

## FIN 3563 Retirement Planning and Employee Benefits SYLLABUS

**Time:** Mondays 6:55 pm – 9:35 pm **Location:** 205 SSB

**Class # 10361 Credits:** 3

**Course Description:** The course is designed to give students an understanding of the retirement planning process. An appreciation of the usefulness of employee benefits and the ability to counsel others on important retirement and employee benefit decisions will be sought. Corporate pension and profit sharing plans, self-employed Keogh plans, IRAs, annuities, health insurance, and social security will be discussed.

### Course Objectives:

The student should gain familiarity with:

- Social Security
- ERISA
- Qualified and non-qualified plans
- An integrated framework for the analysis of needs and the fulfillment of goals in the workplace
- The variety of retirement vehicles available in the marketplace
- Tools to understand the need for competent retirement planning

**Instructor:** James Pandjiris, CFA Office: 1109 Tower

**Office Hours:** *Mondays 5:30 – 6:30 pm, Tuesdays 10:00 to 11:30 a.m., and Wednesdays 1:15 to 2:00 pm*

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### Required Text:

Dalton, Michael A., **Retirement Planning and Employee Benefits for Financial Planners**, 7<sup>th</sup> Edition. This is a brand new edition.

### Supplementary Materials:

A financial calculator is **required**. This should have PV, FV, and PMT functions. The TI-BAIL Plus model or HP-10B model are good calculators (at about \$35) for this and more advanced finance courses. Note: the Texas Instruments TI-83 is **not** particularly friendly for financial calculations. This is primarily a scientific calculator; many of my former students have found the TI-83 difficult to apply to financial problems.

- Please get familiar with the operation of your calculator; read the handbook or go to the manufacturer's website for guidance. **You** (yeah, *you*) are responsible for knowing how to operate your calculator. [www.tvmcalcs.com](http://www.tvmcalcs.com) is excellent.
- Reading the Wall Street Journal is recommended.

### **Course Requirements and Procedures:**

Instruction Method: Classes are a combination of lecture and discussion of problems/issues. Homework problems will be assigned frequently; some homework will be required to be submitted (either electronically or manually, as directed) for grading. There may be some in-class projects subject to grading. *Successful students* attempt the problems before class and then review answers discussed in class. This course has extensive weekly reading assignments.

### **My Gateway**

I utilize My Gateway extensively during the semester. I may post articles, list future assignments, provide answers to homework problems, and advice on studying for exams. You may send me questions or comments (I *encourage* this activity) via e-mail on My Gateway. If you do not have access to My Gateway at your home, I **strongly recommend** you arrange to access My Gateway two to three times weekly while on campus. Off campus, use Firefox to access My Gateway.

### **Attendance/Participation:**

Attendance will be taken and will have an effect on your grade. If your attendance is below 85% of the days on which attendance is taken, you will lose attendance credit in grading. The material is cumulative and missing any class will make it difficult for the student to follow subsequent classes. Make sure you sign attendance sheet or hand in exercises used to track attendance! I encourage participation in class discussions and your attendance/participation grade will be influenced by your level of participation.

### **Assignments/Projects:**

Students are encouraged to complete readings and do homework problems *prior* to class meetings. Assignments for credit will generally be collected before class begins. As this is a course focusing on planning, students will be assigned case studies requiring development of plans to meet case objectives. A working knowledge of My Gateway as well as Word, Excel, and PowerPoint will be necessary for successful completion of the course.

### **Disability**

Students with disabilities who believe that they may need accommodations in order to effectively participate in this class, please contact the **Disability Access Services Office** in 144 Millenium Student Center at 516-6554 as soon as possible to ensure that such accommodations are arranged in a timely fashion. Information about your disability will be regarded as confidential. Please advise me *in person* regarding your accommodation needs.

### **Quick Quizzes/Multiple Choice Problems**

In most chapters in the text is a quick quiz. I recommend you do the quick quiz after each chapter. The answers to the quick quiz are at end of chapter. Some exam questions will be based on quick quizzes. Portions of the Multiple Choice Problems at the end of

most chapters may be assigned for credit. Some exam questions will be based on these problems.

### Quizzes

There will be several quizzes in class or electronically offered during the semester. These will be short and will test your grasp of the material. **Quizzes cannot be made up, except if you are on scheduled school business (such as an athletic team).** Your quiz scores will be averaged; the lowest score will be eliminated from the average so long as you attempt all of the quizzes. If you miss a quiz, all your scores, including zero on missed quiz, will be averaged.

### Exams:

Three exams will be given and *approximate* dates are listed herein. The date of an exam will be announced in class at least one class period in advance. The final exam will be necessarily comprehensive but with greater emphasis on the chapters covered since exam two. The exams will be a combination of objective, multiple-choice or short answers based on case studies. Retirement planning encompasses a fair amount of math and lots of tax law. In the “real world”, no one carries the exact calculations around in his/her head. I don’t expect you to memorize shopping lists of formulae, but I do want you to understand finance/tax principles and their implications on decision making. I will allow a 1 page (double-sided) “cheat sheet” for the final exam. **Note** that exams comprise approximately 70% of your total grade; treat them with great importance.

**Examinations may be made up and administered at an alternate time at the instructor's discretion, but only for a most compelling and authenticated reason, such as a family medical emergency or death in the family.** If you miss an exam, **one** exam may be made up in late April only.

### Grades:

Final numeric grades are based on total points earned on course assignments and the points will be based on the following:

	Points
Assigned Problems/Projects	90
Quizzes	60
First Exam	110
Second Exam	115
Third Exam	<u>120</u>
<b>Total points</b>	<b>500</b>

Note that “plus” and “minus” grades will be used in this course.

Letter grades will be awarded as follows:

A/A- ≥ 90.0 points	<b>B+/B-</b> 80.0 to 89.9 points
C+/C- 70.0 to 79.9 points	<b>D+/D-</b> 60 to 69.9
<b>F</b> < 59.9 points	

Note: Grades ending in decimals of .6 and higher will be rounded up to the higher whole number in calculating final numeric grades.

**Courtesy and Collegiality:**

Please turn off all electronic communication devices during class as a courtesy to all. I hope to encourage discussion, questions, and comments. While we may have differing opinions, let's respect each other's views. Please be respectful in language and behavior.

**Academic Honesty:**

The University of Missouri-St. Louis encourages students to pursue excellence within a respectful and collegial environment and to assume responsibility for consequences of personal actions. The University requires students to reject any type of dishonest behavior. Honesty precludes seeking, providing, or receiving any form of unauthorized assistance on tests or any type of assignment. Any form of cheating on exams will result in "0" points for that exam or assignment. In addition, the offending student's semester grade will be calculated and then lowered by one letter grade (e.g. if you had an A-, your final grade would be a B-). Academic dishonesty is a **serious** offense and is not worth it. The code of student conduct is available in the *Student Handbook*.

**Assignment Outline & Schedule \***

**Date    Topic**

- |      |  |
|------|--|
| 1/24 | Introduction to Retirement Planning, Ch. 1 Planning and Ch. 2 Retirement Funding |
| 1/31 | Ch. 2 continued  |
| 2/7  | Ch 11 Social Security  |
| 2/14 | Ch 3 Qualified Plan Overview and <b>FIRST EXAM</b> (Ch 1, 2, 3 and 11)           |
| 2/21 | Ch 4 Qualified Pension Plans   |
| 2/28 | Ch 4 Qualified Pension Plans and Ch 5 Profit Sharing Plans                       |
| 3/7  | Ch 5 Profit Sharing Plans  |
| 3/14 | Ch 6 Stock Bonus Plans (omit ESOPs) and Ch 7 Distributions from Qualified Plans  |
| 3/21 | Ch 7 Distributions, Ch 8 Administration  |

**Date   Topic**

3/28    **NO CLASSES**   *Spring Break*

4/4      Ch 9 IRAs and SEPs and **SECOND EXAM** (ch 4 through 8)

4/11    Ch 10 SIMPLE, 403 (b) Plans

4/18    Ch 12 Deferred Comp. and NQDC

4/25    Ch 12 continued

5/2     catch up

5/9     7:45 – 9:45 pm **FINAL EXAM** (*primarily* Ch 9, 10, 12, and 14)

\* This syllabus is *subject to change* at the discretion of the instructor to accommodate instructional and/or student needs. It is the student's responsibility to keep abreast of such changes.