

COURSE OUTLINE

Course Number		Course Title	
BUS109		Personal Finance	
			Credits
			3
Lecture Hours:		Pre-requisites:	Revised:
3		MAT125 or advisor approved equivalent IST101 or 102	Spring 2019
<u>Catalog description:</u> Basics of personal financial management focusing on the development of short, mid and long term financial goals and the tools available for achieving those goals. Additional emphasis on capital markets, housing, insurance, tax and estate planning.			
<u>Is course New, Revised, or Modified?</u> Modified June 2015			
<u>Required texts/other materials:</u> Personal Finance (See bookstore for latest edition) Jeff Madura Pearson Publishing			
<u>Revision date:</u>		<u>Course coordinator:</u>	
Spring 2019		Kristen Callahan, 609-570-3216, callahak@mccc.edu	
<u>Information resources:</u> Textbook Internet sites			
<u>Other learning resources:</u> NA			

Course Competencies/Goals = CG:

The student will be able to:

1. Develop personal short term and long term financial goals, associated budgets and savings plans incorporating the time value of money. [GE Goal 1,2,4; Core Skill A,B, D, E]
2. Calculate the impact of tax implications on personal financial goals. [GE Goal 1, 2 and 4; Core Skill A, B, D, E]

3. Compare services offered by banks and other financial institutions and understand the importance of liquidity and debt management. [GE Goal 1,2, 4; Core Skills A, B, D, E]
4. Calculate the costs associated with financing major purchases and in owning a home as compared to renting. [GE Goal 1, 2, 4; Core Skills A, B, D, E]
5. Explain various types of insurance services and understand the importance of each in a personal financial plan. [GE Goal 1, 4; Core Skills A, B, D]
6. Compare the use of debt, equity and non-traditional markets in an investment strategy. [GE Goals 1, 2, 4; Core skills A, B, D, E]
7. Explain the importance of estate planning and its legal framework. [GE Goals 1, 4; Core Skills A, B, D, E]
8. Develop a personal financial plan involving 1 through 7 above.

Course-specific General Education Knowledge Goals and Core Skills. [

General Education Knowledge Goals

Goal 1. Communication. Students will communicate effectively in both speech and writing.

Goal 2. Mathematics. Students will use appropriate mathematical and statistical concepts and operations to interpret data and to solve problems.

Goal 4. Technology. Students will use computer systems or other appropriate forms of technology to achieve educational and personal goals.

Goal 8. Diversity. Students will understand the importance of a global perspective and culturally diverse peoples.

Goal 9. Ethical Reasoning and Action. Students will understand ethical issues and situations.

MCCC Core Skills

Goal A. Written and Oral Communication in English. Students will communicate effectively in speech and writing, and demonstrate proficiency in reading.

Goal B. Critical Thinking and Problem-solving. Students will use critical thinking and problem solving skills in analyzing information.

Goal C. Ethical Decision-Making. Students will recognize, analyze and assess ethical issues and situations.

Goal D. Information Literacy. Students will recognize when information is needed and have the knowledge and skills to locate, evaluate, and effectively use information for college level work.

Goal E. Computer Literacy. Students will use computers to access, analyze or present information, solve problems, and communicate with others.

Goal G. Intra-Cultural and Inter-Cultural Responsibility. Students will demonstrate an awareness of the responsibilities of intelligent citizenship in a diverse and pluralistic society, and will demonstrate cultural, global, and environmental awareness.

Units of study in detail.

Unit 1 Financial Planning

Learning Objectives:

Students will be able to...

1. Explain the six components of a personal financial plan. [CG #1]
2. Identify the six steps to creating a financial plan. [CG #1]
3. Quantify personal short, intermediate , and long term (retirement) financial goals [CG #1]
4. Assess personal and economic factors that influence financial planning [CG #1]
5. Determine opportunity costs associated with personal financial decisions [CG #1]
6. Develop a personal income statement and balance sheet.[CG#1]

7. Use current cash flow to develop a spending and income budget [CG#1]
8. Determine simple compounding effects [CG #1]
9. Explain the time value of money [CG #1]
10. Calculate PV and FV of annuities and lump sum amounts to create a budget for achieving financial savings targets. [CG#1]

Unit 2 Tax Planning

Learning Objectives:

Students will be able to...

1. Describe the importance of taxes for personal financial planning [CG#2]
2. Understand the difference between federal and state income tax structure. [CG #2]
3. Calculate taxable income and the amount owed for federal income tax [CG #2]
4. Prepare a federal income tax return [CG #2]
5. Identify tax assistance sources [CG #2]
6. Select appropriate tax strategies for different financial and personal situations [CG #2]

Unit 3 Financial Services

Learning Objectives:

Student will be able to...

1. Analyze factors that affect selection and use of financial services [CG #3]
2. Compare the types of financial institutions [CG #3]
3. Compare the costs and benefits of various savings plans [CG #3]
4. Identify the factors used to evaluate different savings plans [CG #3]
5. Compare the costs and benefits of different types of checking accounts [CG #3]
6. Calculate the costs involved in student and auto loans. [CG#3]

Unit 4 Consumer Credit, Purchasing and Legal Protection

Learning Objectives:

Students will be able to...

1. Define credit and analyze its advantages and disadvantages [CG# 3]
2. Differentiate among various types of credit [CG #3]
3. Assess your credit capacity and build your credit rating [CG #3]
4. Describe the information creditors look for when you apply for credit [CG #3]
5. Identify the steps you can take to avoid and correct credit mistakes [CG #3]
6. Describe the laws that protect you if you have a complaint about consumer credit
7. Analyze the major sources of credit [CG #3]
8. Determine the cost of credit by calculating interest using various interest formulas [CG #3]
9. Develop a plan to manage your debt [CG #3]
10. Evaluate various private and governmental sources that assist consumers with credit

problems [CG #3]

11. Assess the choices in declaring personal bankruptcy [CG #3]
12. Explain protection and response to identity theft .

Unit 5 Financing Major Purchases

Learning Objectives:

Students will be able to...

1. Explain the lending process and costs/benefits with taking out a loan for major purchases such as a car or home. [CG #4]
2. Analyze the costs and benefits associated with renting [CG #4]
3. Calculate the costs associated with buying a home [CG #4]
4. Develop an amortization (principal versus interest) schedule for paying back a mortgage [CG #4]
5. Compare fixed versus variable rate loans. [CG#4]

Unit 6 Home, Life Insurance and Automobile Insurance

Learning Objectives:

Student will be able to...

1. Develop a risk management plan using insurance [CG #5]
2. Discuss the importance of property and liability insurance [CG #5]
3. Explain insurance coverage and policy types available to homeowners and renters [CG #5]
4. Analyze factors that influence the amount of coverage and cost of home insurance [CG #5]
5. Identify the important types of automobile insurance coverage [CG #5]
6. Evaluate factors that affect the cost of automobile insurance [CG #5]
7. Define *health insurance* and *disability income insurance* and explain their importance in financial planning [CG #5]
8. Recognize the need for disability insurance [CG #5]
9. Analyze the benefits and limitations of the various types of health care coverage [CG #5]
10. Evaluate private sources of health insurance and health care [CG #5]
11. Discuss government health care programs [CG #5]
12. Define *life insurance* and describe its purpose and principles [CG #5]
13. Determine your life insurance needs [CG #5]
14. Distinguish between types of life insurance companies and analyze various types of life insurance policies [CG #5]
15. Evaluate how annuities work in life insurance policies [CG #5]

Unit 7 Investing

Learning Objectives:

Students will be able to...

1. Understand how investing will help in achieving financial goals. [CG #6]
2. Describe how safety, risk, income, growth, and liquidity affect your investment decisions [CG #6]
3. Explain the trade- off between risk and reward [CG#6].
3. Identify the major types of investment alternatives [CG #6]
4. Recognize the importance of your role in a personal investment program [CG #6]
5. Identify various sources of financial information to make informed decisions [CG #6]
6. Identify the most important features of investments in equity [CG #6]
7. Describe how stocks are bought and sold [CG #6]
8. Discuss the most important features of investments in debt instruments [CG #6]
9. Discuss why federal, state, and local governments issue bonds and why investors purchase government bonds [CG #6]
10. Compare investments in debt versus equity. [CG #6]
11. Explain changes in the debt and equity markets [CG #6]
12. Describe the characteristics of mutual fund investments [CG #6]
13. Explain the factors involved in asset allocation [CG#6]
13. Compare the benefit and costs of employer-sponsored savings plans [CG #6]
14. Identify types of real estate investment and explain the advantages and disadvantages [CG #6]
15. Analyze the risks and rewards of investing in precious metals, gems, and collectibles [CG #6]

Unit 8 Estate Planning

Learning Objectives:

Student will be able to...

1. Analyze the personal aspects of estate planning [CG #7]
2. Assess the legal aspects of estate planning [CG #7]
3. Distinguish among various types and formats of wills [CG #7]
4. Appraise various types of trusts and estates [CG #7]
5. Evaluate the effects of federal and state taxes on estate planning [CG #7]

Student Assessment:

Quizzes (My Finance Lab)	10%
HW - MyFinanceLab	10%
2 Multiple Choice Exams	60%
Class HW	10-15%
<u>Class Participation (Discussion Board)</u>	<u>5-10%</u>
Final Grade	100%

Academic Integrity Statement:

Mercer County Community College is committed to Academic Integrity -- the honest, fair and continuing pursuit of knowledge, free from fraud or deception. This implies that students are expected to be responsible for their own work, and that faculty and academic support services staff members will take reasonable precautions to prevent the opportunity for academic dishonesty.

The college recognizes the following general categories of violations of Academic Integrity, with representative examples of each. Academic Integrity is violated whenever a student:

A. Uses or obtains unauthorized assistance in any academic work.

- copying from another student's exam.
- using notes, books, electronic devices or other aids of any kind during an exam when prohibited.
- stealing an exam or possessing a stolen copy of an exam.

B. Gives fraudulent assistance to another student.

- completing a graded academic activity or taking an exam for someone else.
- giving answers to or sharing answers with another student before, during or after an exam or other graded academic activity.
- sharing answers during an exam by using a system of signals.

C. Knowingly represents the work of others as his/her own, or represents previously completed academic work as current.

- submitting a paper or other academic work for credit which includes words, ideas, data or creative work of others without acknowledging the source.
- using another author's words without enclosing them in quotation marks, without paraphrasing them or without citing the source appropriately.
- presenting another individual's work as one's own.
- submitting the same paper or academic assignment to another class without the permission of the instructor.
- falsifying bibliographic entries.
- submitting any academic assignment which contains falsified or fabricated data or results.

D. Inappropriately or unethically uses technological means to gain academic advantage.

- inappropriately or unethically acquiring material via the Internet or by any other means.
- using any electronic or hidden devices for communication during an exam.

Each instructor and academic support service area is authorized to establish specific guidelines consistent with this policy.

Consequences for Violations of Academic Integrity

For a single violation, the faculty member will determine the course of action to

be followed. This may include assigning a lower grade on the assignment, assigning a lower final course grade, failing the student in the course, or other penalty appropriate to the violation. In all cases, the instructor shall notify the Chair of the Academic Integrity Committee of the violation and the penalty imposed.

When two (or more) violations of academic integrity are reported on a student, the Academic Integrity Committee (AIC) may impose disciplinary penalties beyond those imposed by the course instructors. The student shall have the right to a hearing before the AIC or a designated AIC subcommittee.

Appeals

The student has a right to appeal the decision of the instructor or the Academic Integrity Committee. Judicial procedures governing violations of Academic Integrity are contained in the Student Handbook.