MS Financial Engineering @ NYU Tandon School of Engineering
Capstone Experience Procedures and Requirements

This document details the procedures that must be followed and the requirements that must be met in order to gain credit for this capstone experience.

TYPES OF CAPSTONE EXPERIENCES
There are four types of capstone experiences available to MS FE students: theses, projects, special topics, and internships.

Theses
A Master’s Thesis is a work of original research into the theory or practice of Financial Engineering. This work must be guided by a faculty mentor from the start. Approval to begin a Master’s Thesis is granted after the student and the faculty mentor submit an acceptable thesis proposal to the capstone advisor. Such a proposal lays out the questions to be addressed, the work to be done, the timeframe for completion of the work, and a literature review sufficiently extensive to convince the advisor that the work is new and interesting and that the student has the background knowledge to begin the effort. The written thesis must follow the prescribed style and organization of master’s theses at NYU Tandon School of Engineering. A copy of the guidelines for the style and organization for the master’s these can be found at http://engineering.nyu.edu/students/gc-forms. The written paper must be submitted to the Department of Finance and Risk Engineering electronically so that it can be checked for plagiarism. The signatures of both the faculty mentor and the capstone advisor are required for the thesis to be considered complete. The thesis must be successfully defended in a public oral presentation to obtain the capstone advisor’s signature, unless the advisor waives this requirement.

Projects
A Capstone Project is the creation of an analysis, tool, product, or other object of potential value to the financial community. Such a project must be guided by a mentor from the start; this person can come from either NYU Tandon School of Engineering’s faculty or from industry. The student and the mentor must jointly submit an acceptable project proposal to the capstone advisor to gain permission to begin a project. Such a proposal outlines the work to be done, the resources required, the potential value of the finished product, the project’s milestones, a demonstration that the student is intellectually prepared to begin the project, and a statement that the mentor will allocate the time necessary to guide the student to completion. The project must be rigorous enough to warrant the granting of three academic credits; a report detailing the outcome of the project must be filed before the work can be considered to be complete. The student should write his or her report conforming to the University’s Guidelines for Masters Projects. The guidelines for project documentation can be downloaded from the web site http://engineering.nyu.edu/students/gc-forms. The advisor reserves the right to require any student to orally defend their project in a public oral presentation.

Special Topics
Students may satisfy the capstone requirement by completing with passing grades 3 credits (2 courses of 1.5 credits each) of courses marked in the FRE section of the NYU Tandon School of Engineering catalog as “special topics” or “topics” and by writing a summary paper that outlines potential advances in these fields, identifies areas of opportunity for practitioners of financial engineering, and relates these topics to the MS FE program. The summary paper must correctly and fully attribute all source material and must provide a thorough analysis of the issues presented. The faculty believes that a successful summary paper will be at least 10 pages in length, single-spaced. Please note that the course numbers attached to these courses does not matter; they must be titled as “topics”. The summary paper must correctly and fully attribute all source material and must provide a thorough analysis of the issues presented.

Note: A credit is defined by the State of New York as having 15 weeks of classroom experience (or the equivalent) of one academic hour each (50 minutes). Each classroom hour must be supplemented by two to three hours of work outside the classroom; this includes reading, homework, studying, and writing papers. Therefore, the following formula outlines the minimum amount of time required to be spent on a 3-credit capstone experience: 150 minutes/credit/week * 15 weeks * 3 credits = 6750 minutes = 112.5 hours. We strongly desire that this minimum be exceeded by a comfortable margin.
Internships

An internship in financial engineering is the employment of an MS FE student in a meaningful position in the financial industry in which the student is provided the opportunity for intellectual growth and career-building experience. Internships are managed by industrial employers, and must be approved in advance by the capstone advisor. The student must provide a letter from the employer that documents the work to be performed and the number of hours. Currently, a minimum of 20 hours per week for 15 weeks is required. Once approved by the capstone advisor (and by OGS for foreign students on a F1 visa), a permission number is obtained for the capstone course FRE 7023 and the student can register for the course. A report must be presented to the advisor at the completion of the internship, outlining the tasks that were required of the student and the topics learned during the internship, both theoretical and practical, and relating these topics to the MS FE program.

Note: It is possible that some of the things learned by a student in an internship will be company confidential; indeed, in a well-designed internship this is more likely. Reports to the Director must be made in full, but accommodations will be made for confidential material. There are many ways to manage this issue, including but not limited to: non-disclosure agreements, careful editing of written work and oral presentations made privately that supplement the written report.

REGISTRATION AND GRADING:

Each of the capstone experiences requires that the student register for three credits. Master’s thesis students must register for FRE-GY 9973, internship students for FRE-GY 7023, project students for FRE-GY 7043, and Special Topics students for FRE-GY 5990 in their last Semester before graduation. No student shall be registered for any of these courses without the signature of the advisor or the advisor’s designee. In addition, internship students who are foreign students on a F1 visa must have their internship approved by OGS. Furthermore, these students are only allowed to work full-time during the breaks and in their last Semester before graduation, provided they only register for a maximum of 3.0 credits in addition to the internship. Finally, all the students in their last Semester before graduation must register for FRE-GY 5990, in order to obtain validation of their capstone experience from the capstone advisor.

For both thesis and project students mentored by faculty members, the final grade for the experience will be assigned by the faculty mentor. For project students mentored by industry leaders and students completing internships, the final grade may be suggested by the industry mentor or employer but will be decided upon by the capstone advisor. In all cases, the capstone experience is not complete and no grade is to be entered until the capstone advisor certifies that all requirements have been met and all procedures followed. Grading for the capstone internship is either P (pass) or F (fail).

IMPORTANT: In the final semester, you must register for FRE-GY 5990 Capstone Assessment (0 credit). The Master of Science in Financial Engineering program offers four types of Capstone experiences to its graduate students: theses, projects, special topics, and internships. This Capstone Assessment will serve as a centralized measure for the various types of Capstone experiences to identify whether students have successfully completed this experience and garner feedback about graduating students’ skills and professional readiness. Note: course should be completed during final semester of studies. Co-requisites: FRE-GY 9973 or FRE-GY 7023 or FRE-GY 7043, or two special topics courses of 1.5 credits each with a capstone paper submitted to the faculty.

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