NJIT New Jersey's Science & Technology University

THE COLLEGE OF SCIENCE AND LIBERAL ARTS

THE DEPARTMENT OF MATHEMATICAL SCIENCES

MATH 477: Stochastic Processes
Spring 2020 Course Syllabus

NJIT Academic Integrity Code: All Students should be aware that the Department of Mathematical Sciences takes the University Code on Academic Integrity at NJIT very seriously and enforces it strictly. This means that there must not be any forms of plagiarism, i.e., copying of homework, class projects, or lab assignments, or any form of cheating in quizzes and exams. Under the University Code on Academic Integrity, students are obligated to report any such activities to the Instructor.

COURSE INFORMATION

Course Description: This course introduces the theory and applications of random processes needed in various disciplines such as mathematical biology, finance, and engineering. Topics include discrete and continuous Markov chains, Poisson processes, as well as topics selected from Brownian motion, renewal theory, and simulation. Effective From: Spring 2009.

Number of Credits: 3

Prerequisites: Introductory Probability (Math 244 or Math 333), Linear Algebra (Math 337), and familiarity with basic ordinary differential equations.

Course-Section and Instructors

Course-Section	Instructor
Math 477-102	Professor D. Horntrop

Office Hours for All Math Instructors: Spring 2020 Office Hours and Emails

Required Textbook:

Title	*Introduction to Probability Models*
Author	Ross
Edition	11th
Publisher	Pearson
ISBN #	978-0124079489
Additional References	S. Karlin and H. Taylor, *A First Course in Stochastic Processes*, contains a more theoretical treatment of many of the topics of this course. P. Hoel, S. Port, and C. Stone, *Introduction to Stochastic Processes*, is a classical intro- duction to stochastic processes.

	H. Taylor and S. Karlin, *An Introduction to Stochastic Modeling*, is similar in breadth and depth as our textbook.

University-wide Withdrawal Date: The last day to withdraw with a **W** is **Monday, April 6, 2020**. It will be strictly enforced.

COURSE GOALS

Course Objectives and Description: Instruction will gear toward concepts and methods of stochastic processes such as discrete- and continuous-time Markov chains, homogeneous and nonhomogeneous Poisson processes, and Brownian motion and related topics.

Course Outcomes

- Conditioning in probability and statistics
- Homogeneous and non-homogeneous Poisson processes
- Discrete and continuous Markov chains
- Brownian motion
- Simulate Poisson process event times, Metropolis—Hastings algorithm, Gibbs sampling
- Problem solving skills involving stochastic calculations

Course Assessment: Will be based on regular homework, one midterm exam, and one final exam.

POLICIES

DMS Course Policies: All DMS students must familiarize themselves with, and adhere to, the Department of Mathematical Sciences Course Policies, in addition to official university-wide policies. DMS takes these policies very seriously and enforces them strictly.

Grading Policy: The final grade in this course will be determined as follows:

Homework and Quizzes	30%
Midterm Exam	35%
Final Exam	35%

Your final letter grade will be based on the following tentative curve.

A	90 - 100	**C**	68 - 74
B+	85 - 89	**D**	50 - 67
B	80 - 84	**F**	0 - 49
C+	75 - 79		

Attendance Policy: Attendance at all classes will be recorded and is **mandatory**. Please make sure you read and fully understand the Math Department's Attendance Policy. This policy will be strictly enforced.

Homework Requirements: Homework assignments/projects will be given frequently. Each assignment must be turned in at the beginning of class. Late assignments are NOT accepted. Early assignments are always welcomed and are appropriate for preplanned absences from class. Your work must be shown in order to receive credit. You should read the relevant sections of the textbook prior to lecture.

Quizzes: From time to time, quizzes may be given. Make up quizzes are NOT given.

Attendance: Attendance at and participation in all lectures is expected. If you know in advance that you will be absent from class for a legitimate reason, please tell me prior to your absence so that appropriate arrangements (if any) can be made. Tardiness to class is very disruptive of the classroom environment and should be avoided.

Exams: There will be a midterm examination and a final examination. The midterm examination will occur before the "drop" deadline. The final examination date, time, and location will be determined by the university.:

Midterm Exam	TBA
Final Exam Period	TBA

The final exam will test your knowledge of all the course material taught in the entire course. Make sure you read and fully understand the Math Department's Examination Policy. This policy will be strictly enforced.

Makeup Exam Policy: There will be **NO MAKE-UP QUIZZES OR EXAMS** during the semester. In the event an exam is not taken under rare circumstances where the student has a legitimate reason for missing the exam, the student should contact the Dean of Students office and present written verifiable proof of the reason for missing the exam, e.g., a doctor's note, police report, court notice, etc. clearly stating the date AND time of the mitigating problem. The student must also notify the Math Department Office/Instructor that the exam will be missed.

Cellular Phones: All cellular phones and other electronic devices must be switched off during all class times.

ADDITIONAL RESOURCES

Math Tutoring Center: Located in the Central King Building, Lower Level, Rm. G11 (See: Spring 2019 Hours)*

Further Assistance: For further questions, students should contact their instructor. All instructors have regular office hours during the week. These office hours are listed on the Math Department's webpage for Instructor Office Hours and Emails.

All students must familiarize themselves with and adhere to the Department of Mathematical Sciences Course Policies, in addition to official university-wide policies. The Department of Mathematical Sciences takes these policies very seriously and enforces them strictly.

Accommodation of Disabilities: Disability Support Services (DSS) offers long term and temporary accommodations for undergraduate, graduate and visiting students at NJIT.

If you are in need of accommodations due to a disability please contact Chantonette Lyles, Associate Director of Disability Support Services at 973-596-5417 or via email at lyles@njit.edu. The office is located in Kupfrian Hall, Room 201. A Letter of Accommodation Eligibility from the Disability Support Services office authorizing your accommodations will be required.

For further information regarding self identification, the submission of medical documentation and additional support services provided please visit the Disability Support Services (DSS) website at:

- https://www.njit.edu/studentsuccess/accessibility/

Important Dates (See: Spring 2020 Academic Calendar, Registrar)

Date	Day	Event
January 21, 2020	T	First Day of Classes
January 31, 2020	F	Last Day to Add/Drop Classes
March 15 - 22, 2020	Su-Su	Spring Recess: No Classes/ University Open

April 6, 2020	M	Last Day to Withdraw
April 10, 2020	F	Good Friday - University Closed
May 5, 2020	T	Friday Classes Meet - Last Day of Classes
May 6 & 7, 2020	W & R	Reading Days
May 8 - 14, 2020	F - R	Final Exam Period

Course Outline

Course Topics
Review of basic probability, common discrete and continuous distributions, moment gen- erating functions, conditional probability.
Discrete-time Markov chains, Chapman–Kolmogorov equations, classification of states, limiting probabilities, mean time in transient states, applications.
Exponential distribution, Poisson processes.
Continuous-time Markov chains, birth and death processes, transition probabilities, time reversibility.
Stationary processes, Brownian motion, Gaussian processes, white noise, pricing stock options.