A. Course:37:575:250:03 Finance for Personal and Professional Success

Instructor: Mary Evans

Email ID: mevans@work.rutgers.edu

NOTE: For Emergencies No Phone calls/ text messages…please email me or you can let me know in class. In the subject of your email, please include your name, the course and the section. Please check your Rutgers email or Sakai online in cause of any class cancellations.

Office Hours: Prior to class by appointment, and immediately after classes

Pre-Requisite: None

Course Description: Overview of core financial concepts and techniques useful both at work and in personal life; interest, credit, insurance, investments, present value; and net worth

Relationship to SAS Learning Objectives:

- **Goal x (**Apply effective and efficient mathematical or other formal processes to reason and to solve problems**.)** Specifically the focus is on the mathematics underlying the process of investment, and borrowing/ saving money. The student will learn to apply concepts from algebra necessary to specify and solve equations related to loans, savings, mortgage, credit and insurance using compound interest.

- **Goal w** (Formulate, evaluate, and communicate conclusions and inferences from quantitative information)

Other Learning Objectives:

- Familiarize students with core concepts of interest, present value, risk, diversification, and insurance,
- Improve student skills in using spreadsheets and other tools in common use for analyzing financial information, and
- Introduce students to major types of financial instruments including stocks, bonds, mutual funds, and to investments in real estate.

Assessment of Learning Objectives: Project assessments will be used to evaluate these objectives.

Text - Required: Madura, J., **Personal Finance**, Pearson-Addison/Wesley, **4e, 2011**, ISBN 978-0-13-611700-1. Purchase of the CD is NOT critical to the course. The text is needed by the first week of class. I am unsure if the international version is equivalent (i.e., has the same homework, etc.) A copy, with the CD, is on reserve at the Chang Library.

Text – Recommended (Optional): Dworsky, L. N., **Understanding the Mathematics of Personal Finance**, Wiley, 2009, ISBN 978-0-470-49780-7.

Required: Statistical software in Excel 2003 (or higher) and the text CD are included in the course, which is required for homework, related cases, and team assignments. Reading assignments must be completed prior to each lecture. Communication Devices: No communication devices (cell phones, palm pilots, beepers, pagers, etc.) can be used in the classroom.

Academic Integrity: All students are responsible for locating, reading, and abiding by the University Policy on Academic Integrity for Undergraduate and Graduate Students. The policy is available on-line at http://cat.rutgers.edu/integrity/policy.html

Recommendations: Requests for recommendations must be made in writing after completion of the course.

Communication:

1. *NETID Needed*

Rutgers uses the Sakai system. In order to use this system, you must have a NETID and PW. A NETID is an account on one of the main systems at Rutgers (Pegasus, Eden, Andromeda or RCI).

- **If you have a NETID,** you can currently ensure that you will be able to login to the system.
- **If you do not have a NETID**, please use the following page to attain one: http://netid.rutgers.edu/
- **If you have any problems**, please contact your local RUCS Help Desk. You can reach them at help@nbcs.rutgers.edu or 732-445-Help

2. *Sakai*

To facilitate class learning, please access and print course documents needed for class from the course management system known as Sakai. Course documents are posted in folders under Resources.

Quick Start for Sakai:
https://sakai.rutgers.edu/access/content/public/quickmember.html
Sakai website:
http://sakai.rutgers.edu/portal

If you do not see this course listed, then the site in likely in the "More" dropdown box to the right of your tabs. You can rearrange the order of your sites or hide sites from previous semesters by using the Preference tool in My Workspace and clicking on the "Customize Tabs" action button.

Student E-Mail and Phone Numbers:

a. A student can forward mail from his/her Eden/Pegasus address to a preferred e-mail address. Go to http://www.eden.rutgers.edu/tools.php and click on forwarding. Enter your NetID and PW. Then fill in your preferred e-mail address.

Cautions: Hotmail has problems with e-mails with attachments. Also, some corporations spam e-mails with attachments.
- If you have any problems, please contact your local RUCS helpdesk at help@nbcs.rutgers.edu

b. Students, also, have the responsibility to then inform the professor of any changes to their phone numbers (day and evening). Please use **"37:575:250:03"** in the Subject section to avoid being spammed. ***Please sign your full name in all e-mail correspondence.***

c. Please check your e-mail regularly, especially on the day of class, to learn if there are any changes in the class schedule, class requirements, or for other general announcements.

Study Groups: Forming study groups will facilitate learning by keeping you focused, involved, and current in the course. In this type of course, Student who have formed study groups tend to do better then students who work alone. They have a better understanding of the material, can talk it over and catch mistakes that each person makes. I highly encourage you to form your own study group.

Classroom Etiquette: Common courtesy is expected at all times.

Parking Impacts: Special events may impact parking.

University/Campus Closings: 732-932-INFO (New Brunswick); http://campusstatus.rutgers.edu

Special Needs – Rutgers, the State University of New Jersey abides by the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments (ADAA) of 2008, and Sections 504 and 508 which mandate reasonable accommodations be provided for qualified students with disabilities and accessibility of online information. If you have a disability and may require some type of instructional accommodation, please contact me early in the semester so that I can provide or facilitate in providing accommodations you may need. If you have not already done so, you will need to register with the Office of Disability Services, the designated office on campus to provide services for students with disabilities. The Office of Disability Services is located in the Kreeger Learning Center, 151 College Ave, 732-932-2848. I look forward to talking with you soon to learn how I may be helpful in enhancing your academic success in this course.

Assessments: This class is hands-on and features assessment of projects and assignments, rather than a lecture course that uses exams to assess learning. Course assessment is calculated as a weighted average of the following projects.

Grading: Assessment:

Posting of Grades, http://www.acs.rutgers.edu/grades

Assessment Policy:

Letter Grade	Scores Based on Course Components
A	90-100
B+	85-89
B	80-84
C+	75-79
C	70-74
D	60-69
F	< 60

Note: The thresholds for final letter grades will be re-scaled if a conventional standard seems unreasonable.

1) In class quizzes = 10%

- There will be a short 10 minute quiz given every 3 weeks in the middle of class, usually after a break.
- Quizzes will be taken from class material that has been covered.

2) Assignments and Projects= 60%

- All homework assignments are to be handed in via Sakai, using the *Assignments* tab. *Do not put it in the Drop box, it will not be accepted and I will not look for it there.*

- If the assignment is late or past the closing date, please email it directly to me. Hardcopies can be handed in but must be handed IN CLASS by the due date.

- **Penalty:** 10% for every assignment is submitted late, with a **max of one week**. Submissions must be complete; no partial assignments can be submitted.

- There will be various projects assigned, some of which may be group presentations, online trivia, research, etc…

- Cheating or copying from another student's answers will result in a ZERO for both involved.

- Working or studying together does not constitute as cheating *as long as all work is original* and not duplicated, where assignments indicate. All names of

group members or who you worked with *must* be added to the assignment and a note explaining the division of work or how the task was performed.

- Uploading or downloading course answers/materials/etc… or someone else's work from previous semesters is Plagiarism and considered cheating. Resulting in a Zero.

3) Participation and Attendance =10%

NOTE: Active participation is critical. This is PERSONAL finance; it involves a person being present and actively involved in the discussions.

- Cell phones, Texting, blogging, Twitter, Tumblr, Flickr, Facebook, Google+, etc… are not permitted. All devices must be turned off at the beginning of class. In case of emergency, please leave the room to make or take a call.

- A 5 minute presentation will be made each week by a group of students on a topic relating to Finance.

- Participation in exercises and discussions are highly valued.

NOTE: There will be many in class assignments and group exercises. Group assignments are to be done in class and handed in, with *all work shown or no credit will be given (e.g. formulas used or rational explanation…In other words, what did you do to get that answer?)*. Group assignment answers can be the same. You *must* include your group member's names on your paper or points will be taken off for the entire group.

4) **Guest speaker summary and assignment= 10**%

There will be approximately 5 to 7 guest speakers, throughout the semester. Your attention is crucial. You will have a chance to ask questions and network. No cell phones, laptops or texting. It is considered extremely rude.

Note: A summary is due for each guest speaker. It must demonstrate listening skills and what you learned from them. (e.g. what did you learn from the guest speaker that you did not know before? Who are they, what do they do? What was interesting or not? Did it help you in anyway? What might you also want to know?) It can be *2 paragraphs maximum*. Summary must be handed in that same day of speaker's appearance.

5) Personal Financial Plan= 10%

Students are expected to develop their own Personal Financial Plan throughout the semester. This will be ongoing and highly individual to each person.

Assignments Overview

NOTE: All Assignments and their related documents can be found under the ***Assignment Tabs*** **in Sakai.** Assignments may be subject to change, please pay attention to the instructions given on the website. I will not accept incomplete or "mistaken" assignments.

Assignment #	Components (Note: Please go to Sakai, under Resources, for the Assignments for the Excel document delineating the specifics of these assignments.)	Target Due Date	Weight (%)
Assignment 1	1) Selected Homework Problems, Chapters 3, 4, & 5 2) Case Studies, Part 1 3) Out of Pocket chart 4) Personal Financial Plan---Your budget, balance sheet, income statement sheet, Financial plan	October 1	
Assignment 2	1) Web Project 2) Pareto project 3) Selected Homework Problems, Chapters 6, 7, & 9 4) Case Studies, Part 2 5) Personal Financial Plan	October 29	
Assignment 3	1) Web Projects, 2) Review Question, 3) and Selected Homework Problems, Chapters 14 and 16 4) Case Studies, Part 3 5) Personal Financial Plan	November 19	
Assignment 4	1) Web Projects 2) and Selected Homework Problems, Chapters 17 and 19 3) Case Studies, Part 4 4) Personal Financial Plan Stock Market Project (Teams of 3-4) (See Excel Worksheet)	Dec 10th	
	In-Class Literacy Assessment (last day of class) Final in-class Presentation due Paper- Individual Personal Financial Plan due	Dec 17th	
Total	For any non-working websites, please first check Yahoo and/or Google as alternatives. Otherwise, please e-mail me.		

In-Class Projects: Ethical Dilemma, films, etc.

Target Week	Proposed Chapter Series **Notes: Guest lecturers may result in modifications to the schedule. As a courtesy to our guest lectures, please turn off all laptops and communication devices.**
#1 September 10	**Syallabus, Course expectations, layout** **Chapter 1 (Overview of a Financial Plan); Excel** • Components and Developing a Financial Plan • Excel spreadsheets, graphics and financial applications • Pre-Assessment of Financial Literacy ***goal setting (short-term, intermediate-term, and long-term*** **In class:** • ***Bucket List*** ***PFP Project: Vision Board project***
#2 September 17	**Chapter 2 (Planning with Personal Financial Statements); and 4 (Using Tax Concepts for Planning)** • **Factors that affect cash flows; creating a budget,** *Discussion of tradeoffs regarding: What's it worth to reduce my spending and understanding the Latte Factor* • **Introduce Out of Pocket tracking project** • **Pick Group members and dates of presentations**
#3 September 24	**Chapters 3 (Applying Time Value Concepts)** • Future and present value of a single dollar amount • Future and present value of an annuity *To be a millionaire, how long would it take with different rates of savings and rates of return, etc*. **In class:** • **The Lottery dilemma** • **Bingo**
#4 October 1	**Chapters 5 (Banking and Interest Rates) and 6 (Managing Your Money)** Types of financial institutions and their banking services; Interest rates; Money market investments and their risk *How to choose a bank, with given minimum deposits, balances, monthly fees, check-writing charges?* *How do you evaluate choosing between two CDs?* *How much do you need to save to purchase a car?* *How should you plan to purchase a condo?* **In class:** Monopoly game **Research Project: Bank comparison of your area.** ***Assignment 1 Due - All course projects must be posted on the Sakai by 11:59:59 PM. Paper copies are to be submitted in class. Late submissions must be emailed to me afterwards***
#5 October 8	**Chapters 7 (Assessing and Securing Your Credit) and 8 (Managing Your Credit)** Credit cards; dealing with credit debt *Evaluate your preparedness to defend against identify theft* ***In class:*** • ***Jeopardy:***
#6 October 15	**Chapters 9 (Personal Loans) and 10 (Purchasing and Financing a Home**) Evaluation of personal loans, auto loans and 30-year mortgages Evaluate what you can afford to borrow to finance the purchase of a home Valuation of a home *How much can I borrow?*

	Introduce Leasing Project
#7 October 22	**Chapters 11 (Auto and Homeowner's Insurance) and 12 (Health and Disability Insurance)** Managing risk; factors that affect auto insurance premiums; homeowner's and renter's insurance *What insurance should I have?*
#8 **October** **29**	**Chapters 13 (Life Insurance) and 14 (Investing Fundamentals**) Types of life insurance and determining the amount of life insurance needed Types of investments; tradeoffs between return and risk *How much life insurance do I need?* *How do my investment decisions impact my wealth?* **Assignment 2 Due - All course projects must be posted on the Sakai (Assignment tab) by 11:59:59 PM.** **Paper copies are to be submitted in class.**
#9 November 5	**Chapters 17 (Investing in Mutual Funds)**
#10 November 12	**Chapter 18 (Asset Allocation)** How diversification reduces risk; strategies for diversifying; asset allocation strategies; factors that affect your asset allocation decision *Is my asset allocation conservative, moderate or aggressive?*
#11 **November** **19**	**Chapters 15 (Investing in Stocks) and 16 (Investing in Bonds)** Analyzing the firm's annual report; industry analysis of stocks; stock valuation (Price-earnings method and price-revenue method) Stock Exchanges; purchasing or selling stocks; buying stock on margin and assessing performance of stock investments *What stocks meet my criteria? How do I compare and contrast them?* *How do I assess analysts' comments and earnings estimates?* Types of bonds; valuing a bond; risk from investing in bonds; bond investment strategies Type of mutual funds; return and risk of a mutual fund *How do the purchase of bonds impact my protecting of assets and income, as well as my retirement?* *How do I select mutual funds that best meet my individual financial goals?* **Assignment 3 Due - All course projects must be posted on the Sakai by 11:59:59 PM.** **Paper copies are to be submitted in class.**
#12 November 26	**Chapter 19 (Retirement Planning)** Social Security; employer-sponsored retirement plans (defined-benefit and defined-contribution plans) Retirement plans offered by employers; Keogh Plan, SEP, IRAs, etc. *How do my savings decisions and what types of plan(s) contribute to impact my retirement?*
#13 December 3	**Chapter 20 (Estate Planning)** Purpose of a will; estate taxes; trust, gifts, and contributions *What key events and changes in my assets impact the review and change of my will?* In-Class Project Financial Literacy Assessment
14 December 10	**Chapter 21 (Integrating the Components of a Financial Plan)** Budgeting, managing liquidity; personal financing; protecting your assets and income; managing investments; retirement planning; maintaining your financial documents *How can I further improve my financial health?* **Assignment 4 Due - All course projects must be posted on the Sakai by 11:59:59 PM.** **Paper copies are to be submitted in class.**

#15 December 17	**Final in-class Presentation** **Individual Personal Finance Plan-paper due**

.