

# FIN 215: Personal Finance (3 credits)

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## Course Syllabus

### OVERVIEW

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The course objective is to introduce the student to various aspects of personal finance, including debt management, basic time value of money, retirement planning, buying a house or car, insurance types and needs, tax planning/process, and basic investing.

After completion of this course the student should feel comfortable making credit decisions, completing a basic tax return, determining his or her retirement needs and assessing various retirement vehicles, distinguishing between basic types of investments and determining his or her life, health and property insurance needs as well as being able to make informed decisions about other aspects of personal finance.

While a fair amount of quantitative analysis is involved in assessing the above issues, the mathematics is geared toward a person who is not a finance major. Therefore, while it is important to understand, for instance, the impact of earning interest on interest, it is not necessary that you comprehend the formulas involved with time value of money. Interest factor tables are provided in the textbook (Appendixes A through E) and on the course website. However, the APPLICATION of the time value of money concepts and values is necessary to successfully complete the course.

### SPECIFIC LEARNING OBJECTIVES

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Learning Objective
Explain why personal financial planning is so important
Measuring your financial health and making a plan
Understand the power of time and the importance of the interest rate
Identify and understand the major federal income tax features and how they affect all taxpayers
Choosing the right tax form and calculating your income taxes
Managing "open" credit—understanding the costs of credit cards and what determines your creditworthiness
Understand the various consumer loans, including costs and sources
Calculating the costs of buying a house
Understand the benefits/costs of renting vs. buying an asset
Understand/Determine the importance/need for insurance (life, health, disability, long-term care)
Understand automobile insurance policies
Understand how to file an insurance claim
Understand investment goals, nominal vs real interest rates,

return and risk of different investments and asset allocation

Identify and describe the primary and secondary securities markets

Understand how to trade securities using a broker

Locate and use different sources of investment information

Understand basic stock market terminology, how to read stock quotes, and how to evaluate different investment strategies

Understand the different types of mutual funds and the advantages and disadvantages of investing in mutual funds

Understand the changing nature of retirement planning, how to formulate a retirement plan and how to monitor it

## REQUIRED TEXTBOOK/TOOLS

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**Textbook:** *Personal Finance: Turning Money into Wealth*, by Arthur J. Keown, 5<sup>th</sup> edition, ©2010, Prentice-Hall.

**Tools:** Basic calculator, access to a computer, access to the Internet

**Websites:** Access to [www.MyFinanceLab.com](http://www.MyFinanceLab.com), Blackboard, other sites as needed

## BLACKBOARD WEBSITE (COURSES.WWU.EDU)

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**Accessing Blackboard:** Access to the course's Blackboard website is gained upon registering for this course. The website will not be functional until approximately two days prior to the start of classes for the quarter. There is no additional cost or fee to access the Blackboard website.

**Blackboard Content:** The Blackboard site is the hub of this course. Here you will find the course syllabus, announcements, current event articles, "Learn-by-Doings" (LBDs) and the associated assignment list, your grades, links to various finance-related websites, interest factor tables, *etc.* Thoroughly review the course website to familiarize yourself with the content and note that it is a dynamic website and therefore subject to change.

## HOMEWORK/MYFINANCELAB

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This course interacts heavily with [www.MyFinanceLab.com](http://www.MyFinanceLab.com) (MFL). Homework assignments are geared to each chapter and involve numerical and conceptual questions. Homework assignments are not group projects—each student is to complete his or her own assignment independently from others.

**Accessing MFL:** Access to the features of MFL is obtained by purchasing a new copy of the textbook or, if you purchased a used copy of the textbook, by registering online and paying for a MFL account.

**MFL Content:** MFL contains problem sets, study questions and HOMEWORK assignments for each chapter. The content and due dates are presented in chronological order based on this syllabus.

## LEARN BY DOING (LBD)

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Each student will be assigned **two** LBDs worth 25 points each. [See the LBD tab on Blackboard for your specific LBD assignments. **If you do not see your name listed for TWO LBDs, contact me via email IMMEDIATELY using "FIN 215" as the "Subject" line in your email.**]

Each student should place his/her completed LBD in the appropriate LBD "Discussion Board" by the due date in the Schedule. Do NOT email me your completed LBD for grading.

LBDs will be graded based upon clarity, completeness and correctness. Also, please keep your LBDs and associated comments to less than 500 words each.

NOTE: Some students may receive the same LBD assignment. However, these are NOT group projects. Each student is expected to complete his or her project without consultation from other students.

## FORUM POSTS

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In order to stimulate discussion and enhance the learning process, each student must make FOUR (4) forum posts on the course's Blackboard site. These posts must be related to either a Current Event article (as posted on the course's Blackboard site) or a LBD posting by another student. Your post can be a critique/evaluation/review/impact of a policy/issue discussed in the source and how you might view the impact of the policy/issue discussed. If you are posting regarding a classmate's LBD, you might offer suggestions for enhancement, additional issues that could have been addressed, etc. ALL comments should be polite, cordial, well-written and enhance the overall quality of the on-line course. Each post should be between 150-400 words. Forum posts will be graded based upon clarity and quality.

**Due date:** All posts must be made to the course's Blackboard site (under the sub-tabs via the "Discussion Boards" tab) by 5:00 PST Friday of the week due. One post is due each of the 2nd, 4th, 6th and 8th weeks of class for a total of four posts. NOTE: You can make more than four posts if you would like, but only four will be graded and the instructor will choose the four.

## CURRENT EVENT ARTICLES

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The instructor will post Current Event Articles on the "Current Events" tab on the Blackboard website throughout the quarter. These articles typically address things such as proposed changes in tax issues (such as deductions or changes in tax rates or methods of taxation), changes in lenders' attitudes, changes in borrowers' attitudes, changes in savers' attitudes, *etc.* **All articles are fair game for exam questions.**

## GRADING

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Your grade will be based the following assessment methods:

- **Exams:** There will be **three** exams which are multiple-choice in nature (will include conceptual and quantitative questions) of 65 questions each. Each exam is worth 100 points. None of the exams is comprehensive in nature. As some questions will be quantitative, be certain to have a basic calculator when taking the exams. Some questions may come from “Current Event” articles posted on the course’s Blackboard site.
- **Homework:** Each chapter has a homework set with an associated due date. [See the section entitled HOMEWORK/MyFinanceLab.] Every student must complete each homework set by the due date. **Failure to complete a homework set by the due date will result in a “0” for the missed homework assignment.** It is the student’s responsibility to ensure that s/he completes all homework by the specified due date. Homework scores will be summed across all sets and converted to a percentage.
- **Learn by Doing (LBD):** Each student must complete **two** Learn By Doing assignments worth 25 points each. Each student WILL BE ASSIGNED two specific LBDs to complete. [See the section entitled Learn By Doing.]
- **Forum posts:** Each student must post a total of four (4) forum posts to the course’s Blackboard site. [See the section entitled Forum Posts.]

## CALCULATING YOUR GRADE

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To determine your course grade, sum your points for all items (don’t forget that homework is a PERCENTAGE of the total possible homework points listed on MyFinanceLab.com), divide your points by 500 to obtain your overall course percentage, and look up your percentage on the “Grading Scale.”

Item	Point Value	Grading Scale
Exam 1	100	100.00 - 92.83 A
Exam 2	100	92.82 - 89.50 A-
Exam 3	100	89.49 - 86.16 B+
Homework	100	86.15 - 82.83 B
LBD	40	82.82 - 79.50 B-
Forum posts	60	79.49 - 76.16 C+
Total	500	76.15 - 72.83 C
		72.82 - 69.50 C-
		69.49 - 66.16 D+
		66.15 - 62.83 D
		62.82 - 59.50 D-
		below 59.50 F

There is no opportunity for “Extra Credit” in this course.

## ACADEMIC DISHONESTY

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Academic dishonesty will not be tolerated in any form. I will follow the procedures outlined in the current Bulletin if I deem academic dishonesty has occurred.

## **CONTACTING THE INSTRUCTOR**

I may be reached at [Pamela.Hall@wwu.edu](mailto:Pamela.Hall@wwu.edu). Please place "FIN 215" in the subject line. Email is my preferred method of interaction, however, it may turn out that our discussion is best conducted via the telephone. If that is the case, I will ask you for a phone number. My office phone number is 360-650-3906.

## SCHEDULE

All items are due at 5:00 p.m. Pacific Standard Time MONDAY of the specified week EXCEPT Week 9 and 10 items (See those weeks for specific information).

MFL = [www.MyFinanceLab.com](http://www.MyFinanceLab.com) [See the website for the assignments/due dates]

LBD = Learn By Doing [See LBD tab on the Blackboard site for the week's assignment and YOUR SPECIFIC LBD ASSIGNMENTS]

Week 1	Chapter 1: The Financial Planning Process Chapter 2: Measuring Your Financial Health and Making a Plan <b>Assignment: MFL (Chapter 1) due Week 2</b> <b>Assignment: MFL (Chapter 2) due Week 2</b>
Week 2	Chapter 3: Understanding and Appreciating the Time Value of Money <b>Assignments:</b> <ul style="list-style-type: none"> <li>• MFL (Chapter 3) due Week 3</li> <li>• LBD (Chapter 3) due Week 3</li> <li>• Read Current Event Article #1</li> </ul> NOTE: ONE FORUM POST IS DUE THIS WEEK!
Week 3	Chapter 4: Tax Planning and Strategies <b>Assignments:</b> <ul style="list-style-type: none"> <li>• MFL (Chapter 4) due Week 4</li> <li>• LBD (Chapter 4) due Week 4</li> <li>• Read Current Event Articles #2 &amp; #3</li> </ul>
Week 4	Chapter 6: Using Credit Cards: The Role of Open Credit <b>Assignments:</b> <ul style="list-style-type: none"> <li>• MFL (Chapter 6) due Week 5</li> <li>• LBD (Chapter 6a) due Week 5</li> <li>• LBD (Chapter 6b) due Week 5</li> <li>• Read Current Event Article #4</li> </ul> EXAM 1 <ul style="list-style-type: none"> <li>• 65 questions (all multiple choice)</li> <li>• Covers Chapters 1 through 4, 6 + Current Event Articles #1 through #4</li> </ul> NOTE: ONE FORUM POST IS DUE THIS WEEK!
Week 5	Chapter 7: Using Consumer Loans: The Role of Planned Borrowing Chapter 8: The Home and Automobile Decision <b>Assignments:</b> <ul style="list-style-type: none"> <li>• MFL(Chapter 7) due Week 6</li> <li>• MFL (Chapter 8) due Week 6</li> <li>• LBD (Chapter 7a) due Week 6</li> <li>• LBD (Chapter 7b) due Week 6</li> <li>• LBD (Chapter 8a) due Week 6</li> <li>• LBD (Chapter 8b) due Week 6</li> <li>• Read Current Event Articles #5 &amp; #6</li> </ul>
Week 6	Chapter 9: Life and Health Insurance <b>Assignments:</b> <ul style="list-style-type: none"> <li>• MFL(Chapter 9) due Week 7</li> <li>• LBD (Chapter 9) due Week 7</li> <li>• Read Current Event Article #7</li> </ul>

	NOTE: ONE FORUM POST IS DUE THIS WEEK!
Week 7	<p>Chapter 11: Investment Basics Exam 2</p> <ul style="list-style-type: none"> <li>• 65 questions (all multiple choice) + Current Event Articles #5 through #9</li> <li>• Covers Chapters 7 through 9, 11</li> </ul> <p>Assignments:</p> <ul style="list-style-type: none"> <li>• MFL(Chapter 11) due Week 8</li> <li>• LBD (Chapter 11) due Week 8</li> <li>• Read Current Event Article #8</li> </ul>
Week 8	<p>Chapter 12: Securities Markets Chapter 13: Investing in Stocks</p> <p>Assignments:</p> <ul style="list-style-type: none"> <li>• MFL (Chapter 12) due Week 8</li> <li>• MFL(Chapter 13) due Week 9</li> <li>• LBD (Chapter 13) due Week 9</li> <li>• Read Current Event Articles #9 &amp; #10</li> </ul> <p>NOTE: ONE FORUM POST IS DUE THIS WEEK!</p>
Week 9	<p>Chapter 15: Mutual Funds: An Easy Way to Diversify</p> <p>Assignments:</p> <ul style="list-style-type: none"> <li>• MFL (Chapter 15) due 5:00 p.m. Friday of Week 9</li> <li>• LBD (Chapter 15a) due 5:00 p.m. Friday of Week 9</li> <li>• LBD (Chapter 15b) due 5:00 p.m. Friday of Week 9</li> <li>• Read Current Event Article #11</li> </ul>
Week 10	<p>Chapter 16: Retirement Planning</p> <p>Assignments:</p> <ul style="list-style-type: none"> <li>• MFL(Chapter 16) due 5:00 p.m. Friday of Week 10</li> <li>• Read Current Event Article #12</li> </ul>
Finals Week	<p>Exam 3</p> <ul style="list-style-type: none"> <li>• 65 questions (all multiple choice)</li> <li>• Covers Chapters 12, 13, 15, 16, + Current Event Articles #9, #10, #11, #12</li> </ul>