**CORE COURSE EXEMPTION PROCESS**

The core curriculum at Fuqua provides a foundation for graduate business education. Faculty members expect each student to gain this basic core of knowledge; however, many students may be qualified to exempt one or more of these core courses. If your undergraduate background or work experience has adequately covered core material, we strongly encourage you to exempt the core requirement and select an appropriate elective in its place.

You will not earn credit for a course you exempt; however, you will gain the opportunity to take additional elective courses, which may be helpful in shaping your career transition and job search. The faculty members encourage taking courses outside of your particular area of interest as a means of enhancing your career goals and broadening your educational experience.

There are two types of core course exemptions available: administrative and by examination. You may receive an administrative exemption based on prior coursework or professional experience, or you may wish to demonstrate your knowledge by taking an exemption exam upon arrival at Fuqua. (Note: Some courses are restricted to exemption by exam only or by administrative exemption only.)

You will be pre-registered for the core curriculum. You do not need to do anything about registration before your arrival in August except to apply for administrative exemptions. Exemption results will be sent to you via e-mail. At that time, those of you who receive an exemption will be given instructions about finalizing your class schedule.

**ADMINISTRATIVE EXEMPTIONS**

The guidelines for obtaining an administrative exemption are unique for each course and will require specific documentation from you. Please see the table below for which courses will consider administrative exemptions. Also see the detail available for exemptions for each course. The appropriate faculty member will review your request and decide from the following:

- Grant an unconditional exemption
- Grant a conditional exemption and specify which course you must take in place of the core course
- Encourage you to take the exam (if applicable)

All requests for administrative exemption should be sent to Fuqua Registrar by **Monday, June 20, 2016 or as noted in the course guideline** (see address below). **Note that for certain courses the June 20 deadline is strictly enforced.**

Fuqua Registrar  
Duke University, Fuqua School of Business  
100 Fuqua Drive  
Box 90120  
Durham, NC 27708-0120

or

registrar-info@fuqua.duke.edu

**Note:** If you are requesting multiple administrative exemptions, please send a separate letter or email (and copies of applicable transcript(s)) for each course you wish to exempt. Please compile into one mailing. Separate envelopes are not necessary.
**Exemption by Exam**

Exemption exams will be offered upon your arrival at Fuqua. Exam dates will be posted on our Web site at [http://www.fuqua.duke.edu/student_resources/academics/exemptions/](http://www.fuqua.duke.edu/student_resources/academics/exemptions/) You do not need to sign up or pre-register to take an exemption exam; simply show up at any of the given time slots.

The table below notes which courses may be exempted administratively, which may be exempted through exam, and which may be exempted through either process.

<table>
<thead>
<tr>
<th>Course Area</th>
<th>Number</th>
<th>Title</th>
<th>Term Offered</th>
<th>Admin</th>
<th>Exam</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCOUNTG</td>
<td>590</td>
<td>FINANCIAL ACCOUNTING</td>
<td>FALL 1</td>
<td>CPA</td>
<td>YES</td>
</tr>
<tr>
<td>DECISION</td>
<td>610</td>
<td>PROBABILITY &amp; STATISTICS</td>
<td>FALL 1</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>MGRECON</td>
<td>780</td>
<td>MANAGERIAL ECONOMICS</td>
<td>FALL 1</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>FINANCE</td>
<td>645</td>
<td>GLOBAL FINANCIAL MANAGEMENT</td>
<td>FALL 2</td>
<td>CFA LEVEL III</td>
<td>YES</td>
</tr>
<tr>
<td>MARKETNG</td>
<td>795</td>
<td>MARKETING MANAGEMENT</td>
<td>FALL 2</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>STRATEGY</td>
<td>835</td>
<td>FOUNDATIONS OF STRATEGY</td>
<td>FALL 2</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>OPERATNS</td>
<td>820</td>
<td>OPERATIONS MANAGEMENT</td>
<td>SPRING 1</td>
<td>YES</td>
<td>YES</td>
</tr>
</tbody>
</table>

For an online version of the exemption process, please visit us at: [http://www.fuqua.duke.edu/documents/student_resources/academics/Exemption_Information.pdf](http://www.fuqua.duke.edu/documents/student_resources/academics/Exemption_Information.pdf)
ACCOUNTG 590 - Financial Accounting

Administrative Exemption
Students who have passed the Certified Public Accounting (CPA) exam will be granted an unconditional administrative exemption from ACCOUNTG 590. You must send a copy of your CPA certificate or other documentation to:

Fuqua Registrar
Duke University, Fuqua School of Business
100 Fuqua Drive
Box 90120
Durham, NC 27708-0120

or

registrar-info.fuqua.duke.edu

Submission deadline is Monday, June 20, 2016

If you have not passed the CPA exam, you have the following two alternatives for satisfying the financial accounting core course requirement:

(1) Enroll in ACCOUNTG 590, Financial Accounting.

(2) Pursue an exemption from ACCOUNTG 590 by taking an exemption exam.

Exemption by Exam
Any student may take the exemption exam. Good candidates for passing this exam typically will have had more than one course in financial accounting. The exam is open book, open notes and use of a calculator is permitted. Fundamental issues associated with accounting for assets, liabilities, and shareholders’ equity are emphasized on the exam. You should understand the effects of economic events and alternative accounting methods on financial statements, and be able to interpret those statements.

The exam will cover the following topic areas:

Basic Financial Statements

1. Measuring financial position: the balance sheet
   - Asset and liability valuation
   - The historical cost principle

2. Measuring income: the income statement
   - Revenue and expense recognition
   - The matching principle
   - The realization principle

3. Measuring cash flows: the statement of cash flow
   - Operating activities - indirect and direct methods
   - Financing activities
   - Investing activities

Accounting for Assets

1. Accounts receivable and the allowance for doubtful accounts
2. Marketable securities and long-term investments in securities
3. Inventory
   - Cost flow assumptions (e.g., LIFO, FIFO) and their implications
   - Valuation principles
4. Tangible and intangible long-term assets
   - Valuation principles
   - Depreciation/amortization methods and their implications
5. Business Combinations – Purchase Method of Accounting

Accounting for Liabilities
1. Accounts payable and accrued expenses
2. Notes payable
3. Bonds payable
   – Issued at par, at a premium, and at a discount
   – Issuance, subsequent interest payments and valuation, and retirement
4. Deferred income taxes

Accounting for Shareholders’ Equity
1. Common and preferred stock
2. Treasury stock
3. Stock options and warrants
4. Retained earnings

Suggested textbooks for exam review:
DECISION 610 Probability and Statistics

Exemption by Exam
All exemptions for DECISION 610 are by exam only and will be awarded by an ad hoc committee of faculty members appointed by the decision science area coordinator. The committee is responsible for the writing and grading of the exemption exam. There are no administrative exemptions.

First, the exam will be open book, open notes (feel free to use whatever materials you think will be helpful) and will cover the following topics:

- Basic probability, random variables, summary statistics (simple events, compound events, conditional probability, probability trees, Bayes’ rule; binomial, normal, uniform distributions; functions of random variables; measures of location and dispersion: mean, median, geometric mean, range, std. deviation, variance)
- Basic statistics (sampling, sampling distributions, central limit theorem, point estimates, confidence intervals)
- Linear regression (correlation, simple and multiple regression, interpreting regression parameters and computer output, regression modeling and forecasting)

The committee may award:
- An unconditional exemption
- A conditional exemption, specifying a particular course or courses the student should take instead of DECISION 610
- No exemption, requiring the student to take DECISION 610

This decision will be communicated to the Fuqua Registrar before the beginning of the term.

Suggested textbooks for exam review:
- Managerial Statistics - A Case-Based Approach by Klibanoff, Sandroni, Moselle and Saraniti (Thomson).
**MGRECON 780 - Managerial Economics**

MGRECON 780 is a course in managerial economics that is at the level of a quantitatively based intermediate microeconomics course. It is the policy of the economics faculty to exempt a student from MGRECON 780 if the student can demonstrate mastery of the material.

Faculty may award:
- An unconditional exemption
- A conditional exemption, requiring you to take a specified elective course instead of MGRECON 780
- No exemption, requiring you to take MGRECON 780.

**Administrative Exemption**

First, determine if your undergraduate course work meets all of the following three conditions:

1. Your undergraduate major was in economics, mathematics, statistics, operations research, engineering or physics.

2. You received a grade of "B+" or better in intermediate or advanced Microeconomics (also called intermediate or advanced Price Theory). Note: an introductory course does not meet this condition.

3. "You received a grade of "B+" or better in an advanced micro-based elective course in economics, requiring intermediate micro as a prerequisite. Examples of such electives are Industrial Organization, Theory of the Firm, Labor Economics, International Trade, and Public Finance."

To avoid confusion, please note that **all three conditions must apply.** In addition to condition 1, you need to have taken at least two courses, one that meets criterion 2, and an elective that meets criterion 3.

Second, submit:

i) copies of your transcripts from the institutions where you have completed specific courses that you want the faculty to consider and

ii) a brief letter that identifies the specific items on your transcripts that demonstrate that all three conditions for an administrative exemption have been satisfied. If a course name or some other aspect of your transcript is vague with respect to the criteria specified above, call the Office of the Registrar at your undergraduate institution and ask them to send you a copy of the course description from the school catalog for the year you took the course, and include this copy with your submitted materials.

Send the materials to:

Fuqua Registrar  
Duke University, Fuqua School of Business  
100 Fuqua Drive  
Box 90120  
Durham, NC 27708-0120

Submission deadline is Monday, June 20, 2016. [This deadline will be strictly enforced.]
Your letter and transcript will be reviewed to determine if your course work provides an effective substitute for MGRECON 780. In cases where there is some uncertainty regarding the criteria specified above, the economics faculty reserve the right not to grant an administrative exemption.

**Exemption by Exam**
You may take the exemption exam for MGRECON 780 at any of the scheduled times. The exam is provided as an alternative to the administrative exemption and will allow students who demonstrate that they know the material to exempt MGRECON 780. Any student may take the exemption exam. The exam, like the course, is at the intermediate micro level and contains a moderate amount of mathematics. Material on the exam includes, but is not necessarily limited to:

- Consumer Behavior
- Demand Theory
- Production Theory
- Theory of Cost
- Perfect Competition
- Monopoly
- Oligopoly
- Elements of Game Theory
- Market Intervention -- Antitrust and Regulation

Textbooks that may be helpful in reviewing the basics for the exam are: *Microeconomics*, by Pindyck and Rubinfeld (Prentice Hall), *Managerial Economics*, by Pappas and Hirschey (Dryden), and *Microeconomic Theory* by Nicholson (Dryden).

*Note: Feel free to review material for the exam, but there is no point in "studying" for the exam. The whole idea of an exemption is that you have a working knowledge of the material, and not that you set out to learn new material for a test.*
**FINANCE 645  Global Financial Management**

**Administrative Exemption**

If you have passed the Chartered Financial Analyst (CFA) Level III exam, you will be granted an unconditional administrative exemption from FINANCE 645. To receive this exemption, you must send evidence documenting that you have passed the CFA Level III examination to:

Fuqua Registrar  
Duke University, Fuqua School of Business  
100 Fuqua Drive  
Box 90120  
Durham, NC 27708-0120

or

registrar-info@fuqua.duke.edu

The submission deadline is Monday, June 20, 2016. If you missed the submission deadline but qualify for an administrative exemption from FINANCE 645, please bring the required documentation to the Fuqua Registrar’s Office as soon as possible. The office is located in the basement (under the Fox center stairs) in the Student Services suite.

**Exemption by Exam**

This is a closed-book exam, but students are allowed to bring notes written on both sides of one 8.5” × 11” sheet of paper. The time allotment for the exam is three hours.

The material tested in the exemption exam for FINANCE 645 is drawn from chapters 3-13 in the textbook used for the course:


Specifically, in order to pass the exam, you should have a thorough working knowledge of the following topics (with the relevant sections from the textbook by Berk and DeMarzo).

1. Time Value of Money and Net Present Value  
   - Berk and DeMarzo: sections 3.1-3.3, chapter 4, sections 5.1-5.2
2. Investment Decisions and Basic Valuation  
   - Berk and DeMarzo: chapters 7-8
3. Stock Valuation  
   - Berk and DeMarzo: sections 9.1-9.4
4. Bond Valuation  
   - Berk and DeMarzo: chapter 6
5. Risk and Return  
   - Berk and DeMarzo: chapters 10-11
6. Cost of Capital and Valuation  
   - Berk and DeMarzo: chapter 12
7. Market Efficiency and Asset Management  
   - Berk and DeMarzo: chapter 13
MARKETING 795 - Marketing Management

Administrative Exemption
You may receive an administrative exemption based on previous course work at undergraduate or graduate level.

Prior undergraduate work:

1. If you have taken three or more undergraduate marketing classes at an AACSB-accredited school, and
2. You have a GPA of 3.3 or higher for some combination of three of those courses, and
3. These courses have had a substantial Harvard Business School case analysis component.

In addition you may be offered a conditional exemption if
1. You have taken at least two courses in marketing at an AACSB-accredited school, and
2. You have a GPA of 3.3 or higher in some combination of those two courses.
3. These courses have had a substantial Harvard Business School case analysis component.

When applying for a marketing core exemption, please elaborate on your case experience.

Prior Graduate (Masters) level work:

1. If you have taken a marketing management course at Masters Level you may qualify for exemption provided the course had a substantial Harvard Business School case analysis component and your GPA was 3.3 or higher.

If you believe you may qualify for an administrative or conditional exemption, please send a letter to:

Fuqua Registrar
Duke University, Fuqua School of Business
100 Fuqua Drive
Box 90120
Durham, NC 27708-0120

or

registrar-info@fuqua.duke.edu

Submission deadline is Monday, June 20, 2016.

Please provide copies of your transcripts from universities where you completed specific courses that you want the faculty to consider. If the course content is not clearly defined by the course title, please include a brief description of the course, the course requirements, and the textbook used. Please highlight these courses on the transcript(s) you provide.

Exemption by Exam
Any student may take the exemption exam.

Suggested texts for exam review:
OPERATNS 820 - Operations Management

Administrative Exemption
Administrative exemptions are granted to students with a Master’s or a Bachelor’s degree in operations management, operations research, or industrial engineering with a final GPA of at least 3.0. Students who do not have any of these degrees should take an exemption exam in order to gain an exemption. If you feel you meet these requirements, please send a written statement with supporting materials to the following address:

Fuqua Registrar
Duke University, Fuqua School of Business
100 Fuqua Drive
Box 90120
Durham, NC 27708-0120

or

registrar-info@fuqua.duke.edu

Submission deadline is November 4, 2016.

The statement should include: a transcript (in English) indicating the degree received, a list of all operations management courses taken along with course descriptions and grades received, and a brief statement of the main reasons why you feel you would not benefit from taking OPERATNS 820.

Exemption by Exam
Note: You may take the exemption exam for Operations 820 – TIME/DATE TO BE ANNOUNCED

Anyone may take the exemption exam. If you have significant previous course work in operations management and/or work experience in operations management (but you do not qualify for an administrative exemption) you are encouraged to take the exam. The exam is closed-book. To do well on the exam you should have an understanding of the qualitative managerial issues and the ability to perform quantitative analysis related to the following topics.

• Capacity management and production planning
• Process Analysis and Queuing
• Process improvement, total quality management, and statistical process control
• Process selection
• Independent demand inventory systems
• Material requirements planning
• Just-in-time production systems
• Manufacturing strategy
• Service operations

Suggested textbooks to use in studying for the exam are:
Administrative Exemption
You may apply for an administrative exemption from "Foundations of Strategy" based on previous course work. As the course name suggests, "Foundations of Strategy" is an introduction to the core issues and frameworks used to assess effective business strategies. The course makes extensive use of Harvard Business School cases and is largely discussion oriented. Due to the unique content and delivery of the course, we discourage exemption unless a student has graduate-level strategy training. To be eligible for an exemption, a student must satisfy the following conditions:

- Previous completion of two or more graduate level strategy classes with a grade of A- or higher (3.66 on a 4.0 scale) at an AACSB-accredited school. (Undergraduate courses do not qualify.)

If you believe that you might qualify for an administrative exemption, please send a letter to:

Fuqua Registrar
Duke University, Fuqua School of Business
100 Fuqua Drive
Box 90120
Durham, NC 27708-0120

or

registrar-info@fuqua.duke.edu

The submission deadline is Monday, June 20, 2016.

Please provide copies of your transcripts from the universities where you completed the specific courses that you want considered. Please highlight the courses on the transcript(s) you provide. If the course content is not clearly defined by the course title, please include a brief description of the course, the course requirements, and the textbook used. Please also provide a course syllabus if possible.

Exemption by Exam
There is no exemption exam for Foundations of Strategy.