

**Moravian College**  
**ACCT 191 – ST: Financial Planning Process**  
**MORAVIAN COLLEGE**

**Discussion Leader:**

Christopher F. Lloyd, CPA, MBA, Insurance Agent  
Economics & Business Department  
Comenius Hall  
E-Mail: lloyd@c@moravian.edu / willowbrook1@rcn.com  
Work Phone: (610) 264-5606

**Course & Title:**

(Special Topic) ACCT 191/MGMT 191 Financial Planning

**Text:**

Fundamentals of Financial Planning; 4<sup>th</sup> Edition; Michael A. Dalton – Money Education (2015) – Softback – ISBN-13:978-1-936602-20-9

**Course Description:**

This course begins with a presentation of the financial planning process and introduces the legal, ethical, and regulatory issues affecting financial planners. The course continues with a discussion of the principles of risk management and insurance to identify risk exposure and to select appropriate risk management techniques. Because transferring risk through the use of insurance is a principal method of handling risk exposure, the course addresses the basic insurance contract and provides practical insurance checklists. An introduction to tax planning, investment concepts & mutual funds, retirement and business related issues will be included.

**Course Objectives:**

Upon successful conclusion, students should:

1. Have a thorough understanding of the financial planning process and be able to clearly demonstrate that understanding by application.
2. Have a thorough understanding of time value of money problems and be able to apply them to various situations.
3. Demonstrate a thorough knowledge of and be able to apply economic, regulatory, and legal concepts.
4. Identify financial planning ethical situations and select appropriate ethical responses to those situations.
5. Explain the concept of risk and insurable risk and be able to apply these concepts to financial planning situations.
6. Develop a complete methodology for identifying client insurance risk and making meaningful recommendations for managing those risks in specific situations.
7. Differentiate the various homeowner's policies in terms of perils addressed and values covered and be able to apply that knowledge to make appropriate recommendations.
8. Differentiate the various automobile policies in terms of perils.
9. Be able to evaluate the personal risk to clients including premature death, superannuation, disability and major health problems.
10. Differentiate the various insurance policies that are available for each personal risk and be able to justify your application of each to specific situation.

11. Know the elements of each different type of commonly available life insurance and be able to appropriately match the policy provision with the needs of a specific situation.

### **Continuous Learning:**

My approach to teaching is based on the need for continuous learning as an essential for success in any profession. One major trend that is happening as a result of advances in technology is that skills necessary for success change. In the agricultural economy physical strength and endurance was king; in the industrial age, grit and sweat was important; and in the post-industrial era, the demand was for smarts. Smarts is the ability to learn a lot of information over a period of time and then at some future point be able to give it back. Smarts is the ability to pass a test with an A on stuff you just learned. Unfortunately, most students think that it will take them places when they graduate – HOW WRONG THEY ARE!

The world is moving into a new economy in which nobody is going to pay for smarts, because smarts is what is going into software programs. What companies will pay for is intelligence. Intelligence is the ability to figure things out when you never learned them before. Intelligence is the ability to get from A to D when there is no B or C. It requires a different thought process than smarts. Intelligence will shake out the people who will be successful in accounting over the next 10 years, and those with just smarts will find their opportunities diminishing. Those who are intelligent will find the demand for them increasing because there is so much complexity in the world that business demands intelligence.

### **Course Philosophy:**

Accounting programs and courses should not be teaching students to be accountants at the time they graduate, but rather, students should be taught how to think and learn. This statement was developed by the Accounting Education Change Commission (AECC), which was formed to help implement changes in the way accounting courses are taught throughout the United States. This philosophy provides a base upon which continuous learning is built. It allows Moravian College to provide you with the finest accounting program available anywhere.

The basis for continuous learning, upon which my teaching methods are driven, has three components: skills, knowledge, and professional orientation.

1. Skill: To become professionals, graduates must possess communication skills, intellectual skills, and interpersonal skills.
2. Knowledge: Graduates should have general knowledge, organizational and business knowledge, and accounting knowledge. You will acquire these through the sequence of courses you take for your major combined with the Moravian College Guidelines for Liberal Education or LINC requirements.
3. Professional Orientation: Students must be able to identify with their profession and develop the knowledge, skills and values of its members. They should know and understand the ethics of the profession and be able to make value-based judgments. Awareness of various business and accounting related professions are included in the course discussion. The study of ethics and related cases are also incorporated into accounting and business courses; many of these require students to make value-based judgments.

To meet the objectives discussed previously, you need to develop the skills and strategies to become more intelligent. You also need to know how to use these strategies as part of the process of continuous learning. This generally means you should not expect me to stand at the

board and lecture class after class while you take notes and memorize them later. You are not learning how to learn by doing this. Continuous learning is best accomplished by having the need for knowledge and knowing how to acquire it. You will find that you remember more with little or no memorization under these circumstances. You must also be active participants in the learning process. Learning by doing will be emphasized. Working in groups will be encouraged. Teaching methods that expand and reinforce communication, intellectual, and interpersonal skills will be used.

### **Class Participation:**

Successful completion of this class will require extensive class participation. Class members are required to read all of the assigned exercises/problems/cases/requirements and to prepare the material as requested. I will adjust the final grade upward based on the nature of each student's involvement. Higher participation grades will be given for insightful comments or questions that relate to class material, minimal grades will be assigned for simple questions of clarification, and deductions will be distributed for students attempting to confuse, delay, or embarrass the discussion leader.

### **Study Commitment:**

This course requires uninterrupted exposure and study. Therefore, it is important that you attend each class and complete, or at least attempt, all assigned work. As a general guideline, you can expect to spend three to four hours outside class for each class hour. A major reason for failure in this course has been "getting behind." The pace of this and all other accounting courses is extremely fast and some of you may feel uncomfortable. Each concept builds on prior concepts. Don't be fooled into believing you can begin exams or projects the day or night before and expect to pass.

### **Method of Teaching:**

I use the "Socratic" method of classroom questioning to teach accounting and act as a discussion leader. In preparing the course syllabus, I designed this course in a sequential manner to keep the discussion moving from one element of the topic to the next one until the completion of each subject. It is my responsibility to be sure that the needed material is covered properly. I will expand the subject under discussion and hopefully trigger your interest. I will allow time for you to raise questions, exchange thoughts and ideas and help you in exploring non-traditional insights and unexpected interpretations, answer questions by raising questions rather than providing direct answers, moderate the discussion; so as to stick to the subject matter and encourage you to discuss topics with each other as well as myself.

Students are considered participants in the continuous learning process. All students are expected to participate by being prepared for class. You should listen actively, take notes and respect each other's opinion. Please, do not stay confused but raise and ask questions for clarification.

Questions are the vocal attention of the Socratic art of effective learning. The core of critical thinking is the ability to use Socratic questioning techniques. Questions should help in raising inquiry that evolves on the spot rather than being predetermined by me. Questions are used to develop interest in the topic and are used to steer students towards desired responses. In general, questions should lead students to go back to the text to evaluate, define, clarify and speculate answers to raised inquiries.

**Academic Honesty:**

Integrity and honesty are qualities considered to be the "norm" among students at Moravian. However, any student who chooses to deviate from that "norm" risks automatic failure in this course.

**Students with Disabilities:**

Students who wish to request accommodations in this class for a disability should contact Elaine Mara, assistant director of learning services for academic and disability support at 1307 Main Street, or by calling 610-861-1510. Accommodations cannot be provided until authorization is received from the Academic Support Center.

**Method of Evaluation:**

Grades are a measure of knowledge not a process of obtaining knowledge. My objective is to treat all students fairly. The examinations and projects are intended to measure your command of the subject matter. Therefore, they are rigorous but not designed to have "tricks" or "traps." Grades will be based upon three examinations (60%); one project (20%), and class participation (20%). All students are expected to take tests when scheduled and submit assignments when due. Makeup tests and extensions must be cleared by the instructor in advance and will only be granted with a legitimate excuse. I reserve the right to give a comprehensive final on the scheduled exam day.

**OVERALL COURSE GRADE:**

A+	96 to 100
A	93 to 95.9
A-	89 to 92.9
B+	87 to 88.9
B	83 to 86.9
B-	79 to 82.9
C+	76 to 78.9
C	72 to 75.9
C-	68 to 71.9
D	58 to 67.9
F	BELOW 58

**Financial Planning...**

**Dan was a single guy living at home with his father and working in the family business.**

**When he found out he was going to inherit a fortune when his sickly father died, he decided he needed to find a wife with whom to share his fortune.**

**One evening, at an investment meeting, he spotted the most beautiful woman he had ever seen. Her natural beauty took his breath away.**

**"I may look like just an ordinary guy," he said to her, "but in just a few years, my father will die and I will inherit \$200 million."**

**Impressed, the woman asked for his business card and three days later, she became his stepmother!**

**Women are so much better at financial planning than men!**

<b><u>Date</u></b>	<b><u>Topic</u></b>	<b><u>Text</u></b>
January 20	Welcome and Introduction Get your Financial House in Order	Chapters 1-2 Chapter 3, Pg 77
January 27	Personal Financial Statements Project Explanation	Chapter 3-4
February 3	Risk Management for the Individual Client	Chapter 5
February 10	Case and Case Analysis	Chapter 6
February 17	<b><u>Exam</u></b> – Chapters 1-6	
February 24	Education and Education Funding	Chapter 8
March 2	Investments	Chapter 9
March 9	Spring Recess	
March 16	Retirement Planning	Chapter 11
March 23	Business Entity Selection and Taxation	Chapter 13
March 30	Estate Planning	Chapter 14
April 6	<b><u>Exam</u></b> – Chapters 8, 9, 11, 13, 14	
April 13	Economics	Chapter 15
April 20	Ethics	Chapter 16
April 27	Project Presentation	
May 4	<b><u>Final Exam</u></b> – Chapters 15 and 16	