

PERSONAL AND FAMILY FINANCE

PFF322F / HDF322
ONLINE ALL SEMETER
FALL 2021

Instructor: Regina W. Hughes,
Distinguished Senior Lecturer in Finance, McCombs School of Business,
The University of Texas at Austin
Office: Shores of Lake McQueeney in Seguin Texas
Class Times: MW 11:00 & 12:30 **Office hours:** 2:00 – 3:00 pm MW (by Zoom) and appointment
Contacts: regina.hughes@mcombs.utexas.edu 512-567-9286 cell for text and talk
Teaching Assistant: Tommy Zhang & Matt Kenny
Required Materials:

- Flat World Textbook
- Financial Calculator (TVM functions)
- Access to Canvas , ZOOM, and email

Congratulations! For whatever reason you have chosen to take this course, I commend you for being here. For many students, this is one of the most important classes of your college experience. If you will be diligent in studying the materials covered and integrating these financial lessons into your beliefs, habits, and decision-making processes, you will be unlocking the ability to design a life of greater abundance, security, and peace. AND possibly also be healthy, wealthy, and wise!

At times, the material covered in this course will be challenging -- still, you will find that what you learn regarding personal financial management will be very useful to you as you continue your journey towards financial independence. Personal and Family Finance is a course that is applicable to everyone. No one ever said, “wow, I wish I knew less about how money works in our society and economy”.

This course covers a number of topics that we all face throughout our lives, including: *financial planning and investing, housing, taxation, cash management, credit, and insurance coverages families utilize for asset protection*. Knowledge in these areas will greatly assist you in making decisions not only now but in your life after UT. Each topic will be covered in as much depth as time allows in a semester. Discussion and/or current articles that contribute to the material being covered are always welcome. I would be remiss to not also include my reasons for choosing to host our course 100% face-to-face online. I made this choice so that we could all be together all semester. I believe you will not miss out on anything by being a member of this online class. Having taught classes in UTC 2.112A with its max capacity of 358 only supports my argument.

One more point I would like to make to you- I'm in my 29th year teaching at UT. I have now taught ten different classes. I have previously been licensed in the insurance field and served on state regulatory committees. I asked if I could please teach this class. You are paying UT tuition and you are getting a UT professor with many years of service, promotions and awards received. You will get no less of all I have to give you just because we are online and meeting in a virtual setting such as Zoom. I do not think you should be charged less tuition or that I should be paid less just because we are online. I will come to class each day as if I am on campus (ok, my commute is a lot shorter) and I am trusting you to also come to class prepared and aware of your surroundings; classroom etiquette remains. UT spirit abounds. Hook ‘em Horns!!

CONTINUED

Specific Learning Objectives: By the end of this course, you will:

1. Identify social and economic influences on personal financial goals and decisions.
2. Develop personal financial goals.
3. Cultivate systems that help you achieve your financial goals.
4. Calculate time value of money situations associated with personal financial decisions.
5. Compare different types of financial institutions.
6. Assess the costs & benefits of various saving plans & payment accounts.
7. Create a personal balance sheet and cash flow statement.
8. Develop and implement a personal budget.
9. Connect money management activities with savings for personal financial goals.
10. Understand the relationship between cash flow and net worth.
11. Understand recent “online” financial applications.
12. Understand what identity theft is and steps that can be taken to safeguard your identity.
13. Identify major tax types in our society.
14. Calculate taxable income and the amount owed for federal income tax.
15. Prepare a federal income tax return.
16. Access your credit capacity & credit rating.
17. Analyze advantages and disadvantages of using consumer credit.
18. Assess the types of sources of consumer credit.
19. Determine the cost of credit by calculating interest expense.
20. Identify steps to avoid & correct credit mistakes
21. Identify strategies for effective consumer buying
22. Assess costs and benefits of renting vs. buying
23. Determine costs associated with purchasing a home
24. Understand the principle behind insurance.
25. Analyze the factors that influence the amount of coverage and cost of home insurance.
26. Evaluate factors that affect the cost of automobile insurance.
27. Recognize the importance of health insurance in financial planning.
28. Analyze the costs and benefits of various types of health insurance coverage as well as major provisions in health insurance policies.
29. Understand the importance of disability income insurance in financial planning and identify its sources.
30. Determine your life insurance needs based on life stages.
31. Distinguish between the types of life insurance
32. Understand the basics of how to establish an investment program.
33. Identify different types of investments
34. Understand the risk/return tradeoff associated with different investments
35. Explain asset allocation and how it should change over a lifetime.
36. Explain the characteristics of mutual fund investments
37. Analyze your current assets and liabilities for retirement and estimate your retirement living costs
38. Identify who is eligible to receive social security, Medicare and Medicaid.
39. Understand the importance of wills.
40. Develop a plan for paying of student loans or other debts, if this is applicable.
41. Understand the financial aspects of marriage and parenthood
42. Understand that money is a tool that can be exchanged for goods, services, experiences, and information.
Understand how money can affect relationship and family dynamics and processes.
43. Understand the importance of teaching children how to manage, earn, and increase money.
44. Increased confidence in your abilities to achieve your financial goals and your desired lifestyle.
45. Did we miss anything?

GRADING AND ASSIGNMENTS

Your grade in this course will be determined by your performance on the following:

• Exams: 2 exams @ 15% each	30%
• Homework	15%
• Projects: two by group, one independent = 10%/10%/5%	25%
• Stock Market Project	10%
• Attendance & Class Participation	15%
• Last Class Day In-class Project	5%
Course Total	<u>100%</u>

A 94-100%	B- 80-82%	D+ 67-69%
A- 90-93%	C+ 77-79%	D 63-66%
B+ 87-89%	C 73-76%	D- 60-62%
B 83-86%	C- 70-72%	F 0-59%

A Couple of Notes on Calculation of Final Grades and Canvas

Your final grade will be weighted as listed above, and rounded to the nearest whole percentage (e.g., 92.4 = 92% and 92.5 = 93%). There are no curves applied to the final grades. Notice the total number of points allowed. As with most any class, attendance is a strong key to success. I want to give you every incentive to attend. I will take roll every day. If you make a perfect score on everything you will have a total of 100%. You decide what points you do not wish to seek.

Are you feeling lucky?

Exams:

The second exam will be comprehensive; that is, will cover all the material related to this class. After exams have been graded, exams can be reviewed for the following week. We will schedule multiple times.

Make up exams are offered for only the following reasons:

- Participation in a University-sponsored event,
 - A conflict with a University-recognized religious holy day,
 - A medical event (such as illness or injury) documented by [Student Emergency Services](#).
- If you have any circumstance other than a medical emergency that will necessitate taking a make-up exam this semester, you must request permission and provide documentation **as soon as possible which has a deadline of 9/14/2021 for Exam 1 and 10/14 for Exam 2**

Homework:

You need to go through Canvas to access your Homework for each chapter. At the end of each chapter of your text, there are a plethora of practice problems. Several of the computational "Financial Planning Problems. This is a new textbook for me and the assignments will be discussed further in class.

Group Projects:

There are 3 group projects in this class, the first two are with a group and worth 10% of your grade. Groups of four (4) students will be formed during the 2nd week of class, and you will remain in the same group for both projects. The third project is done independently and worth 5% of your grade.

I hope that you will benefit from your work in these groups. The most apparent benefit of group work is that work-loads can be divided and can also allow the opportunity for a more active type of learning than in a straight lecture-type class. I recognize that challenges exist in doing assignments as a group, but I hope that you will give this experience a chance and try to make your group succeed. *Exams will cover material from Group Projects.*

Notice the class is slanted toward ATTENDANCE. Take advantage of this opportunity and attend class.

Readings:

It is expected that you arrive to class on time and prepared. During class lectures, we will practice applying what you have been studying in the readings. It is important that you stay caught up with the readings. In addition to the text, some supplemental readings will be posted on Canvas.

****To the extent possible, secure a copy of your own auto insurance policy, a renter or homeowners policy and any health, life, disability coverages you have access to bring. These forms will not be shared with anyone if you choose that course, the forms will only be for you to learn more about your own liability and risk coverages.**

COURSE EXPECTATIONS AND POLICIES

1. **Late Assignments Policy: To receive full credit on your assignments, each must be turned in when it is due.**

All projects must be completed and *submitted to CANVAS.*

A communication (letter or email) from the Dean of Students or Emergency Services recommending I grant you special accommodations is the only way to receive an exception to this policy.

2. **Academic Integrity: See University Policies below.**

Academic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, and falsifying academic records or the attempt to do these things. Cheating on exams includes: a) copying from another student's exam, b) possessing or using materials during an exam that are not authorized, c) using, buying, stealing, posting, transporting, or soliciting an exam or exam key, d) collaborating with another student during an exam, and/or e) permitting someone to take an exam for you. See University Honor Code:

http://deanofstudents.utexas.edu/sjs/spot_honorcode.php

A ZERO on the assignment and a LETTER GRADE PENALTY in my most often recommendation for scholastic dishonesty. I believe the giver is as guilty as the receiver and will include both/each in my report. The "incident" will go on your academic record and stay there for five years. On this issue, I am 53 for 55.

3. **Digital Policy:** Phone calls, texting, using non-course related apps and programs on laptops, phones, and tablets is unprofessional and distracting while the instructor is teaching and during class learning activities. Please silence your phones. Tell your mother you will call her after class! Remember we are online and face to face. If you have an emergency, turn off your camera and take care of it. I too could have an emergency so I do understand, but be mindful that we all see all. Except for these unexpected moments, you are REQUIRED to have your camera with your face in the middle of the box. Remember we can also see what is going on behind you or if you have made your bed. Pets in class are allowed but be mindful of small children.

4. **Additional Classroom Courtesies:** It is expected that you behave in a courteous manner that is respectful of the instructor, teaching assistants, and other students. We will have a couple of class times when we have an invited speaker. Here are few of the classroom courtesies that should be followed in all university courses:
 - a. Be on time. Late arrivals and early departures are very disruptive. If you are going to be late or need to leave early, please inform one of our TA. You could lose attendance or participation points.
 - b. Please do not schedule other engagements during class time. You are expected to be in attendance. Zooming in from your car or other such places can be disruptive.
 - c. Let the instructor know immediately if you have any problem that is preventing you from performing satisfactorily in the class. Classes are recorded and stored.
 - d. Always treat others with the respect they inherently deserve. Class discussion in this course is encouraged. While the thoughts and opinions of students are *always* welcome, insults or outbursts towards anyone else in the classroom will not be tolerated.

5. *****Emergencies & Crises:** Please contact the Dean of Students of your college for medical excuses, crises, and deaths in the family. The Dean's office will help you find the resources and work with your faculty to assist you during a difficult time. [URL: <http://deanofstudents.utexas.edu/emergency/students.php>; email: studentemergency@austin.utexas.edu; phone # (512) 471-5017; walk-ins & appointments SSB 4.104.] If it is a 911 emergency, call 911.

6. **Religious Days:** According to UT Austin policy, you must notify me of upcoming absences at least 14 days prior to the date of observance of a religious day. Only students who adhere to this policy will be provided with an option for an alternative date or assignment. For all other students, the stated due date will remain in force.

7. **Incompletes:** Incompletes will not be given except in emergency situations, e.g., a serious illness, or a death in the family. Incompletes are rarely given and usually occur when that course of action is recommended by the students' college's Dean of Student Services. To claim an emergency situation you must:
 - a. notify the instructor by phone or email before the last day of class AND
 - b. provide documentation of the emergency

8. **Illness rather it be Covid 19, 20, etc. or other-** because our class is face to face online, should be become slightly ill but you think you are still able to come to class, please do. I have no idea if you have to tell me or if I can ask. We are all in a new environment and HIPPA rules will still apply. If you need any accommodation due to illness, we will do our best to work with you. I hope I too stay healthy and that my family does as well.

UNIVERSITY POLICIES

University Resources for Students

Your success in this class is important to me. We will all need accommodations because we all learn differently. If there are aspects of this course that prevent you from learning or exclude you, please let me know as soon as possible. Together we'll develop strategies to meet both your needs and the requirements of the course. There are also a range of resources on campus:

Services for Students with Disabilities

This class respects and welcomes students of all backgrounds, identities, and abilities. If there are circumstances that make our learning environment and activities difficult, if you have medical information that you need to share with me, or if you need specific arrangements in case the building needs to be evacuated, please let me know. I am committed to creating an effective

learning environment for all students, but I can only do so if you discuss your needs with me as early as possible. I promise to maintain the confidentiality of these discussions. If appropriate, also contact Services for Students with Disabilities, 512-471-6259 (voice) or 1-866-329-3986 (video phone). <http://ddce.utexas.edu/disability/about/>

Counseling and Mental Health Center

Do your best to maintain a healthy lifestyle this semester by eating well, exercising, avoiding drugs and alcohol, getting enough sleep and taking some time to relax. This will help you achieve your goals and cope with stress.

All of us benefit from support during times of struggle. You are not alone. There are many helpful resources available on campus and an important part of the college experience is learning how to ask for help. Asking for support sooner rather than later is often helpful.

If you or anyone you know experiences any academic stress, difficult life events, or feelings like anxiety or depression, we strongly encourage you to seek support.

<http://www.cmhc.utexas.edu/individualcounseling.html>

The Sanger Learning Center

Did you know that more than one-third of UT undergraduate students use the Sanger Learning Center each year to improve their academic performance? All students are welcome to take advantage of Sanger Center's classes and workshops, private learning specialist appointments, peer academic coaching, and tutoring for more than 70 courses in 15 different subject areas. For more information, please visit <http://www.utexas.edu/ugs/slc> or call 512-471-3614 (JES A332).

Undergraduate Writing Center: <http://uwc.utexas.edu/>

Libraries: <http://www.lib.utexas.edu/>

ITS: <http://www.utexas.edu/its/>

Student Emergency Services: <http://deanofstudents.utexas.edu/emergency/>

Important Safety Information:

If you have concerns about the safety or behavior of fellow students, TAs or Professors, call BCAL (the Behavior Concerns Advice Line): 512-232-5050. Your call can be anonymous. If something doesn't feel right – it probably isn't. Trust your instincts and share your concerns.

The following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, <http://www.utexas.edu/safety/>

Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside.

- Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building.
- Students requiring assistance in evacuation shall inform their instructor in writing during the first week of class.
- In the event of an evacuation, follow the instruction of faculty or class instructors. Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office.
- Link to information regarding emergency evacuation routes and emergency procedures can be found at: www.utexas.edu/emergency **End**