

FIN 161 – PERSONAL FINANCE

- 1. What course does the department plan to offer in Explorations? Which subcategory are you proposing for this course? (Arts and Humanities; Social and Behavioral Sciences; Natural and Physical Sciences)**

The Department of Finance would like to offer FIN 161 (Personal Finance) in the Social & Behavioral subcategory of the Explorations Category of the Colonnade Program.

- 2. How will this course meet the specific learning objectives of the appropriate subcategory? Please address all of the learning outcomes listed for the appropriate subcategory.**

A practical understanding (or lack) of basic personal financial management skills has profound effects on individuals and society as a whole. The ability to manage a personal budget, cash management accounts, make informed purchasing decisions, retain adequate insurance coverage and prepare for retirement and one's eventual death are key to success as a citizen of our society. The need for these skills is universal and transcends race, ethnicity and gender, let alone choice of major or career.

Learning Objectives

- 1. Demonstrate knowledge of at least one area of the social and behavioral sciences.*

Personal Finance (FIN 161) is an introductory course designed to give students from all backgrounds and majors a broad, practical overview of personal financial skills. Particular attention is paid to addressing behavioral biases and their effect on individual financial success, and society at a local, national and international level. So that students may be best prepared for their roles in society, students will learn

- The importance of goal setting and the need to visualize, quantify, assess and prioritize the financial needs of an individual's lifestyle choice.
- The necessity of a formal, actively managed household budget and the practical skills required to manage one.
- The differences, advantages and disadvantages of various types of cash management alternatives such as checking, savings, money market and certificate of deposit accounts.
- To properly evaluate the myriad consumer credit products which they may encounter such as student loans, credit cards, payday loans, pawn loans amongst other choices.
- Practical credit management skills and practical understanding of consumer credit reports and scores, as well as knowledge of the role of credit in our society.
- The process of making informed, "smart" buying decisions.
- Practical car and home-buying skills and the art of negotiation.
- Evaluating the insurance choices available to consumers and the role that insurance plays in our society.
- The importance of adequate retirement planning at all stages of an individual's career and the burden it places on society and self when one delays these plans.

- Proper estate planning techniques to address end-of-life emotional, familial and societal issues.
2. *Apply knowledge, theories, and research methods, including ethical conduct, to analyze problems pertinent to at least one area of the social and behavioral sciences.*

Students in FIN 161 will meet this objective by addressing the learning objectives of the previous section and applying these concepts to their own lives. At each step of the learning process in the course where different concepts are presented, class discussion addresses numerous social and behavioral questions. Examples of these might be:

- Who/what determines the “rule of thumb” for the value of an engagement ring?
 - What is the role of a banking institution in our lives? How do we manage such a relationship? How does government interact with this relationship?
 - How/when does society seem to suggest we should purchase our first home/car? How/when should we as individuals make this determination?
 - Do we have an obligation to our fellow citizens to carry adequate liability insurance on our Auto Policies? What defines “adequate?”
 - What is the concept of “retirement?” How has this concept changed over the course of time? What responsibility do we have to provide for our future selves? What of government? How should we address these needs?
3. *Understand and demonstrate how at least one area of the social and behavioral sciences conceptualizes diversity and the ways it shapes human experience.*

This objective is met by the following concepts:

- The unique role that women must play in managing their personal finances and their families.
 - The unique financial challenges presented to minorities and tools to overcome them.
4. *Integrate knowledge of at least one area of the social and behavioral sciences into issues of personal or public importance.*

This objective is exhaustively met by addressing the personal financial issues faced by all individuals in this country and the steps they must take to address them. Furthermore, attention is given to problems faced by society from those who fail to address these needs for themselves.

5. *Communicate effectively using the language and terminology germane to at least one area of the social and behavioral sciences.*

FIN 161 will help students address complex, life affecting issues and problems using the tools learned during the course. Material is presented using practical, real-world examples pertinent to the current and future lives of students. Through this, students will be able to identify personal finance issues in their lives and careers and apply to analytical tools learning in this course to their daily living needs.

3. Syllabus statement of learning outcomes for course. NOTE: In multi-section courses, the same statement of learning outcomes must appear on every section’s syllabus.

Course Description: This course is designed to serve the personal finance needs of students regardless of their major fields. Practical applications in person and family financial planning, including credit, buying, borrowing, banking, insurance, investments, taxation, estate planning and home ownership are discussed. The material will be kept basic in nature and a business background is not required. **This does not mean the material is EASY.** Any concepts introduced will be no more difficult than those faced by individuals in their “real” lives.

By its nature, finance involves **mathematics**. An adequate grasp of simple algebra is a must. Some statistical analysis will be required but any statistics used will be reviewed.

Course Objective: To provide and develop the necessary tools to allow the student to become an informed citizen and financially responsible member of society especially as it relates to the personal financial aspects of the student’s current and future life. This course fulfills the Social and Behavioral Science requirement in the Explorations category of the Colonnade Program. To meet the requirement of the courses in this category, the course has the following learning objectives:

1. Demonstrate knowledge of at least one area of the social and behavioral sciences.
2. Apply knowledge, theories, and research methods, including ethical conduct, to analyze problems pertinent to at least one area of the social and behavioral sciences.
3. Understand and demonstrate how at least one area of the social and behavioral sciences conceptualizes diversity and the ways it shapes human experience.
4. Integrate knowledge of at least one area of the social and behavioral sciences into issues of personal or public importance.
5. Communicate effectively using the language and terminology germane to at least one area of the social and behavioral sciences.

Course Outline

So that students may be best prepared for their roles in society, students will learn

- The importance of goal setting and the need to visualize, quantify, assess and prioritize the financial needs of an individual’s lifestyle choice.
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- Proper estate planning techniques to address end-of-life emotional, familial and societal issues.

3. Brief description of how the department will assess the course for these learning objectives.

The Department of Finance will assess the effectiveness of this course by giving regular assessment of topics as determined by the Director of the Financial Planning Program, with allowances made for individual instructor preference, within limits. Uniformity of learning outcomes will be achieved through assessment of learning outcomes of students of Personal Finance regardless of instructor. This will be achieved through standardized levels of examination as varying points of a given semester.

Learning objectives of the course will be deemed to have been met when 70% of students receive a passing grade on a goal-setting assignment, budgeting project and retirement project. Furthermore, certain standard questions will be given on exams, regardless of instructor, and learning objectives will have been met if 70% of students correctly answer.

5. How many sections of this course will your department offer each semester?

At a minimum, the Department of Finance will offer two sections of FIN 161 per semester with 90 seats. Enrollment in an individual section of the course is currently limited by seating capacity of classrooms in Grise Hall. Additional offerings of the course are regularly offered during Summer Sessions with capacity for 40 students.

6. Please attach sample syllabus for the course. PLEASE BE SURE THE PROPOSAL FORM AND THE SYLLABUS ARE IN THE SAME DOCUMENT.

See below for sample syllabus information.

PERSONAL FINANCE

FIN 161 - SECTION 001
Grise Hall, Room 438
Tuesday & Thursday | 11:10 – 12:30 p.m.
August 27, 2013 – December 9, 2013

You are responsible for knowing and understanding the contents of this syllabus. This syllabus represents a contract between the student and the instructor.

INSTRUCTOR

Mr. Andrew J. Head, MA, CFP®,
Director, Financial Planning Program
Director, Center for Financial Success

OFFICE

325 Grise Hall

PHONE

270.745.4733

EMAIL

andrew.head@wku.edu (Best contact between classes)

OFFICE HOURS

Various times by appointment

REQUIRED MATERIALS

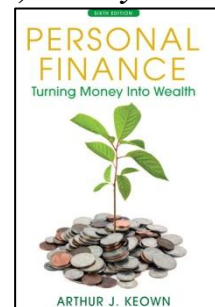
TEXT

Personal Finance: Turning Money into Wealth, 6/E (or newer) with MyFinanceLab

-Arthur J. Keown

ISBN-10: 0132719169

ISBN-13: 9780132719162



Purchasing Options

New Including MyFinanceLab = \$Various

Used + MyFinanceLab = \$Used Price + \$55

Loose Leaf + MyFinanceLab = \$110

eText + MyFinanceLab = \$100

CALCULATOR

Texas Instruments BAII Plus

Available for approximately \$28 at various stores





To register for FIN 161-M01 May 2013:

1. Go to pearsonmylabandmastering.com.
2. Under Register, click **Student**.
3. Enter your instructor's course ID: [head07615](#), and click **Continue**.
4. Sign in with an existing Pearson account or create an account:
 - If you have used a Pearson website (for example, MyITLab, Mastering, MyMathLab, or MyPsychLab), enter your Pearson username and password. Click **Sign in**.
 - If you do not have a Pearson account, click **Create**. Write down your new Pearson username and password to help you remember them.
5. Select an option to access your instructor's online course:
 - Use the access code that came with your textbook or that you purchased separately from the bookstore.
 - Buy access using a credit card or PayPal.
 - If available, get 14 days of temporary access. (Look for a link near the bottom of the page.)
6. Click **Go To Your Course** on the Confirmation page. Under MyLab & Mastering New Design on the left, click **FIN 161-001 F13 11:10-12:30 TR** to start your work.

Retaking or continuing a course?

If you are retaking this course or enrolling in another course with the same book, be sure to use your existing Pearson username and password. You will not need to pay again.

To sign in later:

1. Go to pearsonmylabandmastering.com.
2. Click **Sign in**.
3. Enter your Pearson account username and password. Click **Sign in**.
4. Under MyLab & Mastering New Design on the left, click **FIN 161-001 F13 11:10-12:30 TR** to start your work.

Additional Information

See **Students > Get Started** on the website for detailed instructions on registering with an access code, credit card, PayPal, or temporary access.

STUDENTS WITH DISABILITIES

In compliance with university policy, students with disabilities who require accommodations (academic adjustments and/or auxiliary aids or services) for this course must contact the Office for Student Disability Services in DUC A-200 of the Student Success Center in Downing University Center. The phone number is 270-745-5004. Please **DO NOT** request accommodations directly from the professor or instructor without a letter of accommodation from the Office for Student Disability Services.

COURSE DESCRIPTION

Course Description: This course is designed to serve the personal finance needs of students regardless of their major fields. Practical applications in person and family financial planning, including credit, buying, borrowing, banking, insurance, investments, taxation, estate planning and home ownership are discussed. The material will be kept basic in nature and a business background is not required. **This does not mean the material is EASY.** Any concepts introduced will be no more difficult than those faced by individuals in their “real” lives.

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- Proper estate planning techniques to address end-of-life emotional, familial and societal issues.

METHOD OF INSTRUCTION

This course will be conducted in a lecture/discussion format, primarily involving critical thinking and problem solving. Students are expected to take an active role, both in the classroom and out of class.

COURSE OBJECTIVE

To provide and develop the necessary tools to allow the student to become an informed citizen and financially responsible member of society especially as it relates to the personal financial aspects of the student's current and future life.

GENERAL EDUCATION REQUIREMENT This course fulfills the Social and Behavioral Science requirement in the Explorations category of the Colonnade Program. To meet the requirement of the courses in this category, the course has the following learning objectives:

6. Demonstrate knowledge of at least one area of the social and behavioral sciences.
7. Apply knowledge, theories, and research methods, including ethical conduct, to analyze problems pertinent to at least one area of the social and behavioral sciences.
8. Understand and demonstrate how at least one area of the social and behavioral sciences conceptualizes diversity and the ways it shapes human experience.
9. Integrate knowledge of at least one area of the social and behavioral sciences into issues of personal or public importance.
10. Communicate effectively using the language and terminology germane to at least one area of the social and behavioral sciences.

Topics in this class demonstrate how society and individuals benefit when individuals take responsibility for personal financial decisions, how planning makes for effective decisions, and will discuss strategies to consider when planning. We will explore personal behaviors that both exacerbate and ameliorate not only individual situations but societal problems, especially in the financial area.

While the personal finance area can be viewed as highly technical in nature, in the end the financial problems that arise in people's lives often result from behavioral imperfections and imperfections in the financial structures that individuals must deal with in their everyday life. This course will address some of these imperfections and develop strategies for dealing with them. There is both a social and behavioral component to the personal finance area, and we will address them in this course.

IMPORTANT DATES

September 3 – Last day to add a class. Last day to drop a class without a grade. Last day to change a class from audit to credit. Last day to receive 100% refund for a class.

September 9 – last day to receive 50% refund.

September 16 – last day to receive any refund for the 2013 Fall semester.

October 3 – NO CLASS - Fall Break

October 16 – Last day to drop with a W, change from CR to AU

November 28 – NO CLASS – Thanksgiving

GRADING

EXAMS

There will be two exams and a final exam. The exams will be primarily in a multiple-choice format. Students are responsible for bringing a Scantron and your financial calculator to each exam. Calculators may **not** be shared during exams and language translators are not permitted. Exams cover **ALL** assigned reading material whether or not covered in class and class lectures. I will retain all exams. Failure to return an exam after the in-class review will result in an F for the course.

EXAM SCHEDULE AND VALUE

	<u>Points</u>	<u>Date (Tentative)</u>
Exam 1	125	October 1
Exam 2	125	November 12
Final Exam	125	December 9 (MONDAY @ 8AM)

CHAPTER HOMEWORK ASSIGNMENTS

Assignments will be posted on and must be submitted through **MyFinanceLab**. Points for each assignment depend on the number of questions assigned. Homework assignments can be resubmitted an unlimited number of times, up until the due date/time. I will not reopen missed assignments for any reason.

SEMESTER BUDGET PROJECT 80 Points

In Chapter 2 we will discuss (amongst other things) proper budgeting techniques. Due to the fact that a solid approach to budgeting is absolutely pivotal to your long-term financial success, while taking this course it is important that you get to practice with software packages that will make your future financial life a LOT easier. Because this is such an important step in financial success, you will be required to use the **YouNeedABudget** software package (this will be discussed in class) to record your financial transactions and category budgets. Other software can be used **ONLY** with **prior** permission. You will be submitting sharing your budgets with me through the “Cloud” using Dropbox. Details of this will be discussed in class. This **MUST** be shared with me no later than the first exam. Late submissions will **NOT** be accepted.

RETIREMENT PROJECT 50 Points

There will be a project assigned where you will be required to calculate your required retirement contributions under various scenarios. This will be assigned further into the course.

COURSE GRADE:

2 Exams @ 125 = 250 points

1 Final Exam @ 125 = 125 points

Homework = 80 points (this is an estimate)

Retirement Project = 50 points

Budget Project = 80 points

Participation & Attendance = 25 points

TOTAL = 625 (This is an approximation because there may be more or fewer points from quizzes and other assignments)

GRADES: Failure to take ALL exams will result in an “F” for the course, otherwise your grade will be based on the total points you earn in the course and determined by the following FIXED scale:

A: 90-100% of total pts.; B: 80-89%; C: 70-79%; D: 55-69%; F: < 58%

CLASS POLICIES

- **I do not give make up exams.** If you have *extreme* circumstances that prevent you from taking the exam when scheduled, you must contact me at least 24 hours in advance and arrange for an alternative time to take a more difficult exam. The alternative exam must be taken before exams are handed back (usually the following class period) and will only be accepted for a grade with proof of excuse. Alternative exams will be different and harder than the original.
- **Quizzes and in-class assignments cannot be made up. Absences on these days result in a zero.**
- You are responsible for all material covered in class as well as obtaining handouts. If you miss class, it is **your responsibility** to get notes and handouts from one of your classmates. I only provide handouts once.
- Attendance and preparation are *extremely* important. The typical college course requires **2-3 hours** of preparation outside of class for every hour spent in class.
- I will take attendance using a seating chart. I will begin deducting points after one unexcused absence and I will stop grading after **5** absences.
- There are no individual extra credit projects. Period. Everyone's grade for the course is based on the same material.
- Do **NOT** anticipate any curving of grades.
- Incompletes are **not given** except under extreme circumstances.
- If you quit coming to class and fail to formally drop the class, you will get an **F or potentially an FN**.
- **Turn off all beepers and cell phones before coming into the classroom.** This means ringers *as well as texting!* The first incidence of class interruption will result in a warning. For subsequent offenses, the student will be asked to leave must get my permission before returning to class.
- Computer use in class is permitted for note taking and other class-related items. Use of a computer is a privilege, though, and the moment it becomes a distraction to me or others around you, you will lose that privilege permanently for the semester.
- While I understand some conversation with those around you is necessary at times, please keep the conversations to a minimum. If chatting becomes a

distraction to me or your classmates you will be asked to leave and must get my permission before returning to class.

- Please arrive at class ready to work **on time**.
- **Bring your calculator to class**

COURSE SEQUENCE

8/27/2013	T	Intro / 1	
8/29/2013	Th	1,2	
9/3/2013	T	2	
9/5/2013	Th	2 + YNAB	
9/10/2013	T	NO CLASS	Conference
9/12/2013	Th	3	
9/17/2013	T	3	
9/19/2013	Th	4, 5	
9/24/2013	T	5	
9/26/2013	Th	5	
10/1/2013	T	EXAM I	Ch.'s 1, 2, 3, 5
10/3/2013	Th	FALL BREAK	NO CLASS
10/8/2013	T	6	
10/10/2013	Th	6	
10/15/2013	T	8	
10/17/2013	Th	8	
10/22/2013	T	8, 9	
10/24/2013	Th	9	
10/29/2013	T	9	
10/31/2013	Th	13	
11/5/2013	T	13	
11/7/2013	Th	13, 15	
11/12/2013	T	EXAM II	Ch.'s 6, 8, 9
11/14/2013	Th	15	
11/19/2013	T	15	
11/21/2013	Th	15,16	
11/26/2013	T	16	
11/28/2013	Th	THANKSGIVING	NO CLASS
12/3/2013	T	16, 17	
12/5/2013	Th	17, 18	
12/9/2103	M	FINAL EXAM	

Chapter	Title
1	The Financial Planning Process (5 HW points)
2	Measuring Your Financial Health and Making a Plan (5 HW points)
3	Understanding and Appreciating the Time Value of Money (10)
5	Managing Your Money (10)
6	Using Credit Cards: The Role of Open Credit (5)
7	Using Consumer Loans: The Role of Planned Borrowing (6)
8	The Home and Automobile Decision (8)
9	Life & Health Insurance (TBD)
13	Investing in Stocks (5)
14	Investing in Bonds and Other Alternatives (7)
15	Mutual Funds: An Easy Way to Diversify (6)
16	Retirement Planning (6)
17	Estate Planning (5)

For successful completion of the course, you should be familiar with (1) ALL material in the chapter listed, (2) ALL end of chapter questions, (3) suggested end of chapter Financial Planning Exercises (FPE), and (4) ALL lecture material related to the listed chapters.