

**EE 500: NEURAL LEARNING AND COMPUTATIONAL
INTELLIGENCE**
Fall 2017

Professor Kosko
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6:30 – 10:20 Wednesday
Hours: Wed 4:00 - 5:00
Fri 6:00 – 7:00
voicemail: (213) 740 - 6242

Summary: The course presents modern neural learning and computational intelligence techniques. This includes neural systems, deep learning, adaptive pattern classification, fuzzy function approximation, and hybrid systems. Applications to financial engineering and other areas of signal processing. Students will work in pairs to prepare and present a final project that applies computational intelligence techniques to an approved problem.

Required: Kosko, B., *Fuzzy Engineering*, Prentice Hall, 1997
Kosko, B., *Neural Networks and Fuzzy Systems*, Prentice Hall, 1992
Note: Above two texts available as a bound copy in the bookstore.

Recommended: Ross, S. M., *An Elementary Introduction to Mathematical Finance*,
3rd edition, Prentice Hall, 2011
Bishop, C., *Pattern Recognition and Machine Learning*, Springer, 2006

COURSE OUTLINE

Aug 23: Intro to computational intelligence. Neural nets and approximators.
Aug 3: Feedback stability. Uncertainty types. Multilayer perceptrons.
Sep 6: Regression and classification. Probable inference. Rational asset pricing.
Sep 13: Two-stage RAP. Multivalued sets. Probability framework: Mixtures.
Sep 20: IP overview. Approximate reasoning. Expectation-Maximization (EM).
Sep 27: MIDTERM I. Deep learning. EM-backpropagation. Pareto optimality.
Oct 4: Coase theorem. Capital asset pricing. Standard additive model.
Oct 11: Expert fusion. SAM supervised learning. Mixture learning. Martingales.
Oct 18: Approximator statistics. Bayesian inference. Project proposals due.
Oct 25: Pricing derivatives with Black-Scholes. Recurrent backpropagation.
Nov 1: MIDTERM II. Unsupervised and competitive learning. Clustering.
Nov 8: Adaptive resonance. Neural vector quantization. MCMC and annealing.
Nov 15: Gradient systems. Classical supervised learning. Feedback models.
Nov 22: Project presentations. Mandatory attendance.
Nov 29: Project presentations. Mandatory attendance. Summative instructions.

EE 500: NEURAL AND FUZZY SYSTEMS

GRADING PROCEDURE

1. **Midterms.** Two midterms. Each worth 25 points.
2. **Homework.** Checked and recorded. Not graded. A perfect set of worked homework problems can earn 10 points. Lesser homework sets earn fewer points. Grade stays as is if only some homework turned in. How much homework counts for how many points lies at the discretion of the instructor and teaching assistant. Students may discuss the homework problems among themselves but each student must work his or her own problems. Cheating warrants a course grade of F.
3. **Project.** Well prepared and presented project worth 50 points. Exceptional projects can earn an automatic course grade of A. Hence: *Project excellence trumps all else.* Projects must have the instructor's written approval. Failure to present a project on schedule results in automatic course grade of F. Project evaluation at discretion of instructor and teaching assistant. View project as the final exam.
4. **Course Grade.** 100 points possible in course.

A	if	90 - 100
B	if	80 - 89
C	if	70 - 79
D	if	60 - 69
F	if	0 - 59
5. **Cheating.** Not tolerated. Common errors in homework and exams can count as written evidence of cheating. Penalty ranges from F on exam to F in course to recommended expulsion.
6. **Statement for Students with Disabilities.** Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to TA) as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.
7. **Statement on Academic Integrity.** USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. *Scampus*, the

Student Guidebook, contains the Student Conduct Code in Section 11.00, while the recommended sanctions are located in Appendix A:
<http://www.usc.edu/dept/publications/SCAMPUS/gov/>. Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: <http://www.usc.edu/student-affairs/SJACS/>.

8. Academic Conduct

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu> or to the *Department of Public Safety* <http://capsnet.usc.edu/departments/departments-public-safety/online-forms/contact-us>. This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage <http://sarc.usc.edu> describes reporting options and other resources.

9. Support Systems

A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students. *The Office of Disability Services and Programs* http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* <http://emergency.usc.edu> will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.