

York University
Atkinson Faculty
School of Administrative Studies
AP/ADMS 3541

Personal Financial Planning

Course Outline Supplement – Winter 2023

Section M	Tuesday	4-7 PM	ACW 306	Kwok Ho
Section N	Wednesday	7-10 PM	VH 1152A	Giulio Iacobelli
Section O	ONLINE			Victoria Zaremba

Course Objective

The course introduces students to financial planning techniques 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, and an introduction to retirement planning.

Prerequisite: AP/ADMS 3530

Required Texts

Ho, Kwok; Robinson, Chris; Letkiewicz, Jodi; Zaremba, Victoria *Personal Financial Planning*. 6th Edition, Captus Press, 2022. (Textbook)
Information about purchasing the textbook as follows:

The textbook is **available directly from the publisher, Captus Press**. You can purchase an eBook at <http://www.captus.com/information/eBook.htm>

Evaluation Scheme

Group Assignments (2)	20%
Mid-term Exam	30
Final Exam	<u>50</u>
	100%

Each class will be divided into groups of two students to discuss course material outside the classroom and to work on the assignments jointly and submit them on the due dates. Late assignments cost you marks. No assignments will be accepted after the last class. Each student is responsible to the group and only one grade will be assigned to each paper submitted. **Each student must ensure that their name is included on the front of each assignment.**

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. The Financial Planners Standards Council, which administers the Certified Financial Planner exams in Canada, specifies only that calculators must be noiseless, non-programmable and not be able to store text.

Examinations

All exams will be in-person, not online. All students, including section O, must write the exams in-person.

Mid-term exam:

There will be a mid-term examination, common to all sections, after the 5th class:

Time: 2:00 PM to 4:00 PM

Date: March 4, 2023.

Place: TBA, Keele campus

Final Exam:

The final examination will be scheduled by the registrar's office.

There will be no make-up mid-term examination. Students who cannot write due to legitimate reasons will have their final examination mark pro-rated to cover the mid-term using a method that does not penalize you if the final examination is relatively harder than the midterm and does not give you an advantage if the final examination is relatively easier. A holiday trip is not a legitimate reason – the university schedule of holidays is posted a year in advance.

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 must inform the course director in writing by the third class at the latest. If the request is granted, the student will write an alternate exam, to be announced later.

Submitting Assignments

There are two assignments worth 10% each and 20% in total. Each of the two assignments will be posted on the course website one week before the due date.

You should work in pairs within the same section. 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. The assignment **MUST** be submitted as a Word document (.docx file). The file name must be: ADMS 3541 Assignment # lastname firstname (e.g., ADMS 3541M A2 Doe John.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.

When completing your assignment, please observe the following rules and guidelines:

1. The assignment must be typed and double-spaced. This does not include variables, labels and brief notes of explanation.
2. Use 8 ½ X 11 paper only.
3. Do not use report covers.
4. Be sure to write clearly your names and student numbers on the covering page. Also provide the due date for the assignment.
5. Spelling and grammar will affect your marks.
6. No assignments will be accepted after the last class.

Marking of Assignments

1. Marking will be done on the basis of percentages as outlined in the faculty calendar.
2. Assignments will be marked, graded and returned in about two weeks.
3. Assignments will be taken up during class time, or the solutions will be posted online. Retain a copy for your reference.
4. 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%).

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 answer any questions about the assignments. If you think the question is not clear, make and state reasonable assumptions, then proceed with your answer.

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 M: Kwok Ho
- Section N: Giulio Iacobelli
- Section O: Victoria Zaremba

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.

Private Third-Party Tutoring Companies, Academic Honesty and Support Resources

Many private, third-party tutoring companies advertise their services to YorkU students. One way you can help eliminate these advertisements is by changing your eClass profile settings to private (see instructions below). Some of these private companies claim to be affiliated with, or recognized and supported by, York University. Some also claim to help you by providing you with assignment and test answers, suggesting that this practice is safe and permitted by York. These claims are not true. York University has not officially recognized or endorsed any third-party tutoring service. When you are provided with assignment, test and exam answers, you run the risk of violating the university's academic honesty policy. Students have been caught using these services to cheat and gain unfair advantage over honest students. The cheating students and "tutors" have received academic dishonesty punishments ranging from failing courses, to being expelled, to losing their YorkU degrees. Officially supported resources to help students learn course material will be provided by YorkU officials, such as your professors and your department. These services are offered at no cost to you as a student. Your professor will likely provide weekly office help hours to meet with students.

To hide your email address in eClass: Step1: Click your name on the top-right of the eClass website, then click "Profile" on the drop-down menu; Step 2: Under "User details" click "Edit profile"; Step 3: From the "Email display" drop-down menu choose "Hide my email address from non-privileged users"; Step 4: Scroll to the bottom of the page and click on the "Update profile" button.

Topical Coverage (tentative)

Each week has some assigned problems in addition to readings. You should attempt all the problems assigned by the instructor, and all the multiple choice questions, before the class. During the lecture, the instructor will solve the problems and discuss what you should have learned from them. This problem-solving will occupy a significant part of each lecture, because that is the best way to learn financial planning, not to mention the best way to prepare for the exams. The instructor may add more questions during the semester.

Week 1 (Section M, Tuesday, Jan. 10; section N, Wednesday, Jan. 11; section O, Thursday, Jan. 12)

- Introduction to the course
- Personal Finance
- Financial Planners

The process of Financial Planning and Goal Setting:

- Goals
- Action Plan
- Implementation

Readings: Textbook Chapters 1 and 3

Week 2 (Jan. 17, 18, 19)

- Time value of money

Readings: Textbook Chapter 2

Do for class: Ch.2 Problems 1,3,5,7,14,21; pg.42-47

Week 3 (Jan. 24, 25, 26)

- Financial Statements:
 - Statement of Net Worth
 - Income Statement
 - Budget
- The Life Cycle Hypothesis

Readings: Textbook Chapters 4, and 6

Do for class: Ch.3 pg.64 Problems 1,2; Ch.4, pg.101, Problem 2

Week 4 (Jan. 31, Feb. 1, 2)

- Family Law
- Personal Income Taxation

Readings: Textbook Chapters 5 and 7

Do for class: Ch.5, pg.121, Problem 4; Ch.7, pg.160-161, Problems 1,4,6.

Week 5 (Feb 7, 8, 9)

- Tax Planning
- Tax Shelter investments
- Assignment 1 will be posted at 9:00 AM, Feb. 10th at eClass website

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Readings: Textbook Chapters 7 and 8

Do for class: Ch.7 pg.162, Problems 9,10. Ch.8 pg. 196, Problems 1,3.

Week 6 (Feb 14, 15, 16)

- Debt and Credit Management
- preparation for midterm exam

Readings: HR Chapter 12

Do for class: Chapter 12, pg. 303-6, Problems 1,3,4,9.

Assignment #1 Due Week 6 (Submit Online)

Assignment 1 will become available on Feb 10th 9AM, eClass common website.

Due on Feb 17th, 5:00 PM

Reading Week: Feb. 18 – 24, 2023, no classes

Week 7 (Feb 28, Mar. 1, 2)

- Risk management I

Readings: Textbook Chapters 9 and 12

Do for class: Chapter 9, pg. 211 Problem 1

Common Midterm Exam— Saturday, March 4th, 2023, 2 pm – 4pm, Location: TBA Keele campus

Week 8 (Mar. 7, 8, 9)

- Risk Management II

Readings: Textbook Chapters 10 and 11

*Do for class: Chapter 10, pg.256-259, Problems 4,5,7,
Chapter 11, pg.274-5, Problems 3,4*

Week 9 (Mar. 14, 15, 16)

Returning mid-term exam

Drop deadline: Friday, March 17th, 2023, last date to drop without receiving a grade

- Mortgage Financing
- Your Home, Valuation and Financing

Readings: Textbook Chapter 13

Do for class: Chapter 13 pg.336-340, Problems 3,5,13,10,11.

Week 10 (Mar. 21, 22, 23)

- Investment I: Principles of Investments, Investment instruments.
- Investment II: Investment Instruments, mutual funds.

Readings: Textbook Chapters 14, 15, 16

Do for class: Chapter 14, pg.367-368, Problems 2,4.

Do for class: Chapter 15, pg.395-398, Problems 2,6,12.

Chapter 16, pg.426-428, Problems 3,4,7,8,9.

Assignment 2 will become available on March 24th 9AM, eClass common website.

Due on Friday, March 31 at 5:00 PM

Week 11 (Mar. 28, 29, 30)

- Investment I and II Continued
- Basic Retirement Planning

Readings: Textbook Chapters 17, pg. 437-443

Do for class: leftover questions from previous week, Chapters 15,16.

Assignment #2 Due (Submit Online)

Assignment 2 will become available on March 24th 9AM, eClass common website.

Due on Friday, March 31 at 5:00 PM

Week 12 (April 4, 5, 6)

- Discuss Assignment 2
- Course Review for the examination.

Final Examination: will be scheduled by the registrar's office.

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.