

BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

Course Outline Part A

School of Business

Program: Financial Management

Option: Financial Planning

FMGT 4525
Financial Planning

Hours/Week		Total Hours:	80	Term/Level:	4
Lecture:	2	Total Weeks:	20	Credits:	5.5
Lab:	2				
Other:					

Prerequisites**FMGT 4525 is a Prerequisite for:**

Course No.	Course Name
FMGT 3610	Security Analysis

Course No.	Course Name
N/A	

Course Goals

1. To identify the need for, and then develop a framework to assemble a personal financial plan.
 2. To characterize the six key elements of a financial plan: cash management, risk management, education, retirement, estate and investment planning.
 3. To establish a procedure to develop, implement and monitor a financial plan.
 4. To recognize the regulatory, ethical and legal issues involved in the financial planning profession.
 5. To describe the administrative and marketing aspects of operations of a financial planner.
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Course Description

This course is designed to equip the student with the basic knowledge and skills necessary to provide advice of a financial nature to individuals. The primary topics include: taxation, risk management, pension planning, personal trusts, investments and estate planning.

Evaluation

Final Examination	35%
Mid Term Exam	30%
Major Project	25%
Spreadsheet Project	<u>10%</u>

Course Outcomes and Sub-Outcomes

1. Understand the nature and purpose of a financial plan.
 - a. Establish a framework for gathering data.
 - b. Identify the financial constraints.
2. Cash budgeting.
 - a. Obtaining accurate cash management data.
 - b. Cash management planning strategies.
3. Risk management and insurance.
 - a. Concepts of risk management.
 - b. Fundamentals of life insurance; contracts and strategies.
 - c. Disability insurance.
 - d. Property insurance.
4. Education planning and income splitting.
 - a. Education planning and Registered Education Savings Plans.
 - b. Income splitting.
5. Retirement planning and financial independence.
 - a. Planning and goal setting.
 - b. Government pension plans.
 - c. Registered retirement plans.
 - d. Registered retirement savings plans.
 - e. Insurance planning.
6. Estate and tax planning.
 - a. Tax implications of death.
 - b. Tax planning techniques.
 - c. Estate planning and wills.
7. Investment planning and asset allocation.
 - a. Portfolio analysis and management.
 - b. Asset allocation models.
 - c. Types of investments.
 - d. Limited partnerships.
 - e. Investment planning strategies.
8. Development and implementation of a financial plan.
 - a. Form of final recommendation.
 - b. Implementation procedures.
 - c. Periodic review procedures.
9. Regulatory, ethical and legal issues.
 - a. Federal and provincial regulations.
 - b. Management practices and strategies.
10. The administration and marketing of a financial planner.
 - a. Marketing techniques.
 - b. Staffing and compensation.
 - c. Use of outside resources.

Course Record

Developed by: _____
Instructor Name and Department (signature)

Date: _____

Revised by: _____
Instructor Name and Department (signature)

Date: _____

Approved by: _____
Associate Dean / Program Head (signature)

Start Date: _____

Effective Date

January, 1997

Instructor(s)

R.J. Dolan / R. McCallum

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Office Hrs.: TBA

Text(s) and Equipment

Required: *Personal Financial Planning*, by the Canadian Association of Financial Planners.

Recommended:

Course Notes (Policies and Procedures)

Assignment Details

Week of/ Number	Outcome/Material Covered	Reference/Reading
1	Introduction	Volume 1; Chapter 1 & 2
2	Data Gathering/Financial Problems and Constraints	Volume 1; Chapter 3 & 4
3	Cash Budgeting	Volume 1; Chapter 5
4 & 5	Risk Management and Insurance	Volume 1; Chapter 6
6	Education Planning and Income Splitting	Volume 1; Chapter 7
7	Retirement and Financial Independence	Volume 2; Chapter 8
8	Estate Planning	Volume 2; Chapter 9
9	Mid-Term Exam	Chapter 1 - 7 (inc.)
10	Mid-Term Break	
11	Estate Planning	Volume 2; Chapter 9
12 - 14	Investment Planning and Asset Allocation	Volume 2; Chapter 10
15	Development/Implementation of a Financial Plan	Volume 2; Chapter 11 & 13
16	Planning Goals	Volume 2; Chapter 14
17	Regulatory, Ethical and Legal Issues	Volume 3, Chapter 15
18	Marketing and Administration	Volume 3; Chapter 16-18