

The University of Georgia
College of Family and Consumer Sciences
Department of Housing and Consumer Economics – Family Financial Planning Program
HACE 3250 – Survey of Financial Planning
Spring 2008

Instructor: Mandy Durrence

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Class Time: 3:35 – 6:35 PM; Wednesday, 110 Dawson Hall

Office Hours: By Appointment

Required Textbook:

Dalton, M. A. & Dalton, J. F. (2007). *Personal financial planning: Theory and practice, 5th ed.* St. Rose, LA: Kaplan Financial.

Other Required Materials:

Financial calculator (Texas Instruments BA II Plus)

Related Resources:

Journal of Financial Planning (Strongly recommended: free with SFPA membership), *Financial Advisor*, *Investment Advisor*, *Journal of Personal Finance*, *Wall Street Journal*, www.fpanet.org, www.irs.gov, www.napfa.org, www.morningstar.com

Course Description:

The intent of this survey course is to provide students with an overview of financial planning and the several different sub areas and professionals involved in the financial planning process. Students will have the opportunity to apply basic financial planning knowledge gained through assigned readings and lectures by completing assignments, a certification, and primarily exams. At the conclusion of this course, students will be familiar with the general financial planning process, content areas, and planning techniques used in financial planning. A central concept of this course is time value of money and students should expect to practice this concept extensively.

Course Objectives:

- Understand the importance of financial planning for individuals and families to achieve their goals.
- Demonstrate the ability to provide clients with an evaluation of their current financial situation with regards to their goals and objectives.
- Implement goal funding, including determination of realistic targets, and the use of specialized techniques available for education, retirement, and other goals
- Identify strengths and weaknesses in a client's initial situation and determine opportunities for problem solving.

- Understand basic investment topics (including investment types, risk and return, diversification, passive versus active management) and specific investment strategies necessary to allow clients a mechanism to achieve realistic goals.
- Utilize and demonstrate proficiency in using time value of money concepts in planning.
- Know how to incorporate risk management techniques including protecting assets, standard of living, and wealth.

Intellectual Development:

In addition to developing technical expertise in the course subject matter, this course develops and fosters:

- Critical thinking by being able to analyze various planning alternatives, their inter relationships and their potential outcomes.
- Decision making by selecting components of a plan for an individual or couple.
- Intellectual curiosity and lifelong learning by continuing to keep up-to-date on financial planning changes and developments.
- Ethical standards by selecting alternatives for the client which are in the client's best interest.

Course Outline:

The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary. Any changes to the outline will be announced in class. It is the student's responsibility to make themselves aware of any changes to this outline. The applicable chapters from the textbook are shown in parenthesis. We may or may not discuss all of the chapter material in the class; however, students are responsible for all of the chapter material for homework, cases, quizzes, exams, and assignments.

1. Introduction to Financial Planning (Chapters 1 & 18)
2. Income Tax Planning (Chapter 13)
3. Personal Financial Statements (Chapter 4)
4. Time Value of Money (Chapter 6)
5. Introduction to Insurance and Risk Management (Chapter 8)
6. Life, Health, LTC, and Disability Insurance (Chapter 9)
7. Personal Property and Liability Insurance (Chapter 10)
8. Social Security (Chapter 11)
9. Retirement Planning (Chapters 15 & 16)
10. Investment Concepts and Asset Allocation (Chapter 12 and 12.C)
11. Education Funding (Chapter 7)
12. Estate Planning (Chapter 17)
13. Business Entities (Chapter 14)

Activities, Assignments, Quizzes, Exams and Project:

Professional Activities: Students will need to attend **five** professional events over the course of the semester. These events include: Student Financial Planning Association meetings, FPA of Georgia meetings, NAPFA meetings, and any other financial planning professional meetings. From time to time in class, meetings and events will be announced that will also fulfill this assignment. Students must prepare a one-page (double-spaced) summary of the event for credit.

Quizzes: On random days quizzes will be given that relate to topics covered in the assigned reading for that day. In order to do well on the quizzes, students will need to carefully read the chapter material prior to coming to class. Make-up quizzes will not be given.

Homework: Throughout the semester students will be given assignments that will require them to think through and apply the material they have learned. These assignments may build on each other and will help the students prepare for the exams. Students are encouraged to discuss the assignments with others and work with each other; however, under no circumstances should answers, papers, or files be shared with other students. All of the work turned in should be 100% the student's own work and represent the student's own thinking. Homework assignments will not be accepted by email. A hard copy of all assignments must be turned into the instructor when they are due.

Exams: On exams, you are responsible for application of the information presented and discussed in class, in the readings, and presented by guest speakers. Exams may include multiple-choice questions, true-false questions, short answer, and problem solving questions. Exams may only be made up with an excused absence. A doctor's note is required.

Service Learning Project: In order to better understand basic tax concepts, as well as provide students an opportunity to gain real world experience working with clients, students will complete a service learning project. This project is in cooperation with Georgia Federal Credit Union, Athens/Clarke County Police Department, and Hancock Development Corporation. Students will be involved in providing free income tax return preparation assistance to individuals in the community. In order to complete this project students must become VITA Certified at the Basic/Intermediate/Advanced level before January 27th. You can become certified by going to <http://www.irs.gov/app/vita/index.jsp> and selecting the "Basic/Intermediate/Advanced" option. There will be mandatory training sessions on January 15th, 20th, and 22nd from 5:00 pm to 8:00 pm and on January 17th from 9:00 am to noon. All trainings will be held in Dawson Hall 264. Students must attend at least one of these training sessions. The training sessions will help prepare students to use the Tax-Wise software. As part of the project students will be required to sign-up for at least seven sessions. Sessions will be held on Tuesday, Wednesday, and Thursday evenings, Saturday mornings, and Saturday afternoons, beginning Tuesday, January 27th and ending Saturday, March 7th.

At the conclusion of the project, students will need to write a three page reflection paper on their experience. The paper should include what you learned about working with people in a professional setting, what you learned about the tax system in the U.S., how this experience helped you prepare for your career, and how this experience affected your attitude about doing pro-bono work as a professional (i.e., after you have graduated). Grading for this project will be based on your certification, professionalism (your interactions with clients, punctuality, dress, ability to work well with others, etc...) at each of the seven sessions, and your reflection write-up on the experience. Twenty percent for certifying, 50% based on your professionalism at the seven sessions, and 30% based on your write-up.

Students who wish not to participate in the VITA project will still need to become VITA certified at the Basic/Intermediate/Advanced level. In addition, those students will need to complete a 25 page paper outlining: the structure of the current U.S. tax system, inherent equality and/or inequality in the system, proposed changes to the system currently being discussed by congress and President Obama, and how those changes would affect the practice of financial planning. At least six academic references must be cited and the paper must be prepared using APA guidelines. The due date for the paper is March 6th. Grading will be based on how well the student integrated the applied and theoretical aspects of the tax law into the paper and identified the implications for the financial planning profession.

Grading:

The following outline of assignments and associated points possible represents the total points possible for this course.

Class Attendance & Participation/Quizzes	50
Homework	50
Professional Activities	50
Service Learning Project	100
Exams 1, 2, 3, and 4 (100 pts each)	400
Final comprehensive exam	<u>200</u>
Total Points	850

Final grades for the course will be assigned based on the percentage of points the individual student earned relative to the total points possible. The following scale will be used to assign letter grades. For those students who need a “C” or better in this class in order for it to count toward their degree requirements, a “C-“ does not meet that requirement. In other words, a “C-” is not passing this course with respect to major requirements.

<u>Percentage Earned</u>	<u>Grade Earned</u>
93.0 – 100	A
90.0 – 92.9	A-
87.0 – 89.9	B+
83.0 – 86.9	B
80.0 – 82.9	B-
77.0 – 79.9	C+
73.0 – 76.9	C
70.0 – 72.9	C-
60.0 – 69.9	D
< 60.0	F

Course Policies:

Attendance and Participation: Students are expected to attend class regularly and punctually. Active participation is expected in this class and includes students asking and answering instructor questions, responding to other students’ questions, initiating discussion, and participation in discussion groups and group projects. Students are expected to read the associated material ahead of time and come to class prepared. When you miss class for any reason, you are responsible for any assignments and material presented in class. If your absences are excessive, I reserve the right to notify your academic dean and/or withdraw you from the course.

Withdrawal: As outlined in the *Undergraduate Bulletin*, “a student who withdraws from a course or is withdrawn by the instructor for excessive absences prior to the midpoint of the semester is assigned a grade of WP or WF by the instructor. A student who withdraws or is withdrawn for excessive absences after the midpoint of the semester is assigned a grade of WF, except in those cases in which the student is doing satisfactory work and the withdrawal is recommended by the Office of Student Affairs because of emergency or health reasons.”

Academic Honesty: All academic work must meet the standards contained in “A Culture of Honesty.” Students are responsible for informing themselves about those standards before performing any academic work. The link to more detailed information about academic honesty can be found at: <http://www.uga.edu/ovpi/honesty/acadhon.htm>

According to the policy, academic honesty means “performing all academic work without plagiarism, cheating, lying, tampering, stealing, receiving unauthorized or illegitimate assistance from any other person, or using any source of information that is not common knowledge.” Please be familiar with A *Culture of Honesty* policy and handbook. Academic dishonesty may result in expulsion from the University of Georgia with a notation indicating such behavior included on the student’s transcript.

Since much of the work in this class will be done on computers, and working together is encouraged, it is important that students understand the difference between working together and cheating. Much learning takes place as students discuss and work together, however, *each student must do their own work and turn in their own work*. While students may discuss ideas about how to do things, exchanging spreadsheets or simply sitting next to someone else and copying their spread sheet is expressly prohibited and will be treated as a violation of the academic honesty policy. All forms of academic dishonesty will also be prosecuted.

Academic dishonesty will not be tolerated in this class. Any suspected violations of this policy will be vigorously pursued at the University level. Please, do not risk your academic career at UGA.

Late work: Assigned work is due when called for on the due date. Late work will have points deducted and assignments received later than one week after the due date will not be accepted. Each student is responsible for keeping a copy of all work turned in; this protects the student in the event of questions about missing assignments. The only exception to this policy is if you have spoken with me **PRIOR** to the absence and I have agreed to accept the work late without penalty, or you have a documented case of a medical *emergency*. A doctor’s note from an office visit does not constitute a medical emergency.

Make-up Exams: Make-up exams will not be given unless you have a documented case of a medical emergency, or you have spoken with me **PRIOR** to the time of the exam and I have **agreed** to administer a make-up exam. Make-up exams may be a different format than the in-class exam, may consist of different questions than the in-class exam, and may be administered prior to or after the scheduled exam. A doctor’s note from an office visit does not constitute a medical emergency.