

MNGT451: Fundamentals of Financial Planning

College of Graduate and Continuing Studies, Norwich University

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Course Description

This course introduces students to the financial planning process and the relevant personal finance concepts toward understanding assumptions and client objectives. The student will learn how to act as a fiduciary under the *CFP Board's Code of Ethics and Standards of Conduct for CFP® Professionals*, effective October 1, 2019, and how to manage the planner-client relationship. The introductory personal finance topics, such as financial statement analysis, cash flow and debt management, and financing strategies will aid students in their continued studies on how a financial planner assists clients in meeting their goals and objectives through proper planning. This course will introduce the financial planning process that is used in future courses to apply subject-matter knowledge to client recommendations and relationships. (3 credits)

Prerequisites for this Course: None

Course Outcomes

At the end of this course, students will be able to:

- Explain and apply the CFP Board's Code of Ethics and Standards of Conduct for CFP® Professionals, effective October 1, 2019, including the principles and practice standards for each step of the financial planning process
- Identify and distinguish among disciplinary actions that can be taken by the CFP Board
- Demonstrate a comprehensive understanding of the financial service regulations and institutions
- Discuss the fiduciary standard and its importance to the planner-client relationship
- Construct and describe financial statements and analyses to recommend financing strategies
- Evaluate client values, objectives, goals, and psychology to select appropriate counseling and communication techniques

Student Learning Outcomes

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| Week 1 | <ul style="list-style-type: none"> • Describe the personal financial planning process as defined by the <i>Financial Planning Practice Standards</i> • Differentiate ethical and unethical practices in the financial planning profession based on the CFP Board's <i>Standards of Professional Conduct</i> |
| Week 2 | <ul style="list-style-type: none"> • Explain the <i>CFP Board's Code of Ethics and Standards of Conduct for CFP® Professionals</i>, effective October 1, 2019 • Explain the seven principles of the <i>Code of Ethics and Professional Responsibility</i>, which are ethical and professional ideals of CFP® professionals • Describe the Practice Standards employed during each step of the financial planning process • Integrate the Practice Standards in developing and communicating a financial plan for a client • Identify the grounds for disciplining CFP® professionals • Explain the disciplinary procedures employed by CFP Board |

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| | <ul style="list-style-type: none"> • Distinguish between the disciplinary actions that can be taken by CFP Board • Discuss the fiduciary standard and its importance to the planner-client relationship |
| Week 3 | <ul style="list-style-type: none"> • Compare the primary and secondary market institutions and their regulators for each security. • Identify the regulatory authorities that impact elements of the financial planning process • Differentiate between proper investment knowledge and insider trading information • Discuss investment advisor regulations and financial planning aspects of ERISA • Describe consumer laws that impact clients, including bankruptcy, banking, credit, privacy regulations, and other relevant laws |
| Week 4 | <ul style="list-style-type: none"> • Construct statements of financial positions and cash-flow statements as applied to clients consistent with sound personal accounting standards • Evaluate client financial statements using ratios and growth rates, and by comparing them to relevant norms • Identify opportunities and challenges related to a client's cash inflows and outflows, and make recommendations to assist the client in meeting their current needs and long-term financial goals • Communicate the need for liquid assets and emergency funds, and recommend strategies for accumulating the appropriate levels of funds • Calculate savings required to meet financial goals and recommend how to incorporate planned savings into the cash flow plan |
| Week 5 | <ul style="list-style-type: none"> • Analyze the various sources of borrowing available to a client, and communicate the advantages and disadvantages of each for meeting a client's financial goal • Create a debt management plan for a client that minimizes cost and maximizes the potential to reach financial goals • Explain appropriate housing financing strategies • Apply relevant economic concepts and measures in making financial planning strategies, including supply and demand, National Income Accounts, business cycles, interest rates, and exchange rates |
| Week 6 | <ul style="list-style-type: none"> • Calculate present value and future value of single amounts, annuities, annuities due, and uneven and serial payments • Calculate net present value (NPV) and internal rate of return (IRR), and be able to apply the techniques to financial planning problems • Analyze all types of client debt and provide recommendations on optimal debt management within the client's overall financial plan • Calculate the required payment, interest owed or saved, and the new payment term in developing the debt prioritization plan for a client • Evaluate the financial effects of reducing or increasing debt on the client's probability of success in meeting short-term and long-term goals |
| Week 7 | <ul style="list-style-type: none"> • Analyze a client's degree of risk and loss aversion, and ensure recommendations are consistent with a client's risk propensity, attitudes, capacity, knowledge, and needs • Explain how a client's psychological profile, learning style, and values impact the format of the plan produced and presented • Evaluate how a client's values, including cultural and religious values and attitudes, will affect their goals and a planner's recommendations • Describe how behavioral psychology impacts a client's objectives, goals, understanding, decision-making, and actions • Assess the components of communications, including linguistic signs and non-verbal communications • Apply active listening skills when communicating with clients |

- Select appropriate counseling and communication techniques for use with individual clients

CFP Topic Index and Weekly Breakdown

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| Week 1 | B.8. Financial planning process |
| Week 2 | A.1. <i>CFP Board's Code of Ethics and Standards of Conduct for CFP® Professionals</i> , effective October 1, 2019 A.2. <i>CFP Board's Financial Planning Practice Standards</i> A.3. <i>CFP Board's Disciplinary Rules and Procedures</i> A.7. Fiduciary |
| Week 3 | A.4. Function, purpose, and regulation of financial institutions A.5. Financial services regulations and requirements A.6. Consumer protection laws |
| Week 4 | B.9. Financial statements B.10. Cash flow management |
| Week 5 | B.11. Financing strategies B.12. Economic concepts |
| Week 6 | B.13. Time value of money concepts and calculations B.16. Debt management |
| Week 7 | B.14. Client and planner attitudes, values, biases, and behavioral finance B.15. Principles of communication and counseling |
| Week 8 | Review and Final |

Expectations

You are expected to be actively engaged throughout this course. This means you will participate in the course activities, such as reading the course material, viewing presentations, completing all exercises and actively participating in all required discussions. To successfully complete the course you must participate in all required course activities each week.

You can expect that your instructor will also be actively engaged in this course. Your instructor will facilitate all discussions, prompt deeper thinking and application through additional questions, and give feedback to either you or the entire class. This is a collegiate level engagement. It is not a transfer of knowledge, it is a guide for you to gain knowledge through the research, formulate an argument, debate, and support your conclusions with credible sources of facts.

Grades

| Graded Assessment Types | Points | Weights (%) |
|-------------------------|-------------|-------------|
| Discussion Posts (5) | 100 | 10% |
| Quizzes (7) | 700 | 70% |
| Mini-Cases (4) | 100 | 10% |
| Final | 100 | 10% |
| Total | 1000 | 100% |

Letter grades for the course will be based on the following grading scale.

| Letter Grade | Percentage | Grade Point |
|--------------|------------|-------------|
| A | 93-100% | 4.0 |
| A - | 90-92.9% | 3.7 |
| B + | 87-89.9% | 3.3 |
| B | 83-86.9% | 3.0 |
| B - | 80-82.9% | 2.7 |
| C + | 77-79.9% | 2.3 |
| C | 75-76.9% | 2.0 |
| C - | 73-74.9% | 1.7 |
| D + | 70-72.9% | 1.3 |
| D | 67-69.9% | 1.0 |
| D- | 63-66.9% | 0.7 |
| F | 0-62.9% | 0.0 |

For complete information on the Grading Policy, please refer to the [CGCS Online Catalog](#).

[Required Textbooks](#)

- Dalton, M., et al. (2018). *Personal Financial Planning: Theory and Practice*. Kaplan.

[Discussion Overview and Rubrics](#)

Before submitting your first discussion post, please review the [Grading Guidelines and Rubrics](#) for more information about what is expected in regard to discussion postings and online etiquette.

[Late Work](#)

It is important that writing assignments be completed on time. Extensions of deadlines will be given only for serious extenuating circumstances. In the absence of such extensions, assignments may be downgraded for lateness at the discretion of the instructor. You must contact your instructor ahead of time to request an extension.

[Academic Honesty and the Norwich University Honor Code](#)

A student must submit work that represents the student's own original analysis and writing. Copying another's work is not appropriate. If the student relies on the research or writing of others, the student must cite those sources. Words or ideas that require citations include, but are not limited to all hardcopy or electronic publications, whether copyrighted or not, and all verbal or visual communication when the content of such communication clearly originates from an identifiable source. While students are encouraged to seek editing feedback, extensive revisions of one's work by another person is considered a lack of academic honesty, as it is representing another student's work as one's own.

For more information see:

[Academic Dishonesty](#)

[Academic Integrity](#)

[Norwich University Honor Code](#)

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[Section 504 of the Rehabilitation Act of 1973/ADA](#)

Please consult [Appendix H: University Policy - Section 504 of the Rehabilitation Act of 1973/Americans with Disabilities Act \(ADA\)](#) for instructions on obtaining an accommodation.

Disclaimer: Please note the specifics of this Course Syllabus are subject to change. Students are responsible for abiding by any such changes. Your instructor will notify you of any changes.

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