

BA 338 PRACTICE OF PERSONAL FINANCIAL PLANNING
WINTER 2001
SECTION 001 132 SSB 7:30-8:45 TR REF. # 14470

INSTRUCTOR: Dr. Thomas Eyssell
OFFICE/HOURS: 461 SSB / 8:45-9:30 a.m. TR, **and by appointment.**
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COURSE REQUIREMENTS:

- Successful completion of BA 204 Financial Management, or permission of instructor.
- Text 1: *Personal Financial Planning Handbook 2e*, by Jonathan Pond. Warren, Gorham, and Lamont.
- Text 2: *Wealth Management*, by Harold Evensky, Irwin/McGraw-Hill.
- Text 3: BA 338 Reading Set.
- Financial calculator (recommended: HP 10B).

COURSE MATERIALS AND GRADING:

Daily class discussions center around assigned readings and overheads (see next page for schedule). Each week's overheads are available for downloading from the Blackboard page for this course (mygateway.umsl.edu) by 9:00 p.m. on the preceding Sunday.

Your grade in this course will be based on your performance in three areas: (1) exams (40%), (2) semester project (25%), (3) homework, quizzes, and in-class work (25%), and (4) class participation (10%). Grading is on a 90-80-70 basis, as a percentage of points available (750). Exams will consist of problems, short essay questions, and objective questions. The semester project is the preparation of a comprehensive financial plan for a real client. This will require extensive data-gathering and analysis, and the finished project should be comparable in quality to that prepared by a financial services professional.

Homework, quizzes, and in-class work will be assigned on a periodic basis as the need arises. Some assignments will require gathering information via the Internet; thus, the requirement for access.

Finally, the practice of personal financial planning is critically dependent one's ability to think about numerous issues simultaneously and to communicate clearly. As such, 10 percent (75 points) of your course grade will be based on the quality and frequency of your participation in class discussion, as noted above.

ATTENDANCE

The breadth of knowledge required of the financial planner is extraordinarily large. Class discussions "jump off from" rather than parrot, the reading material. Additionally, we will have a number of guest speakers over the course of the semester, and will be completing graded exercises in class. Consequently, a substantial amount of the information in this course, as well as grading points, are available *only* in class, and missing class will adversely affect your course grades. Also, please note that there are no make-up exams or quizzes; if you miss an exam, the next exam will count double. If you miss the final exam, you must write a 30-page paper, the subject of which will be determined by the instructor. In any case, if you must miss an exam, you must (a) contact me **prior** to the exam, and (b) have a **valid** excuse. Finally, as a matter of courtesy, I ask that you arrive on time and do not leave until class is dismissed.

**BA338 PRACTICE OF PERSONAL FINANCIAL PLANNING
WINTER 2001 SEMESTER**

| SESSION | DAY | MONTH | DATE | TOPIC | READINGS, HANDOUTS |
|--|-----|----------|------|--|--------------------------------|
| 1 | T | January | 16 | Introduction to Financial Planning | |
| 2 | R | | 18 | Process of FP I: The Planner's Role | I.A.1, I.A.5 |
| 3 | T | | 23 | Process of FP II: Regulations and Ethics | I.A.2-I.A.4 |
| 4 | R | | 25 | Process of FP III: Client Engagement | I.A.1 |
| 5 | T | | 30 | Process of FP IV: Client Psychology | I.B.1, I.B.2, I.B.2 |
| 6 | R | February | 1 | Process of FP IV: Client Psychology | I.B.1, I.B.2, I.B.3 |
| 7 | T | | 6 | Process of FP V: Data-Gathering | I.C.1, I.C.2 |
| 8 | R | | 8 | Process of FP VI: Data Analysis | I.C.3, I.C.4, Handout |
| 9 | T | | 13 | Exam 1 | |
| 10 | R | | 15 | Time Value Refresher | Handout |
| 11 | T | | 20 | Time Value Refresher | Handout |
| 12 | R | | 22 | Basic Taxation | II.1, II.2, II.3 |
| 13 | T | | 27 | Principles of Risk Management | III.A.1, III.A.2 |
| 14 | R | March | 1 | Life Insurance I: Principles | III.B.1, III.B.4 |
| 15 | T | | 6 | Life Insurance II: Programming | III.B.5, III.B.6 |
| 16 | R | | 8 | Life Insurance III: Capital Needs Analysis | Handout |
| 17 | T | | 13 | Life Insurance IV: Policy Assessment | III.B.2, III.B.3 |
| 18 | R | | 15 | Health Insurance I: Principles | III.C.1, III.C.5 |
| 19 | T | | 20 | Health Insurance II: Disability, LTC | III.C.2-III.C.4 |
| 20 | R | | 22 | Exam 2 | |
| 21 | T | | 27 | ***Spring Break*** | |
| 22 | R | | 29 | ***Spring Break*** | |
| 23 | T | April | 3 | Investment Planning I: Risk Tolerance | IV.A.1, IV.A.2, IV.A.3 |
| 24 | R | | 5 | Investment Planning II: Financial Markets | IV.A.4, IV.B.1-IV.B.3 |
| 25 | T | | 10 | Investment Planning III: Risk Measurement | IV.A.6 |
| 26 | R | | 12 | Investment Planning IV: Asset Allocation | IV.A.6, IV.B.4, IV.C.1-IV.C.5, |
| 27 | T | | 17 | Investment Planning V: Analysis | I.C.5, IV.C.7 |
| 28 | R | | 19 | Retirement Planning I: Principles | V.1, V.2, V.6, V.8 |
| 29 | T | | 24 | Retirement Planning II: Programming | V.3-V.5 |
| 30 | R | | 26 | Retirement Planning III: Analysis | Handout |
| 31 | T | May | 1 | Estate Planning I: Principles | VI.1, VI.2 |
| 32 | R | | 3 | Estate Planning II: Principles | |
| Term Papers Due at the Beginning of Class | | | | | |
| 34 | R | | 17 | Final Exam | 7:45-9:45 am 132 SSB |