

Finance for Personal and Professional Success 37:575:250:02

**Rutgers University
School of Management and Labor Relations
Fall 2011**

**Course Number: 37:575:250:02
Day and Time: Wednesdays 7:15-10:05pm
Location: Cook Douglass Lecture Hall, Room 109**

**Instructor:
Stephanie Atkins
Email: satkins@work.rutgers.edu
Office Hours: By appointment**

Course Description:

Students will receive an overview of core financial concepts and techniques useful, both at work and in personal life. Topics covered will include interest, credit, insurance, investments, present value and net worth.

SAS Learning Objectives:

- 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.
- 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.
- Introduce students to major types of financial instruments including stocks, bonds, mutual funds, and to investments in real estate.

Required Text:

Madura, J., Personal Finance, Pearson-Addison/Wesley, 4e, 2011, ISBN 978-0-13-611700-1.

***The text is needed by the first week of class. The international version is not viable for the class. There is a conflict with content, homework problems, etc. Please do not purchase the international edition of the text for the class.**

Assignments and Course Assessment:

Assignment	Components	Due Date	Weight (%)
1 5%	Pre-Assessment of Financial Literacy (Quiz)**	September 15, 2011	5
2 20%	Quiz Sakai Ch. 3-5 Brad Brooks, Part 1 p.110	October 5, 2011	15 5
3 25%	Quiz Sakai Ch. 6, 7 & 9 Brad Brook, Parts 2 and 3	October 19, 2011	15 10
4 25%	Quiz Sakai Ch. 11, 14 & 15 Brad Brooks, Part 4 Risk Tolerance Quiz	November 2, 2011	15 5 5
5 30%	Brad Brooks, Parts 5 and 6 Stock Market Project Due Pareto Analysis Final Assessment of Financial Literacy (Quiz)**	November 30, 2011	10 5 10 5

****Financial Literacy Quizzes are mandatory but will not have a negative impact on your grade. They will be used as an overall assessment of each student's progress.**

Grading Scale:

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

Schedule of Classes:

The following is a tentative lecture schedule. Students will be notified in advance of any changes that may occur. Project due-dates are also tentative until confirmed. Assignments and readings represent the material to be covered during that class session. Students are expected to complete the readings on the syllabus prior to the class date on which they are listed.

Class 1: September 7, 2011

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 Assignment
Brainstorm goal setting (short-term, intermediate-term, and long-term)

Class 2: September 14, 2011

Chapters 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

Introduce Stock Market Project

Class 3: September 21, 2011

Chapter 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.

Class 4: September 28, 2011

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?

Class 5: October 5, 2011

Chapters 7 (Assessing and Securing Your Credit) and 8 (Managing Your Credit)

Credit cards; dealing with credit debt

In Class Movie: TBD

Assignment 2 due at 7:15 sharp!

Class 6: October 12, 2011

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

In Class Movie TBD

Class 7: October 19, 2011

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?

Assignment 3 due at 7:15 sharp!

Class 8: October 26, 2011

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?

Class 9: November 2, 2011

Chapters 17 (Investing in Mutual Funds)

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 does 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 4 due at 7:15 sharp!

Class 10: November 9, 2011

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?

Class 11: November 16, 2011

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?

Class 12: November 21, 2011 MONDAY

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?

Class 13: November 30, 2011

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?

Assignment 5 due at 7:15 sharp!

Class 14: December 7, 2011

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

Student Accommodations:

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.

Attendance:

Students should plan to attend every scheduled course session. Students must sign in personally at the end of each class; failure to do so will result in a loss of attendance points.

If you cannot attend a class, you must inform the course instructor in advance. If that is impossible because of an emergency, let me know as soon as practicable. I recognize that illness, death in the family or other emergencies happen, and will excuse absences as long as the affected student can provide proof. Signing in for another student is considered academic dishonesty and can result in failing the course.

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>

Communication:

The course will use the Rutgers Sakai site heavily for communication and assignments. You should familiarize yourself immediately with the workings of Sakai and let me know if you have any problems.

All course-related correspondence will be done through Sakai. Students are responsible for all information communicated to them via email by the instructor. Verbal discussions with the instructors before or after class will not be considered official unless followed up with written email confirmation. Feel free to contact me via email with questions or concerns about the course. I will do my best to get back to you within 24 hours. When emailing me, please include the course name in the subject line of your email.

NET ID:

In order to use the Sakai site, you must have a NETID and password.

- 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@nbc.rutgers.edu or 732-445-Help

Quick Start for Sakai: <https://sakai.rutgers.edu/access/content/public/quickmember.html>

Sakai website: <http://sakai.rutgers.edu/portal>