	No students from underrepresented diversity categories

Evaluation Roadmap. Professors Chen and Lin will measure the attainment of learning outcomes for students as detailed in the assessment plan curriculum map found in attachment A.

External Evaluation. External evaluation will be conducted utilizing a Financial Management Advisory Board made up of individuals from industry. We will use this board to validate our course content and participate in evaluation of student presentations and projects.

DATE: October 28, 2014

TO: Nasser Zawia  
Dean, Graduate School

FROM: Linda Barrett  
Director, Budget and Financial Planning

SUBJECT: Proposal for MS Finance Program

In accordance with a request from Mark Higgins, Dean, College of Business, the Budget and Financial Planning Office has reviewed the proposal for the MS in Finance Program.

According to the proposal provided, there will be no new funding required by the University. The program utilizes existing resources and the program is expected to contribute positively to the University's revenue in future years.

Rates for the program will be in accordance with the Board of Education approved tuition and fee rates.

My understanding is that the intention is to seek approval for regional tuition for those students who live within 25 miles of the Rhode Island border. A correction should be made to the pre-proposal regarding tuition rates. There is a statement that indicates "We also have the ability to offer regional tuition to those students who live within 25 miles of the Rhode Island border, which makes the program more affordable for southeastern Massachusetts' residents who work in the greater Boston area or Providence Area." The MS Finance Program must charge the full approved tuition rates and any communications relative to rates should not reference a special rate for this program until approval has been granted.

Please see the attached which was approved by the Board of Governors specifically for the part-time, out-of-state MBA students.

Please let me know if you require any further information.

#### Attachment

cc: Donald DeHayes  
Cliff Katz  
Dean Libutti  
Laura Beauvais  
Mark Higgins  
Deborah Rosen  
Cheryl Hinkson  
Colleen Robillard  
Kelly Slocum

ffice/Budget Impact statements/MS Finance/MS Finance Program Budget Impact Statement

# STANDARD ACADEMIC PROGRAM CHANGES

## BUDGET FORM: Page 3 of 3

Use this form for programs that can be pursued on a full-time basis or  
through a combination of full-time and part-time attendance

### BUDGET SUMMARY OF COMBINED EXISTING AND NEW PROGRAM

	Year 1 20__	Year 2 20__	Year 3 20__	Year 4 20__
Total revenue	58,710	136,990	234,840	352,260
Total expenses	40,600	40,600	40,600	40,600
Excess/Deficiency	18,110	96,390	194,240	311,660

### BUDGET SUMMARY OF EXISTING PROGRAM ONLY

	Year 1 20__	Year 2 20__	Year 3 20__	Year 4 20__
Total revenue				
Total expenses	40,600	40,600	40,600	40,600
Excess/Deficiency	(40,600)	(40,600)	(40,600)	(40,600)

### BUDGET SUMMARY OF NEW PROGRAM ONLY

	Year 1 20__	Year 2 20__	Year 3 20__	Year 4 20__
Total of newly generated revenue	58,710	136,990	234,840	352,260
Total of additional resources required for program				
Excess/Deficiency	58,710	136,990	234,840	352,260

**Note:** All of the above figures are estimates based on projections made by the institution submitting the proposal.

# STANDARD ACADEMIC PROGRAM CHANGES BUDGET FORM: Page 1 of 3

Use this form for programs that can be pursued on a full-time basis or  
through a combination of full-time and part-time attendance

## REVENUE ESTIMATES

	Year 1 20	Year 2 20	Year 3 20	Year 4 20
<i>Full-Time Tuition Rate: In-State</i>	3,846	3846	3846	3846
<i>Full-Time Tuition Rate: Out-State</i>				
<i>Mandatory Fees per Student</i>	68	68	68	68
<i>FTE # of New Students: In-State</i>	15	20	25	30
<i>FTE # of New Students: Out-State</i>				
<i># of In-State FTE Students transferring in from the institution's existing programs</i>				
<i># of Out-State FTE Students transferring in from the institution's existing programs</i>				
	Newly Generated Revenue	Revenue from existing programs	Newly Generated Revenue	Revenue from existing programs
<b>Tuition and Fees</b>				
<b>First Year Students</b>				
Tuition				
In-State	57,690	76,920	96,150	115,380
Out-of-State				
Mandatory Fees	1,020	1,360	1,700	2,040
<b>Second Year Students</b>				
Tuition				
In-State	57,690	76,920	96,150	
Out-of-State				
Mandatory Fees	1,020	1,360	1,700	
<b>Third Year Students</b>				
Tuition				
In-State	57,690		76,920	
Out-of-State				
Mandatory Fees			1,020	1,360
<b>Fourth Year Students</b>				
Tuition				
In-State				57,690
Out-of-State				
Mandatory Fees				1,020
<b>Total Tuition and Fees</b>	58,710	136,990	234,840	352,260
<b>Grants</b>				
<b>Contracts</b>				
<b>Other Revenues (specify)</b>				
<b>Total</b>	58,710	136,990	234,840	352,260

Note: All of the above figures are estimates based on projections made by the institution submitting the proposal.

# STANDARD ACADEMIC PROGRAM CHANGES BUDGET FORM: Page 2 of 3

Use this form for programs that can be pursued on a full-time basis or  
through a combination of full-time and part-time attendance

## EXPENDITURE ESTIMATES

	Year 1 20		Year 2 20		Year 3 20		Year 4 20	
	Additional resources required for program	Expenditures from current resources	Additional resources required for program	Expenditures from current resources	Additional resources required for program	Expenditures from current resources	Additional resources required for program	Expenditures from current resources
<b>Personnel Services</b>								
Administrators								
Faculty		30000		30000		30000		30000
Support Staff								
Others								
Fringe Benefits _____%		10500		10500		10500		10500
<b>Total Personnel</b>		40,500		40,500		40,500		40,500
<b>Operating Expenses</b>								
Instructional Resources		100		100		100		100
Other (specify)								
<b>Total Operating Expenses</b>		100		100		100		100
<b>Capital</b>								
Facilities								
Equipment								
Other								
<b>Total Capital</b>								
<b>Net Student Assistance</b>								
Assistantships								
Fellowships								
Stipends/Scholarships								
<b>Total Student Assistance</b>								
<b>Total Expenditures</b>		40,600		40,600		40,600		40,600

**Note:** All of the above figures are estimates based on projections made by the institution submitting the proposal.