MERCER COUNTY COMMUNITY COLLEGE

COURSE OUTLINE

COURSE NUMBER	BUS 109
COURSE TITLE	Personal Finance
DIVISION	Business and Technology
LENGTH OF SEMESTER	15 Weeks
CREDITS	3
LECTURE/LABORATORY	3/0

TEXT: Personal Finance, 7th edition
AUTHOR: Kapoor, Dlabay, Hughes
PUBLISHER: McGraw-Hill

CATALOG DESCRIPTION:

Basics of financial planning including budgeting, buying, income tax, investments, home ownership, and insurance, with a special emphasis on wills and trusts.

Prerequisite: None

Ellen Benowitz
Course Coordinator

Spring 2004

Instructor's name: ________________________
Time/Location: __________________________
Office/Phone Nos.: _______________________
e-mail: __________________________________

COURSE CONTENT

Week #1 Chapter 1: An Introduction to Planning
Chapter 2: Career Planning

Learning Objectives:

After reading Chapters 1 you should be able to:

1. Analyze the process for making personal financial decisions
2. Develop personal financial goals
3. Assess personal and economic factors that influence personal financial planning
4. Determine personal and financial opportunity costs associated with personal financial decisions
5. Identify strategies for achieving personal goals for different life situations

And after reading Chapter 2 you should be able to:

1. Describe the activities associated with career planning and advancement
2. Evaluate the factors that influence employment opportunities
3. Implement employment search strategies
4. Assess the financial and legal concerns related to obtaining employment
5. Analyze the techniques available for career growth and advancement

Week #2 Chapter 3: Financial Records and Budgeting

Learning Objectives:

After reading Chapter 3 you should be able to:

1. Recognize relationships among financial documents and money management
2. Create a system for maintaining personal financial records
3. Develop a personal balance sheet and cash flow statement
4. Create and implement a budget
5. Calculate savings needed to achieve financial goals

Week #3 Chapter 4: Tax Planning

Learning Objectives:

After reading Chapter 4 you should be able to:

1. Describe the importance of taxes for personal financial planning
2. Calculate taxable income and the amount owed for federal income tax
3. Prepare a federal income tax return
4. Identify tax assistance sources
5. Select appropriate tax strategies for different financial and personal situations

Week #4 Chapter 5: Financial Services (savings and checking accounts)

Learning Objectives:

After reading Chapter 5 you should be able to:

1. Analyze factors that affect selection and use of financial services
2. Compare the types of financial institutions
3. Compare the costs and benefits of various savings plans
4. Identify the factors used to evaluate different savings plans
5. Compare the costs and benefits of different types of checking accounts

Week #5 Chapters 6 and 7: Consumer Credit
Learning Objectives:
After reading Chapter 6 you should be able to:
1. Define credit and analyze its advantages and disadvantages
2. Differentiate among various types of credit
3. Assess your credit capacity and build your credit rating
4. Describe the information creditors look for when you apply for credit
5. Identify the steps you can take to avoid and correct credit mistakes
6. Describe the laws that protect you if you have a complaint about consumer credit

And after reading Chapter 7 you should be able to:
1. Analyze the major sources of credit
2. Determine the cost of credit by calculating interest using various interest formulas
3. Develop a plan to manage your debt
4. Evaluate various private and governmental sources that assist consumers with credit problems
5. Assess the choices in declaring personal bankruptcy

Week #6 Chapter 7: Consumer Credit (concluded)
Chapter 8: Consumer Purchasing and Legal Protection
Learning Objectives:
After reading Chapter 8 you should be able to:
1. Assess the financial implications of consumer purchasing decisions
2. Evaluate the alternatives in consumer purchasing decisions
3. Implement strategies for effective purchasing
4. Identify steps to take to resolve consumer problems
5. Evaluate the legal alternatives available to consumers

Week #7   Chapter 9: Housing
Learning Objectives:
After reading Chapter 9 you should be able to:
1. Evaluate available housing alternatives
2. Analyze the costs and benefits associated with renting
3. Calculate the costs associated with buying a home
4. Develop a strategy for selling a home

Week #8   Chapter 10: Home and Automobile Insurance
Learning Objectives:
After reading Chapter 10 you should be able to:
1. Develop a risk management plan using insurance
2. Discuss the importance of property and liability insurance
3. Explain the insurance coverages and policy types available to homeowners and renters
4. Analyze factors that influence the amount of coverage and cost of home insurance
5. Identify the important types of automobile insurance coverage
6. Evaluate factors that affect the cost of automobile insurance

Week #9   Chapter 11: Healthcare and Medical Insurance
Learning Objectives:
After reading Chapter 11 you should be able to:
1. Explain why the costs of health insurance and health care have been increasing
2. Define *health insurance* and *disability income insurance* and explain their importance in financial planning
3. Recognize the need for disability insurance
4. Analyze the benefits and limitations of the various types of health care coverage
5. Evaluate private sources of health insurance and health care
6. Appraise the sources of government health care programs

Week #10 Chapter 12: Life Insurance
Learning Objectives:
After reading Chapter 12 you should be able to:
1. Define *life insurance* and describe its purpose and principles
2. Determine your life insurance needs
3. Distinguish between the two types of life insurance companies and analyze various types of life insurance policies these companies issue
4. Select important provisions in life insurance contracts
5. Create a plan to buy life insurance
6. Recognize how annuities provide financial security

Week #11 Chapter 13: Investing Fundamentals
Learning Objectives:
After reading Chapter 13 you should be able to:
1. Explain why you should establish an investment program
2. Describe how safety, risk, income, growth, and liquidity affect your investment decisions
1. Identify the major types of investment alternatives
2. Recognize the importance of your role in a personal investment program
3. Use various sources of financial information that can reduce risks and increase investment returns

Week #12 Chapter 14: Investing in Stocks
Chapter 15: Investing in Bonds
Learning Objectives:
After reading Chapter 14 you should be able to:
1. Identify the most important features of common stock
2. Discuss the most important features of preferred stock
3. Explain how you can evaluate stock investments
4. Analyze the numerical measures that cause a stock to increase or decrease in value
5. Describe how stocks are bought and sold
6. Explain the trading techniques used by long-term investors and short-term investors

And after reading Chapter 15 you should be able to:

1. Describe the characteristics of corporate bonds
2. Discuss why corporations issue bonds
3. Explain why investors purchase corporate bonds
4. discuss why federal, state, and local governments issue bonds and why investors purchase government bonds

Week # 13 Chapter 16: Investing in Mutual Funds
Chapter 17: Real Estate and Other Investments

Learning Objectives:

After reading Chapter 16 you should be able to:

1. Describe the characteristics of mutual fund investments
2. Classify mutual funds by investment objectives
3. Evaluate mutual funds for investment purposes
4. Describe how and why mutual funds are bought and sold

And after reading chapter 17 you should be able to:

1. Identify types of real estate investment
2. Evaluate the advantages of real estate investment
3. Assess the disadvantages of real estate inv estments
4. Analyze the risks and rewards of investing in precious metals, gems, and collectibles

Week #14 Chapter: 18 Retirement Planning

Learning Objectives:

After reading Chapter 18 you should be able to:

1. Recognize the importance of retirement planning
2. Analyze your current assets and liabilities for retirement
3. Estimate your retirement spending needs
4. Identify your retirement housing needs
5. Determine your planned retirement income
6. Develop a balanced budget based on your retirement income

Week # 15 Chapter: 19 Estate Planning

Learning Objectives:

After reading Chapter 19 you should be able to:

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

Course Grade Evaluation:

Quizzes	20%
4 Hourly Exams (dates to be announced)	40%
Reaction Papers	20%
Class Participation and Assignments	20%
Final Grade	100%

Numerical Grade Equivalents:

90 to 100 = A
80 to 89 = B
70 to 79 = C
60 to 69 = D
59 = F

NOTE: All test questions will relate to the chapter objectives indicated at the beginning of each chapter. All of the chapter objectives as stated in your text will be accomplished with at least a 60% accuracy level. Objectives will be measured utilizing at least one (1) of the following testing methods:

(a) Essay questions.

(b) Objective – True, False, matching, or multiple choice type questions.

(c) A Combination of Essay and Objective type questions.

Academic Integrity Statement:

"A student who a.) knowingly represents work of others as his/her own; b.) uses or obtains unauthorized assistance in the execution of any academic work; or c.) gives fraudulent assistance to another student is guilty of cheating. Violators will be penalized." (Student Handbook)

Classroom Conduct Statement

It is the students' responsibility to attend all of their classes. If they miss a class meeting for any reason, students are responsible for all content that is covered, for announcements made in their absence, and for acquiring any materials that may have been distributed in class. It is expected that students be on time for all their classes. If students walk into a class after it has begun, it is expected that they choose a seat close to where they entered the room so that they do not disrupt the class meeting.

Students are expected to follow ordinary rules of courtesy during class sessions. Engaging in private, side conversations during class time is distracting to other students and to the instructor. Leaving class early without having informed the instructor prior to class is not appropriate. Unless there is an emergency, leaving class and returning while class is in session is not acceptable behavior. Disruptive behavior of any type, including sharpening pencils during class while someone is speaking, is not appropriate.

The college welcomes all students into an environment that creates a sense of community of pride and respect; we are all here to work cooperatively and to learn together.