

York University  
School of Administrative Studies  
AP/ADMS 3541.03

Personal Financial Planning

Course Outline – Summer 2021

|                  |                        |                    |                         |
|------------------|------------------------|--------------------|-------------------------|
| <b>Section A</b> | <b>Tuesday online</b>  | <b>7 – 8:30 PM</b> | <b>Victoria Zaremba</b> |
| <b>Section B</b> | <b>Thursday online</b> | <b>7 – 8:30 PM</b> | <b>Helena Cheung</b>    |

***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)

**Assessment Scheme**

|                              |           |
|------------------------------|-----------|
| Assignments                  | 20%       |
| Financial statement analysis | 15        |
| Quizzes                      | 10        |
| Mid-term Exam                | 20        |
| Final Exam                   | <u>35</u> |
|                              | 100%      |

## **Assignments**

There are four short assignments worth 5% each and 20% in total. You will have one week to complete these assignments. The topics of the assignments are:

- 1) Time value of money
- 2) Home valuation and mortgages
- 3) Income tax and tax planning
- 4) Risk management and Insurance

You may work in pairs within the same section or individually. If you work with someone else, 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. The assignment **MUST** be submitted as a Word document (.docx file). The file name must be: ADMS 3541N Assignment # lastname firstname e.g. ADMS 3541N A2 Zaremba Victoria.docx

You must submit each assignment on eClass in typewritten form before the deadline time on the due date. Submit only one copy on eClass if you work as a pair. All submissions **MUST** be in a Word document.

## **Financial statement Analysis**

There will be one long assignment worth 15%. You will have two weeks to complete this assignment. This assignment is a case study assignment where you will be required to read case notes about a client seeking financial advice. Your task will be to answer questions as if you are a financial planner and show your workings.

You may work in pairs within the same section or individually. If you work with someone else, 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. The file name must be: ADMS 3541N Assignment # lastname firstname e.g. ADMS 3541N FSA Zaremba Victoria

You must submit each assignment on eClass in typewritten form (no handwritten responses) before the deadline time on the due date. Submit only one copy on eClass if you work as a pair. All submissions **MUST** be in a Word document.

## **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 without 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**

A weekly quiz should be taken through eClass. There are 12 quizzes in total but your 10 highest quiz scores will count towards your final grade. We will choose your top 10 scores on the quizzes at the end of the semester. These must be done individually.

The purpose of the quizzes is to ensure you are studying the course material and understanding the concepts. So, you have repeat attempts at each quiz up until the closing date and time of that quiz. This means you can look up answers you got wrong and try again. Everyone could get a perfect score. The quizzes will close at the end of each week of study on Sunday at 3pm.

Students who register late for this course must email the instructor and we will arrange a time for you take quizzes you missed.

## **Examinations**

*Mid-term:*

Saturday, June 5th , online, 7pm – 9pm time slot. This covers weeks 1 – 3 of course content. This must be done individually.

*Final:*

The registrar's office will schedule it. This will cover all of the course content but with more weight given to weeks 4-12 of the course content. This must be done individually.

There will be no make-up mid-term examination. Students who cannot write due to legitimate reasons will receive a synthetic mid-term 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**

### **How should you study?**

There are four methods that you should use to study for this course:

- 1) Watch the prerecorded lectures online
- 2) Do weekly readings
- 3) Attempt the quiz and answer the assigned problems
- 4) Attend weekly online Zoom sessions

## **Online Zoom sessions**

These are interactive sessions where you have an opportunity to ask questions and review solutions to class problems. We will not be lecturing in these sessions. We will be reviewing the posted questions and solutions. So please come with questions and ideas to discuss.

Please register now for Zoom. You should always enter Zoom via the York University website. York University has a license for Zoom that allows faculty members to run classes with up to 300 people.

The codes and links to enter the class are available on eClass. 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.

## ***Communication Policy***

For general course questions and discussion, we are using the discussion board on eClass. An instructor will aim to respond to your comments within 2 business days; other students can reply earlier. We will not respond the day an assignment is due.

Before you send a message, make sure to read the course outline and the discussion board to find answers to questions.

If the question is personal to you, please contact:

- Section A: Victoria Zaremba, [vzaremba@yorku.ca](mailto:vzaremba@yorku.ca)
- Section B: Helena Cheung, [cheungh@yorku.ca](mailto:cheungh@yorku.ca)

No phone calls.

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

- Subject heading must begin 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.

Emails will be returned within 2 business days. If it has been 2 days and you have not heard a response, please resend the email and politely let the instructor know it has been missed.

## ***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. 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 organizations 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 but the instructors use a Texas Instruments BAII Plus. Other models include the Sharp EL-733A and the Hewlett-Packard 10BII. Instructions for these three models are given in the course textbook. Chapter 2 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.

## **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 mid-term 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 mid-term 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.

**Course Schedule: \*\*Note – practice problems may be changed throughout the term\*\***

| <b>Week (starting)</b>                         | <b>Topic</b>   | <b>Readings<br/>Personal Financial Planning</b>        | <b>Tasks- Chapter and Problem number (#)</b>                                   | <b>Assignment</b>                                  |
|--|--|--|--|--|
| 1<br>(May 11 / May 13)                         | Introduction to financial planning and goal setting  | Chapters 1 & 3   | Quiz 1<br>No task- come to class for discussion.                               |  |
| 2<br>(May 18 / May 20)                         | Time value of money                                  | Chapter 2  | Quiz 2<br>Chpt 2. # 1, 3, 5, 19, 20<br>Chpt 3. #2                              |  |
| 3<br>(May 25 / May 27)                         | Financial statements and life cycle                  | Chapters 4 & 6<br>Financial Ratios (on eClass)         | Quiz 3<br>Chpt. 4 #2<br>Problems- Financial Statements & Ratios (on eClass)    | Assignment1 Due May 30 at 5pm                      |
| 4<br>(June 1 / June 3)                         | Debt and credit Management                           | Chapter 12   | Quiz 4<br>Chpt. 12 # 3 ,4, 9   | <b>Mid-term exam<br/>Saturday, June 5th 7-9 pm</b> |
| 5<br>(June 8 / June 10)                        | Mortgage financing and home valuation                | Chapter 13   | Quiz 5<br>Chpt. 13 # 2, 3, 10<br>Online- Find a property to buy                |  |
| 6<br>(June 15 / June 17)                       | Family law and personal income tax                   | Chapters 5, 7  | Quiz 6<br>Chpt. 5 # 4<br>Chpt. 7 # 1, 4, 6, 9                                  | Assignment 2 Due June 20 at 5pm                    |
| <b><u>Reading Week June 22 - 25</u></b>        |  |  |  |  |
| 7<br>(June 29 / July 8)                        | Tax planning   | Chapter 8  | Quiz 7<br>Chpt. 8 # 1, 3   |  |
| 8<br>(July 6 / July15)                         | Risk management – part 1                             | Chapters 9 & 11  | Quiz 8<br>Chpt. 9 # 1<br>Chpt. 11 # 3, 4<br>Car insurance activity (on eClass) | Financial statements<br>Assignment July 11 at 5pm  |
| 9<br>(July 13 / July 22)                       | Risk management – part 2                             | Chapter 10 Excluding pgs. 215-23<br>Readings on eClass | Quiz 9<br>Insurance activity (on eClass)                                       |  |
| 10<br>(July 20 / July 29)                      | Investment I: Principles, instruments                | Chapter 14<br>Reading on eClass                        | Quiz 10<br>Risk Profile Investment activity (on eClass)                        | Assignment 3 Due July 25 at 5pm                    |
| 11<br>(July 27 / Aug 5)                        | Investments II: Pooled funds and retirement planning | Chapter 15 & 16<br>Readings on eClass                  | Quiz 11<br>Investment Portfolio Activities (2 on eClass)                       | Assignment 4 Due August 1 at 5pm                   |
| 12<br>(Aug. 3 / Aug. 10)                       | Basic retirement planning and estate planning        | Chapter 17   | Quiz 12<br>Retirement problem (on eClass)                                      |  |
| <b>Exams period (August 12 - 19) Date TBD.</b> |  |  |  |  |