

Family Retirement Planning and Employee Benefits
HACE 4210 / 6210: Dawson Hall Room 101: 9:30 – 10:45 am
Fall 2004

Instructor:

Dr. Lance Palmer
Dawson Hall Room 111
Phone: 706-542-4916
Email: lpalmer@fcs.uga.edu

Office Hours:

Tuesday and Thursday 12:30 – 1:30 p.m. or by appointment.

Required Textbook:

Littell, D. A. & Tacchino, K. B. (2004). *Planning for retirement needs* (7th ed.). Pennsylvania: The American College.

Other Required Materials:

Financial calculator

Related Resources:

Wall Street Journal
www.ssa.gov
www.dol.gov/ebsa
www.aoa.gov
www.wiser.heinz.org
www.aarp.org

This syllabus was adapted from the AFS and CFP Board's model curriculum material.

Course Description:

The intent of the retirement planning course is to provide individuals with knowledge of both public and private retirement plans. The public plans include Social Security, Medicare, and Medicaid. The private plans include defined benefit, defined contribution, and individual plans and their regulatory provisions. The specifics of the various plans are analyzed as well as non-qualified deferred compensation plans. Other issues that individuals face during employment and retirement are also discussed, such as life-style choices, health issues, and certain group benefits.

Course Objectives:

- Understand the importance of retirement planning for the pre-retirement accumulation period and the actual retirement period when the funds are used.
- Demonstrate the ability to provide a client with an evaluation of retirement needs.

- Explain important provisions of Social Security and Medicare coverage.
- Determine legal and tax requirements for a retirement plan to be considered qualified for income tax purposes.
- Explain types of defined contribution and defined benefit qualified plans.
- Describe employer sponsored retirement plans.
- Explain plan selection and investment options.
- Demonstrate your comprehension of the material in this class by constructing a retirement plan.

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 retirement plan options, their interrelationships and their potential outcomes.
- Demonstrate communication skills by writing a retirement plan.
- Demonstrate communication skills by presenting material and discussing ideas in class.
- Decision making by selecting components of a retirement plan for an individual or couple.
- Intellectual curiosity and lifelong learning by continuing to keep up-to-date on retirement plan changes and developments.
- Increased knowledge of both Internet sites and Excel spreadsheet analysis in preparing a retirement plan.
- Ethical standards by selecting alternatives for the retirement plan that are in the best interests of the client.

Course Outline:

This outline may change over the course of the semester. 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 text are shown in parenthesis.

Tuesday	Thursday
	8/19 – Introduction, Why plan, Incentives and goals (1 & 19)
8/24 – Planning for future needs (20)	8/26 – Determining future needs, Estimates and assumptions (21)
8/31 – Identifying post retirement income sources (22, 23)	9/2 – Social Security and Medicare / Medicaid (22, 23)
9/7 – Other Considerations (24)	9/9 – IRAs (17)
9/14 – IRAs (18)	9/16 – Case 1 Discussion
9/21 – Exam 1 (1, 17-22, 24)	9/23 – Regulatory environment (2, 11)

9/28 – Qualified or non-qualified plans, Plan selection (1, 3)	9/30 – Employer sponsored plans (4,5)
10/5 – Employer sponsored plans (5,6)	10/7 – Coverage, eligibility, and participation requirements (7)
10/12 – Benefit and contribution formulas (8)	10/14 – Plan features (9, 10)
10/19 – Distributions from retirement plans (25, 26)	10/21 – Case 2 Discussion
10/26 – Exam 2 (2-8, 10, 25, 26)	10/28 – Fall Break
11/2 – Plan funding (11)	11/4 – Plan funding (12)
11/9 – Plan installation (13)	11/11 – Non-qualified plans (15,16)
11/16 – Case 3 Discussion	11/18 – Exam 3 (11-13, 15, 16)
11/23 – Guest Speaker	11/25- Thanksgiving Break
11/30 – Presentations 1, 2	12/2 – Presentations 3, 4 Individual Retirement Plan Due
12/7 – Friday classes – No class	12/9 – Presentations 5, 6
	12/16 – Comprehensive Final Exam 8 to 11 a.m.

Assignments and Projects:

Case Discussions: For each in-class case discussion students will be required to turn in a one page summary of issues and recommendations prior to the discussion of the case. The summary will be graded using a “✓ +”, “✓”, or “✓ -”. The summary should be no longer than one double spaced page using 12 point font and 1” margins. Any summary longer than one page will automatically receive a “✓ -”. The summary should identify and address the main issues in the case and make recommendations to address those issues. The one page limit is to practice clear and concise communication skills. Students should also be prepared to discuss in depth their analysis and recommendations in class.

Class discussion for each will be initiated by the instructor **randomly** calling on students to offer their recommendations, analysis, concerns, etc.

Class Participation: Throughout the semester the instructor will note each student’s participation in the classroom discussion. A great deal of learning takes place during classroom discussion. In order to encourage this, students will be rewarded for thoughtful comments and questions relating to the topic.

Individual Retirement Plan: Each student is to prepare a retirement plan for an individual. The individual can not be another member of this class and must be at least 28 years old. In preparing the plan, the financial planning process, as outlined by the CFP-Board, must be followed and documented by the student.

The financial planning process includes: 1) Establishing a relationship, 2) Gathering information, 3) Analyzing the information, 4) Developing and presenting a plan, 5) Implementing a plan, and 6) Monitoring and adjusting the plan. This assignment only addresses the first 4 aspects of the process. Aspects of investment and insurance planning, if applicable, should also be incorporated into the plan, but not to the same detail as retirement planning. The information that you have gathered from the individual should be kept from others at all times.

Grading will be based on how thorough the planning process was performed and the appropriateness of your recommendations, as determined by how efficiently and effectively the individual's goals are achieved in the plan.

Class Presentation: Each student will participate in a group written or oral presentation on one of six topics: 1) group health insurance, 2) Medicare supplements, 3) group life insurance, 4) business continuity planning with life insurance, 5) public and private long-term disability benefits, and 6) long term care insurance. Groups can not exceed four individuals. Groups will be randomly assigned a mode of presentation (oral or written). Oral presentations will be 25 minutes with 5 minutes of question and answer. Written presentations should be 10 to 15 pages in an informative and creative format that can be used as a quick and thorough reference guide for that subject. Each presentation, whether written or oral, should include information regarding the tax implications of the topic discussed.

Grading:

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

Case summaries (30 pts each)	90
Class participation	30
Individual retirement plan	80
Group paper / presentation	50
Exams (50 pts each)	150
Final comprehensive exam	<u>100</u>
Total Points	500

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.

90% – 100%	A
80% – 89%	B
70% – 79%	C

60% – 69%	D
< 60%	F

Course Policies:

Attendance: Students are expected to read the associated material ahead of time and come to class prepared to ask questions and/or discuss the material. Students are responsible for any information or changes discussed in class.

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 W 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: According to the *Undergraduate Bulletin*, 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.” Furthermore, one aspect of “unauthorized assistance” is “Submitting a group assignment, or allowing that assignment to be submitted, representing that the project is the work of all of the members of the group when less than all of the group members assisted substantially in its preparation.” Please keep this in mind when doing the group assignment and please be familiar with *A Culture of Honesty* policy and handbook. Academic dishonesty may result in expulsion from the University of Georgia and a notation on the students transcript.

Late work: Assigned work is due at the beginning of class on the due date. Work received after class is over will be penalized 25% of the total points possible. An additional 25% penalty will be assessed for each additional day of tardiness. 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.

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 consist of different questions than the in-class exam and may be administered prior to or after the scheduled exam.