

ACE 240: Personal Financial Planning

Fall 2016

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Teaching

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Suggested

Prerequisite: Sophomore standing

Location: 103 Mumford Hall

Time: 9:30 am to 10:50 am, Tuesdays and Thursdays

Textbook: PFIN4, by Gitman, Joehnk, and Billingsley. Access to the textbook is required. It's available in campus bookstores. The reading assignments aren't particularly long or difficult; therefore, it would be possible for several students to share a copy if that works for you. Also, three copies of the textbook are on reserve in the ACES Library and it will be practical for you to do the readings there. You won't need access to the online resources that come with the book, so if you get a used copy of PFIN3 that doesn't include access codes that is just fine.

Course

Overview: This course is an introduction to personal financial management including topics such as financial planning, asset management, credit, investments, insurance, and retirement planning. We'll consider financial issues that are important to individuals and families at different points in the life cycle. This is an introductory survey course in personal finance and is intended to provide a practical introduction to these topics so that you can make better financial decisions throughout your career.

Format: This is a lecture-discussion course. Discussion is encouraged; please feel free to ask questions about the topic we are discussing. If you have a question about something, it is likely some of your

classmates have the same question. You are encouraged to ask questions before, during, and after class as well as by email.

Learning

Objectives: Personal financial planning is a key component in health and well-being. An improved understanding of the topics and skills listed below empowers individuals, families, and communities to secure better opportunities in education, housing, employment, health care, transportation and risk-management, as well as better retirement outcomes. The security and reduced stress that results from a well-planned financial life can lead to improvements in one's physical, social, intellectual, and emotional life.

Students who successfully complete this course will have a functional understanding of the following topics:

- 1) The financial planning process
- 2) Preparation and use of financial statements
- 3) Time value of money calculations and concepts
- 4) Financing strategies and the prudent use of short, intermediate, and long term debt
- 5) Cash flow management
- 6) Long and short term investments
- 7) Analysis of retirement needs and common ways of funding them, including defined benefit plans, defined contribution plans, annuities, Social Security
- 8) Financial planning for special and adverse circumstances
- 9) Principles of risk and insurance, insurance needs analysis, as well as health, life, auto, homeowner's, disability, and long term care insurance
- 10) Income taxes
- 11) Rent versus buy decisions

Office Hours: My office hours are in 429 Mumford Hall Mondays 2:30 to 3:30 pm. I can also meet you by appointment and you can often catch me before or after class as well.

Some of our TAs will have office hours also; these will be posted on Compass next week.

Website: There is a website on Compass 2g for this course. If you are properly enrolled, you should have access. Please verify immediately that you can access the ACE 240 website. If not, please notify our TAs.

Grading: Your grade will be determined by the following:

First Hourly Exam	16.67%
Second Hourly Exam	16.67%
Third Hourly Exam	16.67%
In-class Homework Assignments*	25.00%
<u>Online Quizzes**</u>	<u>25.00%</u>
Total:	100%

Exams will be a combination of true/false and multiple choice questions.

*There will be eight in-class homework assignments. The lowest two scores will be dropped; the best six scores will be used.

** There will be eight online quizzes assignments that must be completed on Compass within a given time frame (usually 4 to 5 days). The lowest two scores will be dropped; the best six scores will be used.

Grading Scale:

Unless I announce otherwise, the grading scale will be:

A+	97-100	B+	87-89	C+	77-79	D+	67-69
A	93-96	B	83-86	C	73-76	D	63-66
A-	90-92	B-	80-82	C-	70-72	D-	60-62
		F	below 60				

Tentative

Test Dates: September 27 First Hourly Exam
October 25 Second Hourly Exam
December 6 Third Hourly Exam

I reserve the right to change test dates depending on how the class is progressing. All changes will be announced in class.

PPTs:

For each chapter in the book, there will be power points that will be available on Compass before class. These have blanks in them. Print the power point, bring it to class, and fill in the answers in class as we go through the power point. Or, bring your laptop and

fill in the answers that way. As you do this, you will build a study guide that will be helpful to you when studying for the tests.

Attendance: Although I will not take attendance at each class meeting, attendance at each and every class session is not only highly recommended, it is expected. **IF YOU DO NOT PLAN OR EXPECT TO ATTEND CLASS REGULARLY, YOU SHOULD NOT TAKE THIS COURSE.**

THE SINGLE MOST IMPORTANT THING YOU CAN DO TO ENSURE YOUR SUCCESS IN THIS CLASS IS TO ATTEND EVERY CLASS. THE CLASS WEBSITE IS NOT A SUBSTITUTE FOR ATTENDING CLASS.

You are expected to attend all meetings of this class. *You will be responsible for the material that you miss; therefore, it is important that you make arrangements with someone you trust to obtain copies of any class notes.*

You may not miss an examination for any reason but medical or family emergency. An official excuse must be obtained from the Dean of Students Office. If you have questions about what constitutes an acceptable excuse, you may check the **Handbook of Policies and Regulations Applying to All Students.**

Online: <http://admin.illinois.edu/policy/code/>

Miscellaneous

Items: Please observe common courtesies. This is a relatively large class. If you have something to discuss with a classmate, please do so in the hall. Please turn off cell phones, etc.

NOTE: **All important announcements (changes in test dates, etc.) will be made in class and you are responsible for all information, problems, etc. presented in class. If you are unable to attend a class, you are responsible for securing this information from a classmate.**

IMPORTANT NOTE: All items on this Syllabus are subject to change. Changes and additional announcements will be made in class as the semester progresses.

Run > Hide > Fight

Emergencies can happen anywhere and at any time. It is important that we take a minute to prepare for a situation in which our safety or even our lives could depend on our ability to react quickly. When we're faced with any kind of emergency – like fire, severe weather or if someone is trying to hurt you – we have three options: Run, hide or fight.



Run

Leaving the area quickly is the best option if it is safe to do so.

- ▶ Take time now to learn the different ways to leave your building.
- ▶ Leave personal items behind.
- ▶ Assist those who need help, but consider whether doing so puts yourself at risk.
- ▶ Alert authorities of the emergency when it is safe to do so.



Hide

When you can't or don't want to run, take shelter indoors.

- ▶ Take time now to learn different ways to seek shelter in your building.
- ▶ If severe weather is imminent, go to the nearest indoor storm refuge area.
- ▶ If someone is trying to hurt you and you can't evacuate, get to a place where you can't be seen, lock or barricade your area, silence your phone, don't make any noise and don't come out until you receive an Illini-Alert indicating it is safe to do so.



Fight

As a last resort, you may need to fight to increase your chances of survival.

- ▶ Think about what kind of common items are in your area which you can use to defend yourself.
- ▶ Team up with others to fight if the situation allows.
- ▶ Mentally prepare yourself – you may be in a fight for your life.

Please be aware of persons with disabilities who may need additional assistance in emergency situations.

Other resources

- ▶ police.illinois.edu/safe for more information on how to prepare for emergencies, including how to run, hide or fight and building floor plans that can show you safe areas.
- ▶ emergency.illinois.edu to sign up for Illini-Alert text messages.
- ▶ **Follow the University of Illinois Police Department** on Twitter and Facebook to get regular updates about campus safety.

PLEASE TAKE THE TIME TO CAREFULLY READ THE FOLLOWING PAGE, WHICH IS PROVIDED BY THE CHANCELLOR'S OFFICE:

General Emergency Response Recommendations

These recommendations are provided by the Office of Campus Emergency Planning. There are two basic methods to respond in emergencies that may affect persons on campus, and more specifically, individual buildings: Building Evacuation (**GET OUT**) and Shelter-In-Place (**STAY IN**).

ONLY FOLLOW THESE ACTIONS IF SAFE TO DO SO. When in doubt, follow your instincts - you are your best advocate!

Building Evacuation (GET OUT) — Action taken to leave an area for personal safety.

- Take the time to learn the different ways to leave your building **BEFORE** there is an emergency.
- Evacuations are mandatory for fire alarms and when directed by authorities! No exceptions!
- Evacuate immediately. Pull manual fire alarm to prompt a response for others to evacuate.
- Take critical personal items only (keys, purse, and outerwear) and close doors behind you.
- Assist those who need help, but carefully consider whether you may put yourself at risk.
- Look for **EXIT** signs indicating potential egress/escape routes.
- If you are not able to evacuate, go to an Area of Rescue Assistance, as indicated on the front page of this plan.
- Evacuate to Evacuation Assembly Area, as indicated on front page of this plan.
- Remain at Evacuation Assembly Area until additional instructions are given.
- Alert authorities to those who may need assistance.
- Do not re-enter building until informed by emergency response personnel that it is safe to return.

Shelter-in-Place (STAY IN) — Action taken to seek immediate shelter indoors when emergency conditions do not warrant or allow evacuation.

- Severe Weather
 - If you are outside, proceed to the nearest protective building.
 - If sheltering-in-place due to severe weather, proceed to the identified Storm Refuge Area or to the lowest, most interior area of the building away from windows or hazardous equipment or materials.
- Security Threat
 - If you cannot safely evacuate, find a secure area within your building to stay and await further information.
 - Assist those who need help, but carefully consider whether you may put yourself at risk.

- Once within a safe place, attempt to secure the space (i.e.: lock doors, close windows/blinds).
- If unable to lock the door, secure it by any means possible.
- Remain quiet, unless making noise would be beneficial to your safety (i.e.: rescue recovery).
- Without jeopardizing your safety, try to obtain additional clarifying information by all possible means, including the Illini-Alert Emergency Text Notification System.