



Family, Consumer, and Human Development

2905 Old Main Hill, Logan UT 84322-2905
<http://www.usu.edu/fchd>

FCHD 4350 ADVANCED FAMILY FINANCE Fall 2016

Instructor: Dr. Lucy M. Delgadillo (del-gə-dee-yoh)

Time: Tuesday & Thursday noon-1:15

Office: Family Life 308A

Phone: 435-797-7204

Classroom: Family Life 307

Office hours: T, R 10:00-11:00 & by appointment

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Graduate Teaching Assistant: Evan Steward, evanstewart@aggiemail.usu.edu

Required Material:

- Garman, E. T. & Forgue, R. E. (2014). *Personal Finance, 12th Ed.* (G&F). This course and textbook provide preparation for the Accredited Financial Counselor (AFC) exam.
<http://www.afcpe.org/certification/>
- *The Social Security Fix-It Book* (2014). <http://crr.bc.edu/special-projects/books/the-social-security-fix-it-book/>
- A **financial calculator**: Hewlett-Packard 10BII. Any financial calculator model is fine as long as you can do time value of money problems. (For practice, use G&F Appendix A). Assistance will be provided *only* for the HP 10BII. How to use a financial calculator:
<https://search.yahoo.com/yhs/search?p=How+to+use+a+financial+calculator&ei=UTF-8&hspart=mozilla&hsimp=yhs-001>
- *Callan Periodic Table of Investment Returns* (1996-2015). Printed in color.

Course Description: Managing personal and family financial resources to achieve goals relating to investments, retirement, and estate planning. Prerequisite: FCHD 3350 Family Finance. 3 credits

Course Objectives:

By completion of this course you should be able to:

1. Use a financial calculator to solve time value of money problems and make investment decisions.
2. Select a mutual fund or ETF for you (or your client's) Individual Retirement Account.
3. Explain and evaluate the components of investment risk and ways to deal with risk.
4. Describe factors that affect prices of investments over time.
5. Explain how investments are bought and sold (role of financial salespersons).
6. Compare characteristics of investments and recommend appropriate investments for case studies.
7. Identify and critically evaluate sources of financial information & advice.
8. Develop a retirement investment plan for a client.
9. Describe wills and other instruments to carry out estate planning goals.

Suggested Resources:

Financial Planning for Women: www.usu.edu/fpw & FPW Blog: <http://fpwusu.blogspot.com/>
Money magazine: time.com/money and *Kiplinger's Personal Finance Magazine*
<http://www.kiplinger.com> . Both magazines/websites will help you with your mutual fund project.
Money essentials: <http://money.cnn.com/pf/money-essentials/>

General Recommendations:

Students learn more by doing than by observing. **This is not a passive learning course.** It requires that students will read assigned materials BEFORE class and participate in active learning activities in class rather than passively listening to lectures. Participate, take notes during the mini-lectures, and ask questions..

Determine your learning style to help you decide the best ways to study this material:

<http://www.personal.psu.edu/bxb11/LSI/LSI.htm>. You should expect to DO a lot of reading (lots of resources on Canvas), research for projects, calculator practice, and chapter exercises outside class to achieve the course objectives. Practice for exams using the end-of-chapter materials and Canvas resources. You will be rewarded in terms of your grade and practical knowledge in relation to the amount of time and energy you devote to the course. For each hour in class, students should devote *at least* two hours (ideally 3 hours) outside class to prep and assignments.

Teamwork: Since collaboration with co-workers is essential in the work place, you will be assigned to a team for Readiness Assessment Tests (RATs) and problem solving activities. The team learning approach emphasizes concept application, problem-solving skills, and development of interpersonal and group decision-making skills.

Plagiarism: What it is and how to recognize and avoid it <http://www.indiana.edu/~istd>

Please Note:

- * Important course information may be sent via e-mail or through Canvas, so check them daily. See university e-mail policy at end of syllabus.
- * Instructor reserves the right to make changes to the syllabus.
- * Due to the contemporary nature of this course, new resources will be added during the semester.
- * Because of the interactive nature of this course it will be helpful to have a laptop, tablet, or other web-access device (at least 1 per team) for in-class activities.
- * Note exam dates, especially the **final exam on Thursday, Dec. 15, 11:30 am to 1:20 pm.**
- * The following **schedule** is subject to change due to unforeseen opportunities/circumstances. If that is the case, students will be notified via Canvas.

<p>8/30 Introduction & Overview Syllabus, assignments, TA, financial calculators, Pre-assessment quiz due Thurs: FINRA Investor Knowledge Quiz 3x5 card: name, email, phone, major & expected graduation date, career plans, something unique about you Avoid Plagiarism: http://www.indiana.edu/~istd Review of assisting clients in determining saving and investment goals. How do we set priorities? Short term, medium term, and long term investments.</p>	<p>9/1 Ch 13 Investment Fundamentals. Bring your calculator Assignment to teams; get acquainted. Practice RAT based on syllabus. Due: FINRA Investor Knowledge Quiz: http://www.finra.org/Investors/ToolsCalculators/P116940 Take it once. Submit a copy of your results via Canvas. You will need to take it again at the end of the course. Practice on calculator</p>
<p>9/6 Ch 13 Saving & Investment Strategies. RAT 1 Ch 13 (10 most important concepts) Online savings (save in order to have \$ to invest) Bring to class: develop a table comparing three saving options for in-class activity (start table on your own) How to Win the Loser's Game Pt. 1 Individual 5 point in-class activity: Evaluate 3 items related to class from: http://fpwusu.blogspot.com/ Kiplinger: www.kiplinger.com & Money Essentials: http://money.cnn.com/pf/money-essentials/index.html</p>	<p>9/8 Chapter 13 cont. Risk tolerance (Take at least 2 quizzes: FPP p. 387 or others online) Dollar Cost Averaging; Diversification & Asset Allocation: http://money.cnn.com/pf/money-essentials-asset-allocation/index.html Preview of IRA term project (see Canvas) What is a Mutual Fund? G&F p. 456 ETFs p. 460 What is an IRA? G&F p. 528-529 Before Tuesday: practice how to use your calculator</p>
<p>9/13 Financial Calculators Bring calculator & textbook; Know basic calculator functions. Practice using G&F Appendix A Reminder... Plagiarism: What it is and how to recognize and avoid it http://www.indiana.edu/~istd Due: Investment Philosophy & Goals</p>	<p>9/15 Ch 14 Investing in Stocks & Bonds RAT 2 Print (in color) & bring to class: <i>Callan Periodic Table of Investment Returns</i> (1996-2015) How to Win the Loser's Game Pt. 2</p>
<p>9/20 Stocks Money Essentials: Stocks http://money.cnn.com/pf/money-essentials-stocks/index.html How to Win the Loser's Game Pt. 3</p>	<p>9/22 Understanding Bonds Money Essentials: Bonds http://money.cnn.com/pf/money-essentials-bonds/index.html Due: Pt 1: IRA paper. (Paper copy: use A#, not name; also submit through Canvas/Turnitin)</p>
<p>9/27 Timeless Investment Principles Speaker: Mr. Jeff Salisbury, financial planner</p>	<p>9/29 Review & practice for exam Bring textbook, calculator How to Win the Loser's Game Pt. 4</p>

<p>10/04 Exam One Ch. 13-14 Bring #2 pencil, scantron, large green or blue book (use same one for each exam), calculator, & 8.5"x11" notes</p>	<p>10/6 Ch 15 Investing through Mutual Funds RAT 3 Money Essentials: Mutual Funds http://money.cnn.com/pf/money-essentials-mutual-funds/index.html FINRA Fund analyzer http://apps.finra.org/fundalyzer/1/fa.aspx How to Win the Loser's Game Pt. 5</p>
<p>10/11 Mutual Funds & ETFs Target date; Life cycle; Index vs. managed; ETFs Fund ratings: Morningstar, Money, Kiplinger's, etc. https://www.americanfunds.com/individual/pdf/shareholder/mfgeipx-002_amcapp.pdf How to Win the Loser's Game Pt. 6</p>	<p>10/13 Mutual Funds & ETFs Team activity: AMCAP mutual fund prospectus evaluation (10 points) How to Find Funds to Meet Your Goals Compile criteria for selecting funds Evaluate & select mutual funds to meet your investment goals How to Win the Loser's Game Pt. 7 <i>Recommended:</i> Wed. 10/14 FPW</p>
<p>10/18 Ch 16 Real Estate & High Risk Investments RAT 4 How to Win the Loser's Game Pt. 8 and 9</p>	<p>10/20 No class Friday classes meet on Thursday</p>
<p>10/25 Review for the exam Due: Part 2 IRA Review of Literature (submit on paper with A# & via Canvas)</p>	<p>10/27 Exam Two Ch. 15-16 Bring a #2 pencil, scantron, green or blue book, calculator & notes</p>
<p>11/1 Ch 17 Retirement Planning RAT 5 (pp. 506-532; we will treat Ch. 17 in 2 segments for RATs) How to Win the Loser's Game Pt. 10 How long will <i>you</i> live? (use at least 2): http://gosset.wharton.upenn.edu/mortality/perl/CalcForm.html A cute game! You will enjoy it: http://www.northwesternmutual.com/learning-center/the-longevity-game.aspx</p>	<p>11/3 Employer Sponsored Plans & IRAs Who wins the longevity game? Team activity: 401(k) plan exercise For next class read: <i>The Social Security Fix-It Book</i> http://crr.bc.edu/special-projects/books/the-social-security-fix-it-book/ Due: IRA Part 3 (paper copy & Canvas)</p>
<p>11/8 Social Security <i>The Social Security Fix-It Book</i> SS Benefits: G&F Appendix B Bring to class: your written recommendation Team activity: How would you fix Social Security? (10 points) <i>Recommended:</i> Wed. 11/11 FPW</p>	<p>11/10 Retirement Calculators Indiv. 5 point in-class activity: Ballpark Estimate & G&F text worksheet: Calculate needs with <i>Ballpark Estimate</i> (choosetosave.org) & compare to text worksheet for Erik (p. 513-515). Hand in Erik's Ballpark Estimate & discussion of how and why it varies from text worksheet; compare to online calculators Teams: choose one MF/ETF to "sell" to class</p>

11/15 Estate Planning RAT 6 Ch 17.6 pp. 532-539 (Handout for alternate final exam essay)	11/29 Thanksgiving: no class. Talk with your family about their retirement plans, advance directives, wills, and estate planning
12/01 Wills & Trusts speaker: Monica Howard, attorney	12/3 Your estate plan cont (details: alternative to final exam essay) Lifelong learning resource: http://www.nolo.com/legal-encyclopedia/wills-trusts-estates Letter of last instruction, Organ donation Advance directives <i>Utah Advance Health Care Directive</i> http://aging.utah.edu/utah_coa/directives/ADInstructions4.pdf
12/8 Discussions/Presentations Check your grades on Canvas; Due: Investment Philosophy & Goals Revisited (please write name on paper) Due: How to Win the Loser's Game: What did you learn? Submit through Canvas (1 page)	12/10 Discussions/Presentations Due: Post-assessment: FINRA Investor Knowledge Quiz
*Please note the date of the final exam. Plan to be there; no early or late exams will be given.	12/15 Comprehensive Final Exam 11:30-1:20 Bring a #2 pencil, scantron, green or blue book (use same one from Ex 1&2), calculator & notes

Grading

Because a key feature of this course is teamwork, grades will be determined by scores on team activities as well as individual performance.

Individual performance:

Investor knowledge quiz (pre-& post-assessment; 5 pts.)	10
Investment Philosophy & Goals Revisited (2 x 5 pts.)	10
2 Individual activities/short papers @ 5 points each	5
How to Win Loser's Game (1 page paper)	10
Individual Readiness Assessment Tests (5* x 10 points)	40
Exam 1	50
Exam 2	50
IRA assignment (20, 40 & 40 points)	100
Final Exam (cumulative)	<u>100</u>
	375

Team performance:

Team Readiness Assessment Tests (5* x 10 points)	40
Team in-class activities (2 @ 10 points each)	20
Team IRA presentation oral report	<u>5</u>
	440

Total points: 440

*The lowest individual & team RAT grades will be dropped.

Grade scale: 93-100%= A, 90-92%= A-, 87-89%=B+, 83-86%=B, 80-82%=B-, 77-79%=C+, 73-76%=C, 70-72%=C-, 67-69%=D+, 60-66%=D, 0-59%=F

Student Information and Responsibilities. Students are responsible for reading and adhering to the following class policies: Always keep a copy of all assignments you submit; retain graded assignments until final course grade is received. Grades will be posted on Canvas. You are responsible for checking grades regularly. Any questions regarding grades should be discussed with the instructor within one week after the assignment or exam is returned to the class. Questions about final grades *must* be discussed with the instructor within one month of the final exam. Students wishing to challenge grades *must present their challenge in writing*. This requirement helps to clarify your concerns. If you do not do as well as you want on tests or papers, I expect you to meet with me within one week after the assignments are returned to the class to discuss how to improve.

Class Participation and Attendance. Students should actively participate in class activities and discussions and ask thoughtful, relevant questions. Regular attendance is expected. If you expect to miss class you should notify a member of your team. *You are responsible for all material covered in class and any announcements when absent.*

Readiness Assessment Tests (RATs) will cover information in the text chapter before we discuss it. The purpose of the RATs is to 1) encourage students to read the text before attending class and 2) identify the 10 most important concepts in each chapter. Students are strongly encouraged to take notes on the mini lecture that accompanies the review of each question. RATs will not be returned but are available for review in FL 308. RATs only test memorization, the first step in learning. Have you learned the meaning of the essential vocabulary and concepts? (Hint: study the learning objectives and key words in each chapter). There will be no RAT make-ups; the lowest individual and team scores will be dropped.

Exams are designed to test higher levels of learning than simple memorization (tested on the RATs). Exams consist of multiple choice, calculator problems, and essay (application). Practice calculations and apply what you learned to case examples. The end-of-chapter materials provide practice for exams. Study regularly with a study partner and *attend SI*. You may bring one 8.5" x 11" page of notes to each exam. The purpose is to encourage you to focus on understanding concepts and how to apply them rather than focusing on memorization. As a professional you will remember that which you use often and will learn how to find the information that you only need occasionally. Don't wait until the night before the exam to compile your notes. Develop your notes from class and the text throughout the semester. To practice for exams, use your class notes, the textbook, and Canvas.

Assignments. The professor and TA can provide feedback on assignments *before* they are due, but *only* if they are submitted at least two school days before the due date. Disclaimer: It is not realistic to expect that if you make *only* the changes suggested that you will earn an A. Some papers need more work than others. It is essential that you compare your paper to the assignment requirements, to sample papers, to the grade rubric, and incorporate feedback from the professor, TA, and UTF. Double space and use 1" margins so there is room for comments and suggestions. **Written communication skills count in grading.** Assignments will be graded anonymously; use your A#, NOT your name on assignments.

Late Assignment Policy: Assignments are due at the beginning of class. Late assignments will be penalized 10% the first day (if received before 5 p.m. on the due date), 25% if received the next day, and 10% per day thereafter. No assignments will be accepted more than one week late or after the

last day of class instruction. Contact the professor if you have an emergency. Late papers need verification of date and time they are submitted. Do not just slip them under my door.

University Policies

Communications via email. It is your responsibility to check your email account regularly.

Email is an official form of communication at USU. Any communication to you about this course will be to the email address you have listed in ACCESS as your preferred address. You are responsible for any information conveyed to you at that email address. To make sure that the university is using the email account you prefer, do the following:

- Log in using your A number and Password
- At the USU website, click on the link "MyUSU" at the top right of the page
- Click on "Launchpad" (on the left navigation)
- Click on "Banner"
- Under "Banner" click on the link "View/Edit Personal Information"
- Click on "Personal Information"
- Click on "View/Update Preferred E-mail Address"
- Follow the short instructions to update your preferred email address

Academic Honesty & the Honor System

Cheating and plagiarism will not be tolerated. Plagiarism includes knowingly "representing, by paraphrase or direct quotation, the published or unpublished work of another person as one's own in any academic exercise or activity without full and clear acknowledgment. It also includes the unacknowledged use of materials prepared by another person or agency engaged in the selling of term papers or other academic materials." The penalties for plagiarism are severe. They include warning or reprimand, grade adjustment, probation, suspension, expulsion, withholding of transcripts, denial or revocation of degrees, and referral to psychological counseling. Cheating on exams or plagiarism on written assignments will result in a failing grade and may result in further action according to University policy. Read and adhere to Academic Honesty Standards published in Schedule of Classes and in Student Policy Handbook. Refer to USU Student Code Article V, Section 3 Academic Integrity: <http://www.usu.edu/studentservices/pdf/StudentCode.pdf>

Students are expected to do their own work; it is unacceptable for someone else to write any part of your paper.

Grievance Process

Students who feel they have been unfairly treated...may file a grievance through the channels and procedures described in the Student Code: See the USU Catalog at the following link:

<http://catalog.usu.edu/content.php?catoid=6&navoid=1080&hl=%22grievance%22&returnto=search>

Sexual Harassment

Sexual harassment is defined by the Affirmative Action/Equal Employment Opportunity Commission as any "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature." If you feel you are a victim of sexual harassment, you may talk to or file a complaint with the Affirmative Action/Equal Employment Opportunity Office at 797-1266.

Students with Disabilities

In cooperation with the Disability Resource Center, reasonable accommodation will be provided for qualified students with disabilities. ***Please meet with the instructor during the first week of class to make arrangements.*** Alternative format print materials (large print, audio, CD, or braille) will be available through the Disability Resource Center.

USU Policy on Incomplete Grades:

Students are required to complete all courses for which they are registered by the end of the semester. In some cases, a student may be unable to complete all of the course work because of extenuating circumstances and an “I” grade can be given to allow completion of the class. However, an “I” grade will not be given due to poor performance or to retain financial aid. Read full policy at: http://www.usu.edu/provost/forms/doc/Incomplete_Grade.pdf