York University



**School of Administrative Studies**

**AP/ADMS 2541 Course Outline**

# Introduction to Personal Finance

**Section A: Wednesday 11:30 – 2:20 p.m.**

**This version is a draft: Due dates of in-class assignments and homework may be changed.**

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| **Classroom** | **Ross South 203** |  |
| **Instructor** | Chris Robinson PhD CFP® CPA,CA |
| **Office** | 258A Atkinson |  |
| **Email** | crobinso@yorku.ca |  |
| **Office Hours** | Please contact me on email so we can set up a mutually agreeable time. You will get better quality answers faster if you ask your questions on the Discussion Forum or if personal, in an email, rather than asking for an appointment in person. |  |
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## Course Description

The course introduces personal financial topics and decisions necessary to manage a household’s financial resources. Topics include financial goal setting, financial planning, budgeting, credit management, saving, investing, personal income taxes, insurance, and retirement planning.

## Learning Outcomes:

By the end of this course, you will be able to:

* Specify financial goals and create personal financial statements; including a balance sheet, income and expense statement, and budget and use these statements to measure financial progress.
* Understand, calculate, and use interest rates and inflation rates necessary in financial planning.
* Evaluate common financial products offered in Canada and how they can be used to effectively manage your personal finances.
* Effectively manage debt and build good credit.
* Use the necessary decision-making skills to make a major consumer purchase such as a home or automobile.
* Identify and classify potential risks faced by individuals and families and formulate strategies for handling these risks, including the purpose of insurance.
* Demonstrate foundational knowledge of investments, including stocks, bonds and mutual funds and understand how to incorporate those into your financial plan.
* Solve basic retirement planning problems, which includes estimating the amount needed in retirement, how much one needs to save and demonstrate understanding of the plans and products used in retirement planning such as RRSPs, TFSAs, and CPP.

**Prerequisites:** none

**NCR Note:** Students a) who have received credit for AP/ADMS 3541 3.00 may not subsequently take ADMS 2541 3.00 for degree credit; b) may not take both courses concurrently.

## How this class works

I teach primarily in a flipped classroom. I do very little lecturing. You come to class and work on whatever problems/questions/explorations I give you. Some of it is the in-class assignments or even homework, that will be graded. Some work will use the internet. For example, in the Investment practicum class you will create a simple portfolio of mutual funds and/or ETFs for a family situation that I give you. You will get the information for some possible investments from the internet, and then decide how the family should invest its money. To succeed in this course, you must attend the classes, for the entire time, and do the work in them. You read the textbook and watch videos at home in preparation. You will retain more of the learning in this setting than if I lecture at you for three hours, you will get some of the homework done in class and you will be better prepared for the exams.

## Required Text

Kapoor, J.R., Dlabay, L.R., & Hughes, R.J., & Ahmad, A. *Personal Finance.* Irwin, McGraw-Hill, 7th Canadian Edition.

There are many options for the textbook including an eBook version ($89), an eBook version with access to a loose leaf copy of the book ($89+$30).

There are several copies available for reserve through the Toronto Public Library and there are two on reserve at Bronfman.

Note: You do not need to buy the additional access to CONNECT.

## Evaluation Scheme

  **Marks**

|  |  |
| --- | --- |
| Budget Assignment |  20% |
| Insurance Assignment |  5 |
| Homework  |  25 |
| In-class work  |  15 |
| Exam 1 |  10 |
| Exam 2 |  25 |
|  | 100% |

**Confidentiality**

The marker and I will maintain complete control of all work you hand it. Because this is a personal finance course, you may reveal personal information. We will not use this information for any purpose other than marking, we will not retain anything, and in practice we will make sure that we don’t remember anything personal about you. If you have any concerns, you may talk to me about it in confidence.

**Homework Problems:**

Homework assignments will be due throughout the semester. You may submit them solo or in pairs (only one submission from two people). I suggest you do these problems and assignments just after reading the chapters, attending the class on the topic, and reviewing the course notes. Working with the material in the chapters will help you do better on the exams. The homework assignments are equally weighted, for a total of 25% of your grade. Most homework is due at the start of each class and NO late homework is accepted, except as noted below. On occasion, homework might be done in class. In those cases, you must be present to get credit for it. I will announce this in advance. Homework 5 will be a problem from my last final exam, which will help with your exam preparation.

**In-class Work:**

Most weeks we will have an in-class problem set that you will work on in small groups. You will be able to drop your lowest mark, which really means you are able to skip one class and not be penalized. There are absolutely NO make-ups on in-class work after the first week’s in-class assignments. You must be present to get credit. They may be marked 80% for effort and completeness and 20% for accuracy or perhaps 100% on effort and completeness.

Exceptions on due dates

I will accept in-class Assignment 1 and Homework 1 up to the end of Week 4 because they are so important for the Budget Assignment. In-class 1 can only earn 9/10 if handed in after week 1.

**Exams:**

You may bring any calculator you like plus one page of notes to Exam 1. Exam 1 will be held very early and time value of money will be a major component of it. This keeps it out of the midterm rush and gives you a measure of progress early. Doing the homework and in-class assignments is how you learn and get relatively easy marks, while preparing for the exams. Exam 2 will be split into two parts. One part will be fairly difficult take home problems and cases that you will get four or five days before the exam date, and hand in at the start of the final exam. The other part will be closed book, mostly concepts, definitions, questions to make you think, with little numerical content.

**Missed Exams: Read Carefully!**

If you miss am exam due to illness, you must notify your professor within 24 hours. ***Students who miss exams have no automatic rights to a make-up exam.*** If you have an excused absence from an exam (e.g. severe illness), appropriate arrangements will be made. No deferred exam will be offered for Exam 1. Missing an exam, for any reason, is strongly discouraged. Note that a headache, stomach ache or cold is **not** considered a sufficient excuse. I have little patience for students who miss an exam. I find most do so because they are not prepared. The only documentary evidence that will be accepted to support missing an exam due to illness is the Attending Physician’s Statement (see link below). This form must be completely filled out and submitted to the administrative offices for the School of Administrative Studies in 282 Atkinson. These offices are open during normal hours, and also until 7:30 p.m. Monday to Thursday. Note that submission of an APS does not automatically excuse your absence. You do not need to submit an Academic Petition Form.

## Class Schedule. Due dates and topics are subject to change.

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| **Week** | **Topics** | **Readings** | **Due Dates** |
| 1: Sep 4 | Introduction to personal financeMoney Management: Strategy and Tools | Chapter 2 | In-class #1In-class #2 |
| 2: Sep 11 | Understanding Personal Finance and Time Value of Money | Chapter 1 | Homework #1 Due |
| 3: Sep 18 | Banking services and Intro to Credit | Chapter 4Chapter 5 | Homework #2 Due |
| Sun Sep 22 | **Exam 1**, 10 am – 1 pm, ACE 001 |  |  |
| 4. Sep 25 | Debt and Consumer CreditGuest lecture on behavioural finance | Chapter 5 Chapter 6 | In class 5 |
| 5: Oct 2 | More on debt and consumer credit. Income taxes | Lecture note on Tax | In-class 6 |
| 6: Oct 9 | Income taxes cont’dFinances of Housing | Chapter 7,Lecture notes | In-class 7 |
| Oct 12 – 18 | Reading Week |  |  |
| 7: Oct 23 | Managing Risk. Property and Liability Insurance | Chapter 8  | Homework #4 Due on-line date TBA |
| 8: Oct 30 | Life, health and disability insurance | Chapter 9 | In-class #8 |
| 9: Nov 6 | Investments Part 1 and 2 | Chapters 10 and 11 | Budgeting assignment due (in class) |
| 10: Nov 13 | Investments Part 3 and 4 | Chapters 11 and 12 | Life Insurance Assignment due on-line date TBA |
| 11: Nov 20 | Investment practicum  | Chapter 13 | In-class #9 |
| 12: Nov 27 | Retirement and Estate Planning  | Chapter 14  | In-class #10Homework #5 Due on-line date TBA |
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| --- | --- |
| Date TBA | **Exam 2 in the regular exam period: Dec 5 – 20.** |

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**RELEVANT UNIVERSITY REGULATIONS**

**Deferred Exams:** Deferred standing may be granted to students who are unable to write their final examination at the scheduled time or to submit their outstanding course work on the last day of classes. Details can be found at <http://myacademicrecord.students.yorku.ca/deferred-standing>

Any request for deferred standing on medical grounds must include an Attending Physician's Statement form; a “Doctor’s Note” will not be accepted.

DSA Form: <http://www.registrar.yorku.ca/pdf/deferred_standing_agreement.pdf>

Attending Physician's Statement form: <http://registrar.yorku.ca/pdf/attending-physicians-statement.pdf>

In order to apply for deferred standing, students must register at

<http://apps.eso.yorku.ca/apps/adms/deferredexams.nsf>

Followed by handing in a completed DSA form and supporting documentation directly to the main office of the School of Administrative Studies (282 Atkinson) and add your ticket number to the DSA form.  The DSA and supporting documentation must be submitted no later than five (5) business days from the date of the exam.  These requests will be considered on their merit and decisions will be made available by logging into the above mentioned link. No individualized communication will be sent by the School to the students (no letter or e-mails).

 Students with approved DSA will be able to write their deferred examination during the School's deferred examination period. No further extensions of deferred exams shall be granted. The format and covered content of the deferred examination may be different from that of the originally scheduled examination. The deferred exam may be closed book, cumulative and comprehensive and may include all subjects/topics of the textbook whether they have been covered in class or not.  Any request for deferred standing on medical grounds must include an Attending Physician's Statement form; a “Doctor’s Note” will not be accepted.

**Academic Honesty**: The Faculty of Liberal Arts and Professional Studies considers breaches of the Senate Policy on Academic Honesty to be serious matters. The Senate Policy on Academic Honesty is an affirmation and clarification for members of the University of the general obligation to maintain the highest standards of academic honesty. As a clear sense of academic honesty and responsibility is fundamental to good scholarship, the policy recognizes the general responsibility of all faculty members to foster acceptable standards of academic conduct and of the student to be mindful of and abide by such standards. Suspected breaches of academic honesty will be investigated and charges shall be laid if reasonable and probable grounds exist.

Students should review the York Academic Honesty policy for themselves at:

<http://www.yorku.ca/secretariat/policies/document.php?document=69>

Students might also wish to review the interactive on-line Tutorial for students on academic integrity, at:

<https://spark.library.yorku.ca/academic-integrity-what-is-academic-integrity/>

I emphasise a specific aspect of Academic Honesty for this course. All students whose names are on a class assignment handed in for marks must be present in the class the entire time and have worked in the group on that assignment. All the members of the group are violating the policy if a student name is listed for marks but the student did not contribute to the work.

**Grading Scheme and Feedback Policy:** The grading scheme (i.e. kinds and weights of assignments, essays, exams, etc.) shall be announced, and be available in writing, within the first two weeks of class, and, under normal circumstances, graded feedback worth at least 15% of the final grade for Fall, Winter or Summer Term, and 30% for ‘full year’ courses offered in the Fall/Winter Term be received by students in all courses prior to the final withdrawal date from a course without receiving a grade, with the following exceptions:

*Note: Under unusual and/or unforeseeable circumstances which disrupt the academic norm, instructors are expected to provide grading schemes and academic feedback in the spirit of these regulations, as soon as possible.* For more information on the Grading Scheme and Feedback Policy, please visit: <http://www.yorku.ca/univsec/policies/document.php?document=86>

**In-Class Tests and Exams - the 20% Rule**: For all Undergraduate courses, except those which regularly meet on Friday evening or on a weekend, tests or exams worth more than 20% will not be held in the two weeks prior to the beginning of the official examination period. For further information on the 20% Rule, please visit: <http://secretariat-policies.info.yorku.ca/policies/limits-on-the-worth-of-examinations-in-the-final-classes-of-a-term-policy/>

**Reappraisals**: Students may, with sufficient academic grounds, request that a final grade in a course be reappraised (which may mean the review of specific pieces of tangible work). Non-academic grounds are not relevant for grade reappraisals; in such cases, students are advised to petition to their home Faculty. Students are normally expected to first contact the course director to discuss the grade received and to request that their tangible work be reviewed. Tangible work may include written, graphic, digitized, modeled, video recording or audio recording formats, but not oral work.  Students need to be aware that a request for a grade reappraisal may result in the original grade being raised, lowered or confirmed. For reappraisal procedures and information, please visit the Office of the Registrar site at: <http://myacademicrecord.students.yorku.ca/grade-reappraisal-policy>

**Accommodation Procedures:** LA&PS students who have experienced a misfortune or who are too ill to attend the final examination in an ADMS course should not attempt to do so; they must pursue deferred standing. Other students should contact their home Faculty for information. For further information, please visit: <http://ds.info.yorku.ca/academic-support-accomodations/>

**Religious Accommodation**: York University is committed to respecting the religious beliefs and practices of all members of the community, and making accommodations for observances of special significance to adherents. For more information on religious accommodation, please visit:
<https://w2prod.sis.yorku.ca/Apps/WebObjects/cdm.woa/wa/regobs>

**Academic Accommodation for Students with Disabilities (Senate Policy)**

The nature and extent of accommodations shall be consistent with and supportive of the integrity of the curriculum and of the academic standards of programs or courses. Provided that students have given sufficient notice about their accommodation needs, instructors shall take reasonable steps to accommodate these needs in a manner consistent with the guidelines established hereunder. For more information, please visit the Counselling and Disability Services website at <http://www.yorku.ca/dshub/>

York’s disabilities offices and the Registrar’s Office work in partnership to support alternate exam and test accommodation services for students with disabilities at the Keele campus. For more information on alternate exams and tests please visit <http://www.yorku.ca/altexams/>

Please alert the Course Director as soon as possible should you require special accommodations. If you have registered with Counselling and Disability Services and that office has determined an accommodation for you, CDS will notify the instructor. I prefer that you work with CDS rather than asking me, because you are not required to identify your disability to me and CDS will maintain your privacy. You should know that I am disabled, and was the union steward for the YUFA Disability Caucus in the past.