

COURSE OUTLINE

SOC SCI 2PF3

Personal Financial Management for Social Science Students

Day of the Week: Thursdays – 7:00-10:00 PM

Location: BSB106

McMaster University
Faculty of Social Sciences

Instructor: Tony Belsito
Office: KTH/208

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Office Hours: Thursdays 6:00-7:00 p.m.

Course Description:

Develops a functional level of competency in managing personal financial affairs. Identifies critical areas of financial concern and applies various techniques and models to analyze problems associated with financial planning.

Prerequisite: Registration in Level II or above of a program in the Faculty of Social Sciences.

Grade 11 M or U Math is recommended. *Not open to students with credit in Commerce 4FL3, 4FP3.*

(Not open to Continuing students)*

*Continuing Students are university graduates who are not proceeding to an advanced degree

Enrollment for all courses will be capped at 100. Information pamphlets are available in the Office of the Associate Dean, Faculty of Social Sciences (KTH/129).

Learning is enabled using a combination of class preparation, in-class lectures, case analysis, online independent study, and group study.

Course Objectives:

Developing Transferable Skills

You will work on developing academic skills that are transferable to your other university courses as well as to the workforce. These skills include:

- critical reading and thinking;
- communication (oral, written and visual);
- problem solving;
- research skills;
- analysis, evaluation and application; and
- execution of financial mathematical operations.

Required Textbook:

ISBN	Textbook Title & Edition	Author & Publisher
13:978-0-17-610337-8	Personal Financial Planning – First Canadian Edition	Gitman, Joehnk, Gallant, MacAulay Thomson Nelson
Other	References, handouts as directed.	various

Calculator: Texas Instruments BAII+

Evaluation Components:

Assessment Activity	% of Grade	Date Due
Test 1	30%	Thursday, September 28 th
Test 2	30%	Thursday, November 2 nd
FINAL EXAM	40%	T.B.A.

Class Participation and Engagement: Class participation and engagement is an important component of this course (and of active learning). Therefore, we expect all students to be 'active' participants in this course. This means attending classes, being prepared, being actively involved in class activities and thoughtful discussion, and completing assigned work.

Your participation and your active involvement in class, and the quality of that involvement will assuredly increase the value of the learning experience. Types of activities or behaviours that will be considered disruptive and detract from the learning experience for others include the following: missing classes, talking to classmates about things that are not a contribution to the class discussion, general nonparticipation in or disruption of class/class activities, sleeping during class, coming to class late or leaving early, and using personal electronic devices. Computers may be used in class but ONLY for note taking purposes.

UNIVERSITY POLICY ON ACADEMIC DISHONESTY:

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy, located at <http://www.mcmaster.ca/academicintegrity>

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations.

FACULTY OF SOCIAL SCIENCES E-MAIL COMMUNICATION POLICY

Effective September 1, 2010, it is the policy of the Faculty of Social Sciences that all e-mail communication sent from students to instructors (including to TAs), and from students to staff, must originate from the student's own McMaster University e-mail account. This policy protects confidentiality and confirms the identity of the student. It is the student's responsibility to ensure that communication is sent to the university from a McMaster account. If an instructor becomes aware that a communication has come from an alternate address, the instructor may not reply at his or her discretion.

McMaster Student Absence Form (MSAF):

This on-line self-reporting tool is for undergrad students to report one absence of up to 3 days per term. The MSAF gives you the ability to request relief for any missed academic work during that one absence (that is less than 25% of the course grade). Please note: this tool cannot be used during any final examination period.

You may submit only 1 MSAF per term. This form should be filled out as soon as possible before you return to class after your absence. It is YOUR responsibility to

follow up with your instructor immediately (within 48 hours of submitting the MSAF) in person or by email regarding the nature of the relief that is possible for the missed work.

If you are absent more than 3 days or exceed 1 request per term, are absent for a reason other than medical, or have missed work worth 25% or more of your final grade, you **MUST** visit the office of the Associate Dean in your Faculty. You may be required to provide supporting documentation to the Faculty office. You must **NOT** submit any medical or other relevant documentation to your instructor. Your instructor may **NOT** ask you for such documentation. All documentation requests will only come from the Faculty office.

Access Copyright Regulations:

McMaster University holds a licensing agreement with Access Copyright, the Canadian Copyright Licensing Agency. Information on current regulations for copying for education purposes can be found at the following website: <http://www.copyright.mcmaster.ca/>

Student Accessibility Services (SAS) formerly Centre for Student Development (CSD):

If you have an accommodation letter from SAS, you are required to provide a copy of that letter to your instructor. Please be sure that you arrange academic accommodations through SAS as early as possible in order that the instructor can receive the accommodation letter as early as possible in the term.

What are my responsibilities as a student registered at SAS? Students are responsible to identify themselves to Student Accessibility Services on an annual and regular basis in order to receive accommodations and services. Students are responsible for:

- meeting their SAS Program Coordinator prior to, or at the start of each academic term (September, January and summer sessions);
- providing their SAS Program Coordinator with relevant and professional medical or psychological documentation;
- notifying their SAS Program Coordinator if courses are dropped or added, or if accommodations require a change;
- meeting with individual course instructors to discuss specific needs in relation to the course and their disability; and
- providing the course instructor with their accommodation letter from SAS.

For more information, see the SAS website: <http://sas.mcmaster.ca/>

COURSE SCHEDULE

Date	Topic	Reading
Week 1: Sept 7	Introduction to SOC SCI 2PF3; Financial Planning Foundations <ul style="list-style-type: none"> • Introduction to the course; the principles of financial planning including the elements of a financial plan, goal setting, and objectives; time value of money concepts; and, the planning environment. 	Chapter 1
Week 2: Sept 14	Personal Financial Statements <ul style="list-style-type: none"> • Understand the role and uses of personal financial statements (net worth statement, income and expense statement and budgets) in financial planning • Apply some basic time value of money concepts 	Chapter 2
Week 3: Sept 21	Automobile and Housing Decisions <ul style="list-style-type: none"> • Recognize the importance of major financial decisions such as automobiles and housing by addressing the key issues of affordability and financial flexibility • Evaluate purchasing versus leasing • Identify costs, apply time value of money concepts and calculate affordability measures • Identify sources of financing 	Chapter 5
Week 4 Sept 28	Test 1 Wednesday September 30th : CH's 1, 2, 5	
Week 5 Oct 5	Open Account Borrowing <ul style="list-style-type: none"> • Understand the basic concepts of credit including good and bad reasons to borrow and how to establish credit Identify and evaluate the types of open account credit Consumer Loans <ul style="list-style-type: none"> • Identify and evaluate the features, costs and sources of consumer loans. 	Chapter 6 Chapter 7
Week 6 Oct 12	<ul style="list-style-type: none"> • MID-TERM RECESS 	

<p>Weeks 7/8 Oct 19/26</p>	<p>Insuring your Life and Health</p> <ul style="list-style-type: none"> • Understand the concept of economic risk • Assess and analyze the need for, amount and type of life insurance coverage required at various stages in life and for different situations. • Evaluate the importance of health care, long-term care and disability insurance. <p>Protecting Your Property—Housing and Automobile Insurance</p> <ul style="list-style-type: none"> • Understand the basic principles of insurance including exposure to property loss and liability • Identify types of perils and related coverage—who, what. <p>Estate Planning</p> <ul style="list-style-type: none"> • Identify the principles and objectives for preserving one’s estate • Recognize the importance of preparing a will, identify the duties of an executor and describe the implications of dying intestate • Identify the purposes of trusts, assess the tax implications associated with death, and understand the use of gifts as a means to transfer assets 	<p>Chapter 8</p> <p>Chapter 9</p> <p>Chapter 13</p>
<p>Week 9 Nov 2</p>	<p>Test 2 Wednesday November 4th: CH’s 6, 7, 8, 9, 13</p>	
<p>Weeks 10/11 Nov 9/16</p>	<p>Managing Cash and Savings</p> <ul style="list-style-type: none"> • Describe the purpose and benefits of cash management, the importance of establishing a savings program, and the need for liquidity • Identify the types of liquid assets and assess their risks/returns and pricing <p>Discuss the financial marketplace and identify the various financial institutions that provide financial service</p> <p>Investment Planning—Long Term investments</p> <ul style="list-style-type: none"> • Assess the role of investment planning in achieving long term financial goals by: identifying sources of capital and income; evaluating key investment objectives; identifying and evaluating important investing risks and assessing one’s tolerance for risk; becoming better informed about the financial markets, the economy, the risk/return trade-offs from various types of securities, the types of accounts and market terminology • Understand the features, risks/returns, and pricing of stocks (equities), bonds, mutual funds and exchange traded funds 	<p>Chapter 4</p> <p>Chapter 10</p> <p>Chapter 11</p>

Week 12 Nov 23	Managing your Taxes <ul style="list-style-type: none"> • Understand key personal taxation laws and terminology • Perform calculations for basic personal taxes • Identify tax planning tips and strategies for year-round planning 	Chapter 3
Week 13 Nov 30	Retirement Planning <ul style="list-style-type: none"> • Establish a framework for determining retirement needs • Identify and evaluate the public and private sources of retirement funds. • Contrast RRSPs and TFSAs as tools for achieving retirement goals. 	Chapter 12
Final Exam	Date TBD CH's 1, 3, 4, 10, 11, 12	

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check his/her McMaster email.