

Date Adopted: _____

Date Reviewed: Aug 2015

Date Revised: Aug 2015

BUS 146 – Personal Finance

I. BUS 146 – Personal Finance – 3 Semester Hours

II. Course Description

This course is a survey of topics of interest to the consumer. Topics include budgeting, financial institutions, basic income tax, credit, consumer protection, insurance, house purchase, retirement planning, and estate planning, investing, and consumer purchases.

III. Prerequisite

None

IV. Textbook

Textbook: PFIN4, 4th Edition

Publisher: Cengage Learning

Authors: Gitman

V. Course Objectives

1. The student will understand the relationship between careers, income and financial goals.
2. The student will appreciate the importance of financial records in financial management, reporting personal income tax, and preparation of a personal budget.
3. The student will understand the market factors and the basic laws to protect consumers.
4. The student will understand financial institutions and sources of consumer credit. He will understand how to use savings and credit to meet his financial goals.
5. The student will be able to evaluate alternatives in making decisions concerning major purchases.
6. The student will be able to determine insurance needs and evaluate sources to meet those needs.
7. The student will understand basic investment choices and the sources of various alternatives.
8. The student will be able to evaluate his needs for retirement and be able to pursue a plan for accomplishment.

VI. Course Outline of Topics

1. The student will understand the relationships between careers, income, and financial goals.

The student will:

- a) explain the relationship between life style and personal financial goals.
 - b) identify factors that explain differences in personal income.
 - c) discuss factors to consider when choosing a career.
 - d) prepare a resume and explain how to get a job.
 - e) explain the procedure for setting
2. The student will appreciate the importance of financial records in financial management, reporting personal income tax, and preparation of a personal budget.
The student will:
 - a) explain why records are maintained.
 - b) prepare an income statement and a balance sheet and utilize them for management and planning.

- c) describe the basic nature of income taxes and describe methods of reducing them.
 - d) list sources of tax assistance.
 - e) state the reasons for budgeting and explain the procedures for setting up a budget.
 - f) be able to record and control expenses.
3. The student will understand the market factors and the basic laws that protect customers.
The student will:
 - a) explain how to recognize consumer frauds.
 - b) explain how to evaluate warranties and service contracts.
 - c) explain consumer protection legislation.
 - d) describe complaint procedures and how to use them.
4. The student will understand financial institutions and sources of consumer credit. He will understand how to use savings and credit to meet his goals.
The student will:
 - a) discuss the factors to consider in choosing a bank and explain the various types of checking accounts available.
 - b) explain how to prepare a checking account reconciliation.
 - c) tell why most people need a savings account as well as a checking account.
 - d) describe various kinds of savings institutions and explain the differences between them.
 - e) describe the advantages and disadvantages of credit and judge when and how much credit to use.
 - f) explain how to analyze the cost of credit.
 - g) explain how to request credit.
 - h) explain the terms of installment contracts and describe consumer protection information.
5. The student will be able to evaluate alternatives in making decisions concerning major purchases.
The student will:
 - a) discuss the advantages and disadvantages of renting housing.
 - b) discuss the advantages and disadvantages of buying housing.
 - c) explain how to compare renting with buying housing.
 - d) be able to describe the clauses usually found in a lease.
 - e) explain the important factors to consider when buying a home.
 - f) state the three sources of mortgage funds.
 - g) describe the types of mortgages available.
 - h) explain the tax advantages of owning a home.
 - i) determine transportation costs and explain how much to spend on transportation.
 - j) discuss the selection of a new car.
 - k) describe car purchases from a car rental company.
 - l) explain how to evaluate and buy an appliance.
6. The student will be able to determine insurance needs and evaluate sources to meet those needs.
The student will:
 - a) define different types of risk and explain alternative methods of dealing with risk.
 - b) explain how insurance works and discuss the basic factors to consider when buying insurance.
 - c) explain how to select the insurance coverage needed.
 - d) discuss the important factors in managing homeowners' insurance.

- e) discuss the management of automobile insurance.
 - f) describe procedures for managing health insurance policies.
 - g) state the procedures for buying disability insurance.
 - h) describe the different types of life insurance policies and explain the difference between term and other types of life insurance policies.
 - i) explain the procedures for estimating life insurance needs.
7. The student will understand basic investment choices and the sources of various alternatives.

The student will:

- a) describe some ways to generate money for investing.
 - b) define risk from an investing viewpoint and list four different types of investment risks and explain each.
 - c) discuss the relationship between risk and return in investing.
 - d) identify three different types of investment goals and explain each.
 - e) discuss investment alternatives and the advantages of each in meeting specific investment goals.
 - f) define securities markets and describe their function in an industrialized society.
 - g) list at least five sources of securities information.
 - h) explain the advantages and disadvantages of owning common stock.
 - i) explain the advantages and disadvantages of preferred stock ownership.
 - j) compare the advantages of bond ownership with the disadvantages.
 - k) compare various methods for personally managing investment funds.
 - l) explain the advantages and disadvantages of buying mutual fund shares.
8. The student will be able to evaluate his needs for retirement and be able to pursue a plan for accomplishment.

The student will:

- a) discuss the importance of retirement planning and explain the factors affecting retirement life style.
- b) explain how the social security system works and be able to track his future benefits.
- c) explain how annuities work.
- d) discuss how a valid will can be written.

VII. Evaluation and Assessment

Evaluation and assessment will be determined by the instructor and specified on the instructor's class syllabus. Grades will be based upon following scale: A = 90 – 100%, B = 80 – 89%, C = 70 – 79%, D = 60 – 69%, and F = below 60%.

VIII. Attendance

Students are expected to attend all classes for which they are registered. Students who are unable to attend class regularly, regardless of the reason or circumstance, should withdraw from that class before poor attendance interferes with the student's ability to achieve the objectives required in the course. Withdrawal from class can affect eligibility for federal financial aid.

IX. Statement on Discrimination/Harassment

The College and the Alabama State Board of Education are committed to providing both employment and educational environments free of harassment or discrimination related to an individual's race, color, gender, religion, national origin, age, or disability. Such harassment is a violation of State Board of Education policy. Any practice or behavior that constitutes harassment or discrimination will not be tolerated.

X. Americans with Disabilities

The Rehabilitation Act of 1973 (Section 504) and the Americans with Disabilities Act of 1990 state that qualified students with disabilities who meet the essential functions and academic requirements are entitled to reasonable accommodations. It is the student's responsibility to provide appropriate disability documentation to the College. The ADA Accommodations Office is in FSC 305 (205-856-7731).