



Plan 363 - Fall 2020

Personal Finance, Wealth Building, and Public Policy

Meeting Times: Monday and Wednesday 4:40 – 5:55 PM

Meeting Space: Online - Remote

Course Text: **Personal Finance Experience**; Pratt, Weitzel, and Rhodes. 2019. Pearson.
Alternative 1: <https://www.pearson.com/us/higher-education/program/Pratt-Revel-for-Personal-Finance-Experience-Instant-Access/PGM2421153.html?tab=contents>

Alternative 2: Personal Finance: **Another Perspective**.
Complete College Course Manual.
The Whys, Whats, and Hows. 12th Edition 2019-2020. Bryan L. Sudweeks, PhD
CFA. Marriot School of Management, Brigham Young University.¹ (posted in
Sakai).
<https://brightspotcdn.byu.edu/b3/4a/bc163707418d9485ea662a106558/complete-college-manual.pdf>

**Course Materials and
Communication:** Sakai

Instructor: **Teaching Assistants:**

Roberto G. Quercia
quercia@email.unc.edu
919-962-4766

Joungwon Kwon, senior TA
jokwon@live.unc.edu

Marielle Saunders, TA
msaund@email.unc.edu

Xijing Li, TA
xijingl2@unc.edu

IDEAs in Action General Education Curriculum

This course fulfills the Quantitative Reasoning focus of the General Education Curriculum

Students learn to comprehend and apply mathematical concepts in authentic contexts, developing tools for reasoning with data, logic, and quantitative methods.

1. What is the role of mathematics in organizing and interpreting measurements of the world?
2. How can mathematical models and quantitative analysis be used to summarize or synthesize data into knowledge and predictions?
3. What methodology can we apply to validate or reject mathematical models or to express our degree of confidence in them?

Learning Outcomes

1. Summarize, interpret, and present quantitative data in mathematical forms, such as graphs, diagrams, tables, or mathematical text.
2. Develop or compute representations of data using mathematical forms or equations as models, and use statistical methods to assess their validity.
3. Make and evaluate important assumptions in the estimation, modeling, and analysis of data, and recognize the limitations of the results.
4. Apply mathematical concepts, data, procedures, and solutions to make judgments and draw conclusions.
5. Synthesize and present quantitative data to others to explain findings or to provide quantitative evidence in support of a position.

More narrowly, students learn to use quantitative reasoning, mathematical concepts and reasoning, to make decisions about personal finance, wealth building, and related public policy issues.

In addition as a General Education course, Plan 363 incorporates two recurring capacity requirements.

1. Students are required to prepare a Personal Finance Plan (10+ pages) as their term project.
2. Students are required to collaborate in pairs or small groups to complete in-class exercises during the semester. These exercises give students the opportunity to learn from each other as well as to apply experientially the concepts covered during class lectures.

Course description and objectives

PLAN 363, Personal Finance, Wealth Building, and Public Policy has four primary goals:

- 1) Help students develop firm understanding of basic financial principles in the context of managing their own finances wisely.

Students will develop understanding of various aspects of personal finance. They will explore the way personal principles, values, and risk tolerance relate to many aspects of personal finance. They will engage in hands-on exercises related to their own finances and financial planning. Specific topics will include a math/financial primer, budgeting, measuring financial health, managing credit, identifying good and bad consumer and mortgage loans, understanding debt, choosing insurance products (all types), beginning investing, and others.

- 2) Help students gain sufficient familiarity with financial markets, banking, and investment concepts to make sense of market and financial news and related political and public policy discussions.

Students will consider these matters, and their implications, with respect to their own financial wellbeing.

- 3) Help students consider and explore community-based and public policy efforts to help lower-income individuals and families build wealth through better financial decision-making and access to appropriate financial services and asset building opportunities, including support for entrepreneurial endeavors.

- 4)

Students will explore a variety of prospective interventions aimed at helping households, particularly low and moderate-income households, build wealth and strengthen themselves as financial actors. Students will consider how programs should be designed to achieve their stated goals.

Many students learn best when applying new knowledge to relevant aspects of their daily lives. The term project will include application of knowledge and strategies learned during the course in development of individual family financial plans.

PLAN 363 is to be presented as an introductory seminar. ***“Drawing on diverse disciplines and subject areas, the seminar shares a focus on how students pose problems, discover “truths,” resolve controversies, and evaluate knowledge.”*** The seminar is a form of academic instruction, sometimes involving small groups for recurring meetings, in which **all students are requested to participate actively**. The seminar will provide a place to consider assigned readings, raise questions and issues, and **engage in discussion**. There are no course prerequisites, other than an energetic interest in public policy, and **a willingness to participate**.

The course is offered synchronously. Sessions will be recorded. Students will have access to the recorded session for 24 hours after the time of the original class. We will use Zoom. The Zoom link for each session will be sent via email the morning of the class. During the semester, students will do in-class exercises some individual, some in teams (all via Zoom and Sakai). The students should plan to use their video during some of these exercises. We will let students know in advance when video will be required.

We acknowledge that remote learning is new to many students. There are unique challenges with internet/Zoom/etc. that may hinder participation. We encourage students to let us know if/when problems arise.

Our purpose is to help you to excel in the current learning environment. The instructor and TAs value the perspectives of individuals from all backgrounds reflecting the diversity of our students. We broadly define diversity to include race, gender identity, national origin, ethnicity, religion, social class, age, sexual orientation, political background, and physical and learning ability. We strive to make the course an inclusive space for all students. Please let us know if there is anything we can do to improve. We appreciate suggestions.

Rules of engagement

“The Honor Code represents UNC-Chapel Hill students' commitment to maintain an environment in which students respect one another and are able to attain their educational goals. As a student at Carolina, you are entering a community in which integrity matters--integrity in the work you submit, and integrity in the manner in which you treat your fellow Carolina community members.”

We are committed to treating Honor Code violations seriously and urge all students to become familiar with its terms. If you have any question it is your responsibility to ask faculty about the Code's application. All written work and other projects must be submitted with a signature that you have complied with the requirements of the Honor Code in all aspects of the submitted work.

Contacting instructors: We recognize that many of the projects in this course are dynamic and may require being flexible. Therefore, you are encouraged to maintain an open line of communication with the instructor and teacher assistants. We also encourage you to inform the instructor and TAs well in advance if you are unable to attend class or fulfill an assignment. Failure to do so will be reflected in your participation grade. Having said that, we recognize that life is unpredictable at times. If a last minute emergency comes up when an assignment is due, students can have a "life happens extension." The "life happens extension" can be used only once per semester. With TA approval, students may get a 3-day extension with no questions asked.

Missing Class: Students are permitted to miss class for EXCUSABLE absences only (for details about what an excused absence is, see [UNC-Chapel Hill's attendance policy](#).) On the first day of class, each student starts with a 100% for participation. Students are allowed one UNexcused absence without any questions from the instructor/TAs. If a student has two UNexcused absences, the participation grade will be affected.

Laptops and cell phones: Please turn off your cellphones before entering the Zoom session. If you must have your phone on during class because of an extraordinary circumstance (you are expecting a baby, etc.), please let us know beforehand. During the Zoom session, please turn off all other programs in your computer such as emails and instant messaging because they can be distracting.

Disability: The University's Accessibility Resources and Service Office (ARS) coordinates all reasonable accommodations, including resources and services, for students with disabilities, chronic medical conditions, a temporary disability or pregnancy complications resulting in difficulties with accessing learning opportunities.

Students should visit their website <http://accessibility.unc.edu>, call 919-962-8300 or email accessibility@unc.edu. A student is welcome to initiate the registration process at any time; however, the process can take time. ARS requests that students contact them as early in the semester as possible.

Community standards and mask use: Although the course is offered remotely, keep in mind the community and mask use standards listed below in the eventually you need to meet in-person with the instructor, the TAs, or your fellow students for course reasons. This fall semester, while we are in the midst of a global pandemic, all enrolled students are required to wear a mask covering your mouth and nose at all times in our classroom. This requirement is to protect our educational community — your classmates, the TAs, and me – as we learn together. If you choose not to wear a mask, or wear it improperly, UNC requires me to submit a report to the [Office of Student Conduct](#). At that point you will be disenrolled from this course for the protection of our educational community. An exemption to the mask wearing community standard will not typically be considered to be a reasonable accommodation. Individuals with a disability or health condition that prevents them from safely wearing a face mask must seek alternative accommodations through the [Accessibility Resources and Service](#). For additional information, see [Carolina Together](#).

Title IX resources: Any student who is impacted by discrimination, harassment, interpersonal (relationship) violence, sexual violence, sexual exploitation, or stalking is encouraged to seek resources on campus or in the community. Please contact the Director of Title IX Compliance (Adrienne Allison – Adrienne.allison@unc.edu), Report and Response Coordinators in the Equal Opportunity and Compliance Office (reportandresponse@unc.edu), Counseling and Psychological Services (confidential), or the Gender Violence Services Coordinators (gvsc@unc.edu; confidential) to discuss your specific needs. Additional resources are available at safe.unc.edu.

Evaluation and grading

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|----|-----|----|------|--|
| A | 94% | to | 100% | Class attendance, preparation, and participation are required. Active and engaging class participation is intended to provide opportunity to engage in critical thinking and peer to engagement in the complex and value-laden realm(s) of Personal Finance, Wealth Building, and Public Policy. Students will be graded based on the scale to the left. |
| A- | 90% | to | 93% | |
| B+ | 87% | to | 89% | |
| B | 84% | to | 86% | |
| B- | 80% | to | 83% | |
| C+ | 77% | to | 79% | |
| C | 74% | to | 76% | |
| C- | 70% | to | 73% | |
| D+ | 67% | to | 69% | |
| D | 60% | to | 66% | |
| F | 0% | to | 59% | |

Grade components

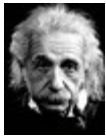
| | |
|---|------|
| Attendance, quizzes, and in-class exercises | 40% |
| Personal Financial Plan | 35% |
| #1 5% | |
| #2 20% | |
| #3 10% | |
| Final examination | 25% |
| Maximum: | 100% |

Course outline and calendar: Plan 363

subject to modification and amendment

| Subject | #1 | #2 | Date | Notes |
|--|----------------|-------------------|-------|---|
| Introduction | | | 08/10 | |
| Career Planning and Personal Finance | Chapter 1 | Through Chapter 2 | 08/12 | "How do you want to be remembered?" due |
| Issues impacting Personal Finance In August 2020 | | | 08/17 | Impacts of Covid and Social Justice movement on personal finance https://stlouisfed.us18.list-manage.com/track/click?u=5b235b9209f26f8d3932b7293&id=190e778a72&e=30aae5bc6d |
| Financial Planning: Budgeting | Chapters 2 - 3 | Chapter 3 | 08/19 | |
| Financial Planning: Net Worth | | | 08/24 | |
| Money | | | 08/26 | |
| Cash Management | Chapter 11 | Chapter 5 | 08/31 | |
| Taxes | Chapter 4 | Chapter 4 | 09/02 | |
| Labor Day Holiday | | | 09/07 | |
| Taxes II | | | 09/09 | In class exercise |
| Debt | | Chapter 8 | 09/14 | |
| Time Value of Money I | Chapter 8 | Chapters 9-10 | 09/16 | Financial plan #1 due: goals due |
| Time Value of Money II | Chapter 8 | chapters 9-10 | 09/21 | In class exercise |
| Automobile | Chapter 9 | Chapters 16 | 09/23 | |
| Automobile II | chapter 5 | Chapters 6-7 | 09/28 | In class exercise |
| Open class | | | 09/30 | |
| Credit | Chapter 5 | Chapters 6-7 | 10/05 | |
| Credit cards | Chapter 5 | Chapters 6-7 | 10/07 | In class exercise |
| Insurance | Chapter 7 | Chapter 11-14 | 10/12 | |
| Housing | Chapter 10 | Chapter 15 | 10/14 | |
| Housing II | | | 10/19 | |
| Investment Fundamentals | Chapter 12 | Chapters 17-19 | 10/21 | |

| | | | | |
|----------------------------------|----------------|----------------|--------------|---|
| Investment bonds and stocks | | Chapters 20-23 | 10/26 | |
| Financial advisory services | Chapter 11 | Chapter 19 | 10/28 | In class risk tolerance self- assessment |
| Paying for education | Chapter 15 | Chapters 33 | 11/02 | |
| Personal Relationships and Money | Chapter 14 | Chapter 30-32 | 11/04 | Financial Plan #2 due: financial statements, budget, tax planning, cash management, credit card, student/consumer loans & debt reduction, insurance |
| Retirement Fundamentals | Chapters 26-28 | Chapter 26 | 11/09 | |
| Entrepreneurship: Getting funded | | | 11/11 | Financial Plan section due: investment, retirement, estate planning |
| Last Day of Class Looking ahead | | Chapters 34-35 | 11/16 | |
| Final exam | | | | |



“Compound interest is the eighth wonder of the world. He who understands it, earns it ... he who doesn't ... pays it.”

Albert Einstein

We are grateful to, and appreciative of, Brigham Young University (BYU) and the Marriott School of Management for having published a series of excellent texts and course materials regarding personal finance. One of these, Personal Finance: Another Perspective. Complete College Course Manual. 12th Edition 2019-2020, is the primary text for this course (alternative 2).

<https://brightspotcdn.byu.edu/b3/4a/bc163707418d9485ea662a106558/complete-college-manual.pdf>

Brigham Young University is a private research university owned and operated by The Church of Jesus Christ of Latter-day Saints. The course text, and particularly its introductory sections, contain numerous references to Mormon teaching and principals, Christian faith, God's will and guidance, and other religious allusions.

Within the context of this course we neither accept or endorse, nor dismiss or repudiate, Mormonism, Christianity, religion in general, or any particular religion or system of faith whatsoever. The excellent course material and resources made available to us (free of charge) by BYU are coherent and stand on their merits exclusive of, and notwithstanding, any theological underpinning or attribution.

Students who may feel more comfortable not being exposed to theological material should use the suggested alternative 1 textbook: **Personal Finance Experience**; Pratt, Weitzel, and Rhodes. 2019. Pearson.

<https://www.pearson.com/us/higher-education/program/Pratt-Revel-for-Personal-Finance-Experience-Instant-Access/PGM2421153.html?tab=contents>