York University

**School of Administrative Studies**

**AP/ADMS 3541.03**

# Personal Financial Planning

**Course Outline – Summer 2020**

 **Section A Tuesday online 7 – 9 PM Victoria Zaremba**

 **Section C On-line no set time Chris Robinson/ Victoria Zaremba**

**ESSENTIAL NOTICE: READ THIS FIRST**

Both sections of this course are online due to COVID-19. Section A will have regular interactive meetings on Zoom on Tuesday evenings, one to two hours long. Section C will not have interactive meetings, but students from Section C will be free to attend Section A interactive sessions. The Section A interactive sessions will be recorded and posted on the websites but you will receive a better learning experience if you attend the interactive sessions. Both classes are expected to watch a set of recorded lecture videos each week that deliver the basic content of the week’s subjects. The evaluation scheme and the requirements are the same for both sections. Students who wish to change from one section to the other must do so through the registrar’s office during the first two weeks.

We may change some aspects of this course as we work through it in these extraordinary circumstances. We will post updated information. In order to make an online course work, you have to keep working every week rather than leaving it all to the end of the course, and we have organised the course so that you will have some work for grading almost every week.

Students will be responsible for owning and maintaining a computer that will allow them to participate in all aspects of this course. For Zoom sessions you will require a webcam

Now read the rest of this outline. The pandemic has led to many changes from the way this course has operated in the past.

## Course Objective

The course introduces students to financial planning tools, techniques and practices used in professional practice, and follows through the steps and methods involved in developing personal financial plans. Topics include time value of money, personal financial statements, family law, tax planning, debt management, mortgage financing and home investment, risk management and insurance, investment, retirement planning and an introduction to estate planning.

**COURSE DESCRIPTION:**

This course is a general introduction to personal financial planning. Class lectures and discussions will be built around the following key topics:

1. Financial planning objectives and the Family Life Cycle.
2. Mathematics of personal finance & time value of money.
3. Preparing and Managing Cash Flows and Net Worth Statements.
4. Controlling credit and debt.
5. Investments Planning.
6. Tax Planning.
7. Risk (Insurance) Management.
8. Retirement Planning.
9. Estate Planning.

**Prerequisite: AP/ADMS 3530**

Students who do not have this prerequisite must have a prerequisite waiver form or transfer credit that the Finance Area Coordinator has approved.

## Required Text

Ho, Kwok and Robinson, Chris. *Personal Financial Planning*. 5th Edition, Captus Press, 2012. (HR)

## Evaluation Scheme

 Assignments 25% Quizzes 10

Mid-term Exam 10

 Participate in on-line discussion board 10

 Financial statement analysis 15

 Final Exam 30

 100%

**Register for Zoom**

Don’t wait for the start of the course; register now. You can get the basic version free online. York University has a license for Zoom that allows faculty members to run classes with up to 300 people. We will give you codes to enter the class in advance. All you will need to do is start Zoom, click the button for enter a class and then enter the code for that particular session. Students shall note the following:

* Zoom is hosted on servers in the U.S. This includes recordings done through Zoom.
* If you have privacy concerns about your data, provide only your first name or a nickname when you join a session.
* The system is configured in a way that all participants are automatically notified when a session is being recorded. In other words, a session cannot be recorded without you knowing about it.

### *Assignments*

We expect there will be five shorter assignments and one longer one (the Financial statement assignment). You may work in pairs with a single submission. You must submit each assignment on Moodle in typewritten form before the deadline time on the due date. You must write your names, student numbers and email addresses at the top of each assignment. We will not give any credit to an unidentified assignment. We do not have the time to track you down.

## Marking of Assignments

1. Assignments will be marked and returned in about two weeks.
2. Assignments will be taken up during class time or during a tutorial, or the solutions will be posted online. Retain a copy for your reference.
3. Extensions for submitting an assignment after the due date with penalty may be granted on a case-by-case basis. Approval must be obtained from the course director prior to the due date of the assignment. Late assignments, if approved, will be penalized by one grade point (e.g. assignment graded as a B+ or 75% will be reduced to a C+ or 65%).

***Quizzes***

We will administer a quiz every week through Moodle. The point of the quizzes is to make sure you are reading the textbook, watching the videos and understanding the concepts. We will set them up for repeat tries so that you can look up answers you got wrong and so everyone could get a perfect score. You must complete them the day before the class and we will close them off. The last day for students to register without permission of the instructor is May 25. No students will be allowed to register after that date. Students who do register May 12 – 24 must email the instructor and we will arrange a time for you take quizzes you missed.

***Discussion Groups***

We will divide you into groups of about seven or eight to discuss a few questions that we will assign, one at a time. The questions may require calculations or may be purely conceptual. Each group will have its own Discussion Forum on Moodle and engage in discussion of the assigned topic during a time-limited period. Five of the ten marks are for active participation and five for the quality of your contribution, which might come from your insights, evidence you bring from outside sources or application of personal finance principles from the course. We are all reading and hearing about the pandemic every day, and it has far-reaching effects on personal financial planning. We will relate most or all of the Discussion Group questions to the pandemic. You are welcome to propose questions on it relevant to personal finance that we could put up for discussion.

### *Examinations*

*Midterm:* Sunday May 31, online, 10 a.m. – 1 p.m. time slot, but we will probably set an exam for a shorter time period than three hours.

*Final:* Registrar’s Office will schedule it.

There will be no make-up mid-term examination. Students who cannot write due to legitimate reasons will receive a synthetic midterm mark based on how well they perform on the final examination relative to the class average.

Religious conflicts (i.e. the student cannot write on the date and time of the regular exam due to religious reasons) will be accommodated. Students have to request for religious accommodation according to the School’s procedures and deadline. In addition, they have to inform the course director in writing by the third class of the term, at the latest. If the request is granted, the student will write an alternate exam.

**Course Policies**

***Communication Policy***

**Before you send a message, make sure to read the course outline and the Broadcast Announcements to find answers to questions.**

For general course questions and discussion, use the Discussion Board.

If the question is personal to you: Section A: vzaremba@yorku.ca. Section C: crobinso@yorku.ca and vzaremba@yorku.ca ; No phone calls.

All email communication must follow the following guidelines to ensure prompt and accurate responses:

* Subject heading begins with “ADMS 3541” or we don’t answer.
* Clearly identify who you are and which section you are enrolled in.
* For reasons of privacy and confidentiality, please email from your York account.

***Academic Honesty***

We take academic honesty seriously in our School. You must follow the policies laid out in the Senate rules, which you will find at:

<https://secretariat-policies.info.yorku.ca/policies/academic-honesty-senate-policy-on/>

A course with online exams and assignments is particularly vulnerable to academic dishonesty. Both instructors have considerable experience prosecuting students for academic dishonesty and we and our marker will be alert to all possible violations. There are some criminal organisations operating at York who will offer to write your assignments and exams for you, for a price. They will offer to teach you the course using copyright materials that they have stolen from us. They are not competent to do good work in financial planning and the assignments that they did for dishonest students are poor quality, sometimes so bad that they would fail even if we had not identified them as dishonest work.

***Financial Calculator***

**A financial calculator is required**. Students are responsible for learning how to use their own financial calculator. Several models are in common use in finance: The Sharp EL-733A; the Hewlett-Packard 10BII and the Texas Instruments BAII Plus. Instructions for these three models are given in the ADMS 3530 textbook. Chapter 2 of HR includes some examples using the BAII Plus. If you will someday pursue the Chartered Financial Analyst designation, note that only two calculators are currently allowed for the CFA exams: the TI BAII Plus (including the BA II Plus Pro), and a different Hewlett-Packard model, the HP-12C.

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| **Date (Section A)** | **Topic** | **Readings** |
| **1**May 12 | Introduction to the course | Chapters 1 & 3 |
| Review of basic time value of money |
| Financial Planners |
| The Process of Financial Planning and Goal Setting**Quiz 1 due Monday May 11** |
| **2** May 19 | Time Value of Money**Quiz 2 due Monday May 18** | Chapter 2 |
| **3**May 26 | Financial StatementsBudgetThe Life Cycle Hypothesis**Quiz 3 due Monday May 25****A1 due Tuesday May 26 at 5 p.m.** | Chapters 4 & 6 |
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| **Sunday May 31** | **Midterm Exam: 10 a.m. – 1 p.m.** |  |
| **4**June 2 | Debt and Credit Management**Quiz 4 due Monday June 1** | Chapter 12 |
| **5**June 9 |

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| Mortgage Financing and Home Valuation |
| **Quiz 5 due Monday June 8****A2 due Tuesday June 9 at 5PM** |

 | Chapter 13 |
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| **6**June 16 | Family Law Personal Income Tax**Quiz 6 due Monday June 15** | Chapters 5, 7  |
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| June 23 - 26 | **READING WEEK ☺**  |  |
| **7**June 30 | Tax Planning | Chapter 8 |
| **Quiz 7 due Monday June 29****Financial Statement Analysis due Sunday June 28 at 5PM** |
| **8**July 7 | Risk Management – Part 1**Quiz 8 due Monday July 6****A3 due Tuesday July 7 at 5PM** | Chapters 9, 11 |
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| 9July 14 | Risk Management – Part 2**Quiz 9 due Monday July 13** | Chapter 10 |
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| **10**July 21 | Investment I: Principles, Instruments**Quiz 10 due Monday July 20****A4 due Tuesday July 21 at 5PM** | Chapters 14, 15 |
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| **11**July 28 | Investments II: Pooled FundsStart retirement planning**Quiz 11 due Monday July 27** | Chapters 15 & 16 |
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| **12**Aug 4 | Basic Retirement PlanningOverview of Estate Planning**Quiz 12 due Tuesday, August 4** **A5 due Tuesday, August 4** | Chapter 17 |
| **FINAL EXAM–to be scheduled by Registrar’s Office Aug. 7 – 14, probably online.**  |

**Finance Area policy on DSA (Deferred Standing Agreement)**

It is the policy of the Admin Studies finance area that instructors will NOT
sign a DSA form if you miss both the midterm and final exams. Students in this
situation will need to petition for deferred exam, late withdrawal, or a remedy appropriate to their circumstances.If the midterm is missed due to illness, appropriate documentation must be provided to the course director within two weeks of the missed work.  Do NOT hand it into the office.

**RELEVANT UNIVERSITY/LA&PS/SCHOOL REGULATIONS**

The regulations on many aspects of coursework that apply to you are on:

<http://sas.laps.yorku.ca/students/>

You are responsible for understanding and following these regulations.

**About the Professors**

Chris Robinson PhD CFP® CPA,CA has been teaching, researching and appearing in public forums and the courts in personal finance for 35 years. He is a Fellow of FP Canada and won the LAPS Dean’s Award for Excellence in Teaching in 2019. He is co-author of the textbook in this course and has many outstanding paper awards and publications of his research in finance, accounting, ethics, environmental management and regulation. He is presently Finance Area Coordinator. He enjoys hiking, cycling, XC skiing, canoeing and competition bridge, but has had to regretfully stop alpine skiing and soccer in recent years.

Victoria Zaremba BCom (Honours Finance) CFP® CPA,CGA graduated in the first class at SAS to specialise in personal finance and has been marking, tutoring and teaching for York for 10 years. She is a financial planner working with a government agency. She and Professor Robinson co-authored a paper on life insurance that has been presented at conferences in the US, Australia and New Zealand. Professor Robinson has pictures of her and her partner, also his former student and BCom graduate, at the top of Mount Kilimanjaro, snorkeling with sharks in the Galapagos, and competing in Spartan races.