

FINANCE 412 *Financial Planning and Wealth Management* Syllabus
University of Miami, Summer Intersession #1
May 14-18, 21-25, 2018, 9:00 am – 12:45 pm, Location TBA

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Office Hours: Tuesdays and Thursdays 12:45 – 2:00 pm and by appointment

Course Descriptions:

This course examines the investment and financial issues arising from financial planning and personal wealth management activities. It covers various topics required for the construction of a comprehensive financial plan including the identification of client financial status and goals, asset allocation, securities trading, managed funds, tax planning, risk management and insurance, and estate planning. It includes the following topics:

1. Tax planning
2. Insurance planning and employee benefits
3. Investment planning and wealth management
4. Retirement planning
5. Estate planning

Course Objectives:

1. Explain the role of financial planners;
2. Assess personal financial goals and create a saving plan;
3. Discuss and assess risk profiles;
4. Discuss the taxation system and suggest tax effective ways to build wealth;
5. Recommend appropriate asset allocation and long term investment strategies;
6. Understand the valuation and selection criteria of major investment products and financial securities in order to implement a financial plan;
7. Evaluate the investment value and select finance for residential properties;
8. Create and assess the effectiveness of retirement strategies;
9. Select appropriate insurance products to cover financial risks;
10. Consider the financial consequences of family relationship and instruments available to reduce uncertainty;
11. Evaluate and arrange financial affairs to better access social security benefit;
12. Arrange for the creation of instruments to distribute estate and non-estate assets;

Required Textbook:

Personal Finance: Turning Money into Wealth, 7th Edition, by Arthur J. Keown, ISBN-10: 0133856437, ISBN-13: 978-0133856439. You need to buy the book. Lecture notes have been posted online.

Grading:

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| Exam #1: | Friday, May 18 | 30% |
| Exam #2: | Friday, May 25 | 30% |
| Group presentations | every day | 30% |
| Class participation / attendance: | | 10% |
| Group formation and sign up by May 14: | | 3% |
| Class participation | | 7% |

I do not give makeup exams. I do not give extra projects/papers to make up for under-performance.

Exams:

Both exams will be in the form of multiple-choice and true/false questions. You need to bring your financial calculator to exams.

Group presentations:

1. There are 2-3 students in each group. There should be 12 groups in the class.
2. Each group will pick a chapter from the list below. You may not pick a self-study chapter or Chapter 1. The available chapters are on the first-come-first-serve basis. **So the sooner you act, the more choices you have before other groups pick their chapters. Group formation should be completed by May 14.**
3. Register your chapter and your group members at:
<https://docs.google.com/spreadsheets/d/1aUNrTrnsz5WoTJ6733fmxonKBOzeDksGm-T6EdOw4gI/edit?usp=sharing>
4. Starting from the second class, at the beginning of class, a group will present the chosen chapter for 20-30 minutes. The presentations should focus on 1-2 new/challenging/interesting issues in the chapter as well as an overview of the chapter to help the class to understand these key issues in the chapter. **All students in the group need to present.** After presentation, you need to submit your PPT file for grading.

Notes:

Lecture notes are not self-sufficient and are meant as a complement to and not a substitute for the lectures, class attendance is considered vital.

Students are expected to have read all assigned materials in preparation for class.

Class participation is greatly encouraged. Your questions not only help me better judge how the class is absorbing the material, they also help generate discussion. To this same end, I will cold-call. Although I expect students to be prepared, no student's grade is ever penalized for saying something wrong in class.

To make it easier for me to get to know you, please place your name tag at your desk.

Most students find it most convenient to use a hardcopy of the lecture notes. If you prefer to use the electronic version on a laptop, iPad, etc., you are free to do so if you **sit in the front row**. Refrain from unrelated web-surfing during classes.

Course Outline

Day 1:

Chapter 1: The Financial Planning Process

Day 2:

Chapter 2: Measuring Your Financial Health and Making a Plan

Chapter 3: Understanding and Appreciating the Time Value of Money (self-study)

Chapter 4: Tax Planning and Strategies

Day 3:

Chapter 5: Cash or Liquid Asset Management

Chapter 6: Using Credit Cards: The Role of Open Credit

Day 4:

Chapter 7: Student and Consumer Loans: The Role of Planned Borrowing

Chapter 8: The Home and Automobile Decision

Day 5:

Exam #1

Day 6:

Chapter 9: Life and Health Insurance

Chapter 10: Property and Liability Insurance

Day 7:

Chapter 11: Investment Basics (self-study)

Chapter 12: Investing in Stocks (self-study)

Chapter 13: Investing in Bonds and Other Alternatives (self-study)

Chapter 14: Mutual Funds: An Easy Way to Diversify

Day 8:

Chapter 15: Retirement Planning

Chapter 16: Estate Planning: Saving Your Heirs Money and Headaches

Day 9:

Chapter 17: Financial Life Events - Fitting the Pieces Together

Day 10:

Exam #2