

I. College/School: **Raj Soin College of Business**

Department: **Finance and Financial Services**

II. Course Information

Course Title: **Personal Financial Decision Making**

Course Abbreviation and Number: **FIN 2050**

Course Credit Hours: **3.0 Semester hours**

Course Cross Listing(s) Abbreviation and Number: N/A

Check ("x") all applicable:

General Education Course_X__ Writing Intensive Course____ Service Learning

Course____

Laboratory Course____ Ohio TAG (Transfer Assurance Guide) Course ____

Ohio Transfer Module Course____ Others (specify)____

III. Course Registration

Prerequisites: **None**

Corequisites: **None**

Restrictions: **None**

Other:

IV. Student Learning Outcomes

This course provides an overview of the theories, concepts, principles and processes of personal financial management, with an emphasis on everyday financial decision-making. The course emphasizes 1) goal setting and everyday financial decision-making as they influence long-term goals, and 2) understanding macro-economics and financial systems and the individual's interactions with them. Topics covered include preparing and using personal financial statements, consumer debt management, all types of insurances and retirement and estate planning.

LEARNING OBJECTIVES:

This course contributes to achievement of the Wright State Core outcomes from Element 5, in particular students will be able to:

- Explain and critique the methods of inquiry of social science disciplines relevant to financial markets and decision making.
 - Critique among widely varying sources of information for decision-making and make decisions with limited information
 - Approach decisions systematically and empirically through careful data collection and thoughtful analysis.
- Critically apply knowledge of social science theory and methods of inquiry to personal decisions, current issues, or global concerns.
 - Develop a set of meaningful personal financial goals.
- Demonstrate an understanding of the ethical issues involved in the acquisition or application of social science knowledge in particular the importance of ethical behavior for both parties to any financial decision.
- Demonstrate, from a social science perspective, an understanding of the responsibilities of an informed and engaged citizen to the success of democratic society.
 - Understand how local, national and international economic events and monetary and fiscal policies impact financial markets and once coupled with their own personal decisions affect their lives.
 - Describe the important interdependencies between their personal financial decisions, global events, and life endeavors.

V. Suggested Course Materials (required and recommended)

Personal Finance, Ninth Edition, Kapoor, Dlabay, and Hughes, Inc.

VI. Suggested Method of Instruction

Lecture, discussion, projects and multi-media projections. We will normally go over the homework in each class and use it as a basis for chapter review. **Homework will be collected at the beginning of class!! Make a copy for yourself!!** You can correct your copy from the class discussion and use it for test review.

VII. Suggested Evaluation and Policy

Midterm Exam.....	20%
Final Exam	20%
Essay #1	15%
Essay #2.....	15%
Stock Task Assignment #1	20%
Task Assignment #2	5%
Class attendance and participation	<u>5%</u>
	100%

VIII. Suggested Grading Policy

GRADING:

90 – 100%	A
80-89%	B
70-79%	C
60-69%	D
Below 60%	F

IX. Suggested Assignments and Course Outline

WEEK	TOPICS and Essential Coverage	CHAPTERS
1	Intro to personal financial planning <ul style="list-style-type: none"> The opportunity costs, or trade-offs, of decisions are considered in relation to personal and financial resources Coverage of the personal, social, and economic factors that make up the financial planning environment 	Chapter 1
2	Money management <ul style="list-style-type: none"> Coverage of the workings of capital markets and in particular the efficient market hypothesis. Explore the trade-offs associated with every spending, saving, borrowing, and investing decision 	Chapter 3
3	Planning your Tax Strategy <ul style="list-style-type: none"> The macroeconomic implications of federal and state tax policies. The fundamental aspects of federal income taxes Critical analysis of tax planning strategies related to purchasing decisions, investment alternatives, and retirement plans. Banking Services and Financial Institutions <ul style="list-style-type: none"> Discussion of the different types of financial institutions and the purpose they serve in our economy Discussion of the nation's monetary policy and fiscal policy 	Chapter 4 Chapter 5
4	Consumer Credit <ul style="list-style-type: none"> The importance of consumer credit in our economy is explained and uses and misuses of credit 	Chapter 6

	<ul style="list-style-type: none"> Financial and personal opportunity costs of using credit are emphasized <p>Cost of Credit Alternatives</p> <ul style="list-style-type: none"> Discussion of the Fair Debt Collection Practices Act, consumer credit counseling, and the serious effects of debt on the economy as a whole 	Chapter 7
5	<p>Fundamentals of Investing</p> <ul style="list-style-type: none"> Efficient Market Hypothesis Information and Rational Choice Impact of Asymmetric information Modern Portfolio Theory How behavioral finance contributes to our understanding of the workings of capital markets Overview of how the factors of safety, risk, income, growth, and liquidity affect investment programs Critically examine various sources of investment information 	Chapter 13
6	Fundamentals of Investing continued	
7	Midterm EXAM	
8	<p>Investing in Stocks</p> <ul style="list-style-type: none"> Further development of the trade-offs necessary to investing; we examine methods that investors can use to evaluate stock investments while balancing risk and return objectives Models of valuation are developed and explored 	Chapter 14
9	Chapter 15	
10	<p>Investing in Mutual Funds</p> <ul style="list-style-type: none"> Why investors purchase mutual funds and their importance to risk management The utility of having major categories of mutual funds in terms of their impact on investment portfolios Methods that can be used to evaluate mutual fund investments again employing valuation models specific to mutual funds 	Chapter 16
11	<p>Purchasing strategies and legal protection</p> <ul style="list-style-type: none"> The impact consumer purchases have on financial resources available for other purposes Discussion of the factors that influence buying habits or the psychology of spending Development of a systematic approach to making purchase decisions Discussion of not only consumer protection actions and legal alternatives available to individuals but why these exist in our economy 	Chapter 8

Assignment 2– Investment Tracking

This is a longitudinal study designed to help students apply modern portfolio theory to investment selections and explore in real time the impact that various world-wide events have on investment decisions. Students will use information about recent world-wide economic and political events to describe the likely impact on investment performance. Students will describe what impact the various events may have on investments in various sectors and design methods to exploit opportunities likely to exist as a consequence of these events.

Assignment 3 – Retirement Savings

This assignment will include various methods of inquiry to help students critically assess alternatives existent in our economy for sources of income in retirement including content analysis of product descriptions, textual analysis of marketing materials accompanying alternatives, and the risk and return analysis necessary inherent in making decisions involving scarce resources. Students explore the effect of timing, differing levels of risk, inflation and taxes on these long term investments.

This is a sample course syllabus guideline. Course materials, method of instruction, evaluation and policy, grading policy, assignments, and other course matters can differ by specific course sections and individual professors. Additional information can be obtained by contacting the appropriate college and department.

Undergraduate Curriculum and Academic Policy Committee _____

Faculty Senate _____