

COURSE NAME: Personal Finance

COURSE NUMBER: 11:373:353

SEMESTER: Fall 2019

MEETING DAYS, TIMES, AND PLACE: M, W 12:35-1:55pm; HCK 132

PREREQUISITE: 11:373:121 or 01:220:102

CONTACT INFORMATION:

Instructor(s): Dr. Barbara O'Neill, CFP®, Distinguished Professor

Office Location: Cook Office Building, Room 107

Phone: 848-932-9126 Email: boneill@njaes.rutgers.edu

Office Hours: By appointment: call or e-mail with available dates and times to set up an appointment

COURSE WEBSITE, RESOURCES AND MATERIALS:

- **Course website:** <http://rci.rutgers.edu/~boneill>
- *Your Life, Your Money:* <http://www.pbs.org/your-life-your-money/>
- Personal Finance Resource Lists organized by topic: <http://nextgenpersonalfinance.org/resource-lists-financial-educators-courtesy-barbara-oneill-rutgers-cooperative-extension/>

Assigned Books:

- Kapoor, J., Dlabay, L., & Hughes, R. (2018). *Focus on Personal Finance. 6th Edition.* Boston, MA: McGraw-Hill (FPF); **Students are encouraged to buy used copies of FPF and to shop online to save money; older FPF editions are acceptable- many cost \$20 or less.** ISBN#: Various (3rd, 4th, and 5th editions are available in both paperback and loose leaf versions)
- Tyson, E. (2011). *Personal Finance in Your 20s for Dummies (Read the entire book!)* ISBN#: 978-1-119-29358-3

Optional Books for Extra Credit: (Choose **one** of these three books to read and summarize...**your choice!**)

- Bach, D. (2016 update). *The Automatic Millionaire.* Crown Business. **(Read entire book)** ISBN# 978-0-451-49908-0
- OR**
- Koblner, B. (2017 update). *Get a Financial Life: Personal Finance in Your Twenties and Thirties.* Touchtone Publishing. **(Read entire book)** ISBN # 978-1476782386
- OR**
- Vitug, J. (2016). *You Only Live Once.* Wiley Publishing. **(Read entire book)** ISBN # 978-1-119-26736-2

COURSE DESCRIPTION:

This course will teach personal financial management skills with a focus on maximizing the awesome power of compound interest by investing at an early age and repaying debt promptly to avoid interest charges that can stretch out for decades. Specific topics that will be covered include: an overview of the financial planning process, goal-setting, cash flow management, financial statements and ratios, income taxes, banking, credit and debt, identity theft, predatory lending, insurance (all types), the time value of money and compound interest, investing, renting and home buying, and retirement planning. By the end of the semester, a class of financially capable students who will be financially secure today and in the future. They will have knowledge, skills, and confidence to take charge of their financial future.

The course is designed to encourage the personal application of financial planning concepts and includes assignments that foster critical thinking skills and analyses of financial data. Students will be able to directly apply what they have learned to their future lives in order to become successful financially. There will be eight (8) short assignments, each worth 5% or 10% of a student's grade, plus a midterm (25%) and a non-cumulative final (25%). There will be two assigned books and a choice of one of three optional books for extra credit.

Copies of the instructor's biography, class syllabus, PowerPoint presentations, exam review questions, and assignments are available online at <http://rci.rutgers.edu/~boneill/>.

LEARNING GOALS:

By the end of this course, students will be able to:

1. Perform simple time value of money calculations using a financial calculator.
2. Increase their scores on a pre-test of personal finance knowledge and behaviors.
3. Synthesize content taught in class through the completion of a case study capstone project.
4. Demonstrate awareness of personal finance current events through class discussion and an assignment.

ASSIGNMENTS/RESPONSIBILITIES, GRADING & ASSESSMENT:

Structure of the Course:

- ◆ Class lectures will hit the *highlights* of all chapters of the *Focus on Personal Finance* text. Class discussion and questions on class content are encouraged. **Participation will be rewarded!**
- ◆ Reading the assigned chapters in the *Focus on Personal Finance* is strongly suggested and this material will be tested on class exams.
- ◆ A sign-up sheet will be distributed to “reserve” dates for financial article presentations. No more than 3 presentations per class. All presentations will be scheduled before the midterm exam.
- ◆ Reading days are scheduled when the instructor is away from campus for professional meetings. Take advantage of this time to catch up on reading and assignments.
- ◆ **Plan early to collect credit card applications** for the *Credit Card Comparison* assignment and mutual fund prospectuses for the *Mutual Fund Comparison* assignment.

Class Ground Rules:

- ◆ There will be **no make-up exam** for Midterm or Final exams without advance permission of the instructor. The only acceptable reasons to request a make-up exam are: personal medical emergency, family emergency (e.g., funeral), and a significant personal or professional commitment. Documentation may be required.
- ◆ In order to be excused from a scheduled exam, you **must** notify the instructor in advance and secure the instructor’s permission to reschedule.
- ◆ Exams will be closed book. A financial calculator will be allowed for questions that involve mathematical calculations.
- ◆ Assignments that are not turned in or exams that are not taken will receive a score of **zero (0)**, thereby significantly lowering a student’s average grade.

Assignments are due on the due date. It is also fine to turn them in before the due date.

Without an acceptable excuse and advance notification of the instructor, assignments turned in after the due date will receive an automatic 10-point deduction for every week after the deadline that they are turned in late (e.g., 3 weeks late = a starting grade of 70).

- ◆ In addition to raising your personal financial literacy (an excellent reason in and of itself), the optional extra credit assignment (additional book or personal finance conference summary/reaction paper) will also raise your grade by a *half-step* (e.g., B+ to A, B to B+, etc.)

Your grade will be reduced by a half-step for *every three* unexcused absences. You are expected to attend all classes; if you expect to miss a class, please e-mail me or use the University absence reporting website <https://sims.rutgers.edu/ssra/> to indicate the date(s) and reason for your absence.

| Weight | Course Component |
|--------|--|
| 25% | Midterm exam (50 multiple choice questions + extra credit). Covers class lectures and book chapters 1-7. |
| 25% | Final exam (50 multiple choice questions + extra credit). Covers topics taught <i>after</i> the midterm; class lectures and book chapters 8-14. |
| 5% | Financial Article: 3-5 minute class presentation and one-page (single-spaced, double space between paragraphs) summary and reaction paper. Attach the article to your paper. |
| 10% | <i>Personal Finance in Your 20s for Dummies:</i> write a 4-page (single-spaced, double space between paragraphs and bullets) summary/reaction paper with an introductory paragraph, 40 bullet points (2 bullet points each for the introduction & 19 chapters with 2-3 sentences per bullet with in-depth descriptions) listing important information from the book, and a final paragraph about how you will apply what you learned. |
| 5% | Financial Calculator Analysis: full one-page (single-spaced) summary and reaction paper. Create a 5 column by 5 row table with information from the <i>Credit Card Smarts</i> calculator (available from the instructor) and write a one paragraph summary about what you learned and how you will apply it. |
| 5% | PowerPay® Online Debt Reduction Analysis: written analysis of data. See instructions for the assignment on the class Web site and access the computer program to do a PowerPay calculation at www.powerpay.org |
| 5% | Credit Card Comparison: full one-page (single-spaced) summary and reaction paper based upon a <i>thorough</i> comparison of three competing credit card offers against one another. Attach the worksheet to your paper. |
| 5% | Financial Calculator Analysis: full one-page (single-spaced) summary and reaction paper. Create a 5 column by 5 row table with information from the <i>Why Save For Retirement?</i> calculator (available from the instructor) and write a one paragraph summary about what you learned and how you will apply it. |
| 5% | Mutual Fund Comparison: full one-page (single-spaced) summary and reaction paper based upon a <i>thorough</i> comparison of three competing mutual funds against one another. Attach the worksheet to your paper. |
| 10% | Small Group Project: written analysis (3- to 5-pages; single-spaced, double between paragraphs) of a financial case study (selected from among 20 on the class Web site) <i>and</i> a 10- to 12-minute in-class presentation of the case analysis and recommendations to improve the case family's finances. |

To get a high grade, study for the two exams and be *neat* and *complete* (i.e., write thorough analyses) on assignments.

Grading Scale:

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|-------|----|
| 90+ | A |
| 85-89 | B+ |
| 80-84 | B |
| 75-79 | C+ |
| 70-74 | C |
| 60-69 | D |
| <60 | F |

ACCOMODATIONS FOR STUDENTS WITH DISABILITIES

Please follow the procedures outlined at <https://ods.rutgers.edu/students/registration-form>. Full policies and procedures are at <https://ods.rutgers.edu/>

ABSENCE POLICY

Students are expected to attend all classes; if you expect to miss one or two classes, please use the University absence reporting website <https://sims.rutgers.edu/ssra/> to indicate the date and reason for your absence. An email is automatically sent to me.

COURSE SCHEDULE:

| DATE | TOPICS | ASSIGNMENTS/ DUE DATES |
|-------------------------------------|--|---|
| Week 1: Thurs, 9/5 | Reading Day: Review syllabus on your own, watch the video <i>Your Life, Your Money</i> (YLYM) http://www.pbs.org/your-life-your-money/ | Write a 2-page reaction paper about YLYM and prepare to discuss it |
| Week 2: Mon, 9/9 Thurs, 9/12 | Financial Aspects of Entrepreneurship FPF Chapter 1 | Read <i>Personal Finance in Your 20s for Dummies</i> and FPF 1 |
| Week 3: Mon, 9/16 Thurs, 9/19 | Time Value of Money (hands-on problems) FPF Chapter 2 | Read <i>Personal Finance in Your 20s for Dummies</i> and FPF 2 |
| Week 4: Mon, 9/23 Thurs, 9/26 | FPF Chapter 3 FPF Chapter 4 | Read <i>Personal Finance in Your 20s for Dummies</i> and FPF 3 and 4 Identify a news article to review |
| Week 5: Mon, 9/30 Thurs, 10/3 | Reading Days | Read <i>Personal Finance in Your 20s for Dummies</i> and FPF 5 Work on Financial Calculator Analysis Credit Card Comparison, and Financial News Article Assignments |

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| Week 6: Mon, 10/7 Thurs, 10/10 | FPF Chapter 5 (Part 1) FPF Chapter 5 (Part 2) | <i>Personal Finance in Your 20s for Dummies</i> paper due (10/7) Financial Calculator Assignment due (10/10) Read FPF 5 |
| Week 7: Mon, 10/14 Thurs, 10/17 | Identity Theft and Phishing Reading Day | Credit Card Comparison Assignment due (10/14) Read FPF 6 |
| Week 8: Mon, 10/21 Thurs, 10/24 | FPF Chapter 6 FPF Chapter 7 | PowerPay assignment due (10/21) Read FPF 7 Study for mid-term exam |
| Week 9: Mon, 10/28 Thurs, 10/31 | Midterm Exam FPF Chapter 8 | Read FPF 8 Read FPF 9 |
| Week 10: Mon, 11/4 Thurs, 11/7 | FPF Chapter 9 FPF Chapter 10 | Work on Financial Calculator Analysis Assignment and read FPF 10 and FPF 11 |
| Week 11: Mon, 11/11 Thurs, 11/14 | FPF Chapter 11 FPF Chapter 12 | Financial Calculator Analysis Assignment Due (11/11); read FPF 11 and FPF 12 |
| Week 12: Mon, 11/18 Thurs, 11/21 | FPF Chapter 13 Reading Day | Work on Mutual Fund Comparison Assignment and team Case Study Assignment; read FPF 13 and FPF 14 |
| Week 13: Mon, 11/25 Tues, 11/26 | How to Read a Mutual Fund Prospectus FPF 14 | Mutual Fund Comparison Assignment due (11/26) and read FPF 14 Enjoy the holiday break! |
| Week 14: Mon, 12/2 Thurs, 12/5 | Twenty Steps to Seven Figures Financial Planning Case Study Presentations | Prepare for case study presentations |
| Week 15: Mon, 12/9 12/12- 12/13 | Review for final exam and guest speaker Reading Days | Study for final exam |
| Week 16: Final Exam | Exam date as scheduled by Rutgers University or adjusted by class | Study for final exam |

FINAL EXAM/PAPER DATE AND TIME

Online Final exam Schedule: <http://finalexams.rutgers.edu/>

ACADEMIC INTEGRITY

The university's policy on Academic Integrity is available at <http://academicintegrity.rutgers.edu/academic-integrity-policy>. The principles of academic integrity require that a student:

- properly acknowledge and cite all use of the ideas, results, or words of others.
- properly acknowledge all contributors to a given piece of work.
- make sure that all work submitted as his or her own in a course or other academic activity is produced without the aid of impermissible materials or impermissible collaboration.
- obtain all data or results by ethical means and report them accurately without suppressing any results inconsistent with his or her interpretation or conclusions.
- treat all other students in an ethical manner, respecting their integrity and right to pursue their educational goals without interference. This requires that a student neither facilitate academic dishonesty by others nor obstruct their academic progress.
- uphold the canons of the ethical or professional code of the profession for which he or she is preparing.

Adherence to these principles is necessary in order to ensure that

- everyone is given proper credit for his or her ideas, words, results, and other scholarly accomplishments.
- all student work is fairly evaluated and no student has an inappropriate advantage over others.
- the academic and ethical development of all students is fostered.
- the reputation of the University for integrity in its teaching, research, and scholarship is maintained and enhanced.

Failure to uphold these principles of academic integrity threatens both the reputation of the University and the value of the degrees awarded to its students. Every member of the University community therefore bears a responsibility for ensuring that the highest standards of academic integrity are upheld.

STUDENT WELLNESS SERVICES

Just In Case Web App <http://codu.co/cee05e>

Access helpful mental health information and resources for yourself or a friend in a mental health crisis on your smartphone or tablet and easily contact CAPS or RUPD.

Counseling, ADAP & Psychiatric Services (CAPS)

(848) 932-7884 / 17 Senior Street, New Brunswick, NJ 08901 / www.rhscaps.rutgers.edu/

CAPS is a University mental health support service that includes counseling, alcohol and other drug assistance, and psychiatric services staffed by a team of professional within Rutgers Health services to support students' efforts to succeed at Rutgers University. CAPS offers a variety of services that include: individual therapy, group therapy and workshops, crisis intervention, referral to specialists in the community and consultation and collaboration with campus partners.

Violence Prevention & Victim Assistance (VPVA)

(848) 932-1181 / 3 Bartlett Street, New Brunswick, NJ 08901 / www.vpva.rutgers.edu/

The Office for Violence Prevention and Victim Assistance provides confidential crisis intervention, counseling and advocacy for victims of sexual and relationship violence and stalking to students, staff and faculty. To reach staff during office hours when the university is open or to reach an advocate after hours, call 848-932-1181.

Disability Services

(848) 445-6800 / Lucy Stone Hall, Suite A145, Livingston Campus, 54 Joyce Kilmer Avenue, Piscataway, NJ 08854 / <https://ods.rutgers.edu/>

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation: <https://ods.rutgers.edu/students/documentation-guidelines>. If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Registration form on the ODS web site at: <https://ods.rutgers.edu/students/registration-form>.

Scarlet Listeners

(732) 247-5555 / <https://rutgers.campuslabs.com/engage/organization/scarletlisteners>

Free and confidential peer counseling and referral hotline, providing a comforting and supportive safe space.