COURSE SYLLABUS

A. Course Description

Personal Financial Management (Personal Finance) is a 3-unit course that prepares students in meeting various life challenges by focusing on the two most important personal financial skills: the ability to think critically and to make effective decisions. The values and attitudes that determine one’s spending and saving habits, which is called “financial literacy”, greatly impacts on one’s financial health. Developing these personal financial skills will be addressed through an understanding of personal financial techniques and developing a personal financial plan.

As we face greater economic uncertainty with job stability and investments, personal financial planning becomes increasingly important. It will help one become self-reliant and financially independent. Students will be exposed to real-life issues in class that they will encounter throughout their professional and personal lives. Students will do well to take these lessons to heart early on in their lives, while they still have the time to plan for their future.

B. Course Objective and Expected Learning Outcomes

This course is intended to enhance the level of the students’ financial literacy by plugging any existing gaps in their current skill set. Being open to new ideas and ways of learning and experiencing life, and having an abundance of enthusiasm are therefore needed:

- To develop sound money management that will help in achieving personal financial goals
- To identify the psychological dimensions and financial ramifications in developing proper saving habits and effective investment decisions
- To introduce the entrepreneurial perspective as a significant aid in financial planning
- To design a personal financial plan that can be implemented in their personal and professional lives

C. Course Outline and Content

1. An Overview of Personal Financial Planning
   1.1 Different Life Stages for Personal Financial Planning
   1.2 Influences on Current Financial Situation
   1.3 S-M-A-R-T-S Approach for Financial Goals
   1.4 Creating and Implementing a Financial Action Plan

2. Sources of Personal Income and Career Planning
   2.1 Employment Career and Trade-Offs
   2.2 Entrepreneurial Thinking and Business Opportunities
   2.3 Stream of Earnings: Active vs. Passive Methods
3. Creating Your Investment Program
   3.1 Investment Objectives
   3.2 Risk Profile and Time Horizon
   3.3 Asset Allocation and Diversification
   3.4 Investment Choices: Fixed Income / Equities / Pooled Funds / Real Estate / Foreign Exchange / Other Investment Alternatives

4. Money Management Strategies
   4.1 Creation of Savings Plans
   4.2 Budgeting and Wise Spending Tips
   4.3 Opportunity Costs and Time Value of Money
   4.4 Tax Aspects and Impact on Resources
   4.5 Personal Financial Statements

   MID-TERM EXAMS (March 4 - 11, 2016)

5. Making Major Purchasing Decisions
   5.1 Standard of Living and Lifestyle Choices
   5.2 Buying Motor Vehicles, Appliances and Luxury Items
   5.3 Renting vs. Owning Your House
   5.4 Set-Up of Educational Programs for Children

6. Managing Your Debts
   6.1 Measuring Your Credit Capacity
   6.2 Sources of Consumer Credit
   6.3 Applying for Credit and its Cost
   6.4 Getting Out of Debt Traps

7. Insurance and Risk Management
   7.1 Life and VUL / ULP Insurances
   7.2 Health, Disability, and Long-Term Care Insurances
   7.3 Property and Liability Insurances

8. Retirement Planning
   8.1 Importance of Starting Early
   8.2 Approaches to Retirement Set-Up: Income Method vs. Expense Method
   8.3 Challenges in Sustaining Availability of Retirement Funds

9. Estate Planning
   9.1 Creation, Conservation, and Distribution of an Estate
   9.2 Estate Taxes and Legal Framework
   9.3 Estate Planning Tools
   9.4 Living Will, Health Care Proxy, and Letter of Last Instruction

   FINAL EXAMS (April 29 – May 6, 2016)

D. Reading Materials and References

E. Requirements and Grading System

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<thead>
<tr>
<th>GRADE COMPONENTS</th>
<th>WEIGHT</th>
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<tr>
<td><strong>Class Participation</strong></td>
<td>15%</td>
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<tr>
<td>Class Participation counts significantly in this class because the contribution of each and every one is the key to having an effective and successful class. Please come to class prepared for the day's work and ready to participate in the ensuing discussions.</td>
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<tr>
<td><strong>Major Exams / Quizzes</strong></td>
<td>30%</td>
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<tr>
<td>Prepare for major exams and quizzes, which will be given in classes. This will determine the level of understanding of the students on past lessons or preparedness of students in the new lessons to be taken up in class.</td>
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<tr>
<td><strong>Class Exercises / Financial Games / Papers</strong></td>
<td>25%</td>
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<td>Every so often, reflection and reaction papers will be assigned to allow one to distill one’s thoughts and ideas about the course in a way that is useful and practical. Other requirements (group presentation, short research, case analysis) will also be asked to assess one’s level of understanding for the course.</td>
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<tr>
<td><strong>Final Paper / Personal Financial Planner (Clear Book)</strong></td>
<td>30%</td>
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<td>A Final Paper will be assigned as the cumulative, capstone requirement for the course. Specifically, a Personal Financial Plan and the supporting PFP Clear Book will be required for yourself fully and firmly grounded in your Personal Charter and Life Plan. Your financial goals need to be explicitly included in this plan.</td>
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F. Classroom Policies

Student-centered learning is at its best when students are given as much creative room as possible with which to explore new ideas and concepts. Nevertheless, there are rules that make sure that certain minimum kind of behavior is elicited from you. If you generally are the kind of student who attends class, is courteous both inside and outside class, and does what at least is expected of him/her, then you will have no problem at all.

1. Absences and Tardiness

1.1 A maximum of three (3) absences, for Wed. class and Fri. class with 3 hours each, for the entire semester is allowed for each student. Anyone who exceeds this number will be given a W, in accordance with the University policy.

1.2 A student is marked absent when he or she is not in the classroom when attendance is checked. There are no lateness marks in this class -- only absences. It is the responsibility of the student to keep track of his or her absences.
1.3 In the absence of any prior announcement from the Department or teacher, the class must wait for the teacher for 30 minutes after classes have started. No free cuts shall be deemed given unless this time has passed. Students who leave before this time shall be marked absent.

2. Testing and Grading

2.1 The dates for the submission of required papers will be strictly followed. Late submissions will be penalized accordingly.

2.2 If classes are suspended or cancelled on the date of a scheduled submission date, it is understood that the requirement will be given on the following meeting, or on a date to be announced.

2.3 As mentioned earlier, class participation is highly encouraged and is given an appropriately significant weight in the computation of the Final Grade. Students are highly encouraged to contribute quality input into each class discussion. Disruptive students will be asked to leave the room.

2.4 A final mark of F (0) will automatically be given to any student caught cheating in any of the requirements (plagiarism, peeping at the paper of others during a quiz, etc).

2.5 Appeals for rechecking must therefore be accomplished within one week after results are given out.

2.6 The class schedule will be followed throughout the semester. If for one reason or another, classes are suspended on the day of classes, a make-up class will be held at a date and time to be determined then.

3. Class Guidelines

3.1 School regulations apply at all times. Students are expected to STRICTLY ADHERE to JGSOM Dress Code. If not in compliance, the student will be asked to leave the room.

3.2 In the interest of keeping the class on track, everyone must turn off his or her cellular phone, or activate its silent vibration mode to avoid disrupting the class.

3.3 Laptops and other electronic gadgets are NOT allowed during class discussion. Failure to bring calculators and all other assigned materials will be asked to step out of the class.

3.4 Ideally, restroom needs should be attended to before or after the class, or during breaks between classes. In any case, be as unobtrusive as possible when you leave the room.

3.5 Absolutely NO SMOKING is allowed within the vicinity of the classroom.

3.6 Money will be collected to defray the costs of the handouts to be used for class. Students are expected to pay this amount promptly.

3.7 The teacher reserves the right to raise a student's grade if in his judgment, a particular student's overall performance, behavior and character merits this recognition. The teacher, of course, has no right to pull down any student's grade point achievement.

4. Contact Details and Consultations

4.1 Consultations or any other sessions are held before or after classes by appointment. You may get in touch through email: amparlan@ateneo.edu

4.2 Students who wish to individually consult may arrange for an appointment with the teacher or through Ms. Rosalie Mendoza, the Department Secretary at 426-6001 Local 5511.