



WACO, TEXAS

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**COURSE SYLLABUS  
AND  
INSTRUCTOR PLAN**

**Personal Finance**

**BUSI 1307. 01**

**Brian Johnson**

**NOTE: This is a 16-week course.**

**Course Description:**

Personal and family accounts, budgets and budgetary control, bank accounts, charge accounts, borrowing, investing, insurance, standards of living, renting or home ownership, and wills and trust plans.

**Prerequisites and/or Corequisites:**

None

**Course Notes and Instructor Recommendations:**

In this web-enhanced class, we will proceed simultaneously along two tracks, in-class and on-line. Additionally, seven chapters of the book have been designated as self-study, while eleven chapters will be covered extensively in class.

In-Class, we will have detailed lectures on select (mostly investing) topics. Chapters 1-4, 9, 10, and 14-18 will be covered thoroughly. Very little class time will be devoted to chapters 5-8 and only slightly more to chapters 11-13 (the self-study chapters).

On-line, students will be responsible to take the quizzes and mid-term exam, and to participate in the stock market game. The quizzes and mid-term exam will be done on Brightspace (or as take-home quizzes) and will feature both the extensively covered material and the self-study chapters. There will be one quiz and the Final Exam to be done in-class.

It is important to note that both tracks proceed simultaneously. We may cover one chapter in class, while you are expected to read and quiz on a different chapter on-line. This is less confusing than it sounds. And it is necessitated by the material itself. In order to play the stock game, we need to understand investing which is covered in chapters 14-18 in our book. We must get to those chapters early, yet they are at the end of the book. Therefore, class time will be split from week 1 on. We will start at chapter 1, but also begin to cover chapter 14. We will proceed to chapter 2 and chapter 15. Then you will begin to do the self-study (read and quiz on chap 5-8) as well.

FYI The self-study chapters are simple, mundane, even boring. I would have very little to add to what the book says. This is why they are self-study. The in-class chapters are more interesting and complex. Students will likely need the explanations for these topics and will benefit from instructors experience in these areas.

**Instructor Information:**

Instructor Name: Brian Johnson  
MCC E-mail: [bjohnson@mclennan.edu](mailto:bjohnson@mclennan.edu)  
Office Phone Number: 254-299-8699  
Office Location: MAC 214  
Office/Teacher Conference Hours:  
    Monday 3:30 – 4:30 PM  
    Tuesday 9:30 – 11:00, 2:30 – 3:30, PM, 6:00 – 6:30 PM  
    Wednesday 3:30 – 4:30 PM  
    Thursday 9:30 – 11:00, 2:30 – 3:30 PM

**Required Text & Materials:**

Title: Personal Finance  
Author: Madura  
Edition: 6<sup>th</sup> or 7<sup>th</sup> edition  
Publisher: Pearson  
ISBN:

**MCC Bookstore Website**

**Student Support/Resources:**

MCC provides a variety of services to support student success in the classroom and in your academic pursuits to include counseling, tutors, technology help desk, advising, financial aid, etc. A listing of these and the many other services available to our students is available at

<http://www.mclennan.edu/campus-resource-guide/>

College personnel recognize that food, housing, and transportation are essential for student success. If you are having trouble securing these resources, we encourage you to contact a success coach by calling

(254) 299-8226. Students can visit the Completion Center Monday-Friday from 8:00 a.m.-5:00 p.m. to meet with a success coach and receive additional resources and support to help reach academic and personal goals. Paulanne's Pantry (MCC's food pantry) is open 12:00 p.m.-1:00 p.m., Monday-Friday, without an appointment. The Completion Center and pantry are located on the Second Floor of the Student Services Center (SSC).

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**Minimum Technical Skills:**

Students should have basic computer skills, knowledge of word processing software, and a basic understanding of how to use search engines and common web browsers.

**Backup Plan for Technology:**

In the event MCC's technology systems are down, you will be contacted/notified through your MCC student email address. Please note that all assignments and activities will be due on the date specified in the Instructor Plan, unless otherwise noted by the instructor.

\* [Click Here for the Minimum System Requirements to Utilize MCC's D2L|Brightspace](http://www.mclennan.edu/center-for-teaching-and-learning/teaching-commons/requirements) (www.mclennan.edu/center-for-teaching-and-learning/teaching-commons/requirements)  
Click on the link above for information on the minimum system requirements needed to reliably access your courses in MCC's D2L|Brightspace learning management system.

**Methods of Teaching and Learning:**

This is primarily a lecture and discussion class. One major project is participation in a stock market simulation game.

**Course Objectives and/or Competencies:**

Upon successful completion of this course, the student should be able to:

Establishing a Personal Financial System

1. List the three elements of a properly defined financial goal and formulate personal financial goals.
2. Establish and maintain a personal financial record keeping system.
3. Prepare a personal balance sheet and a cash flow statement for individuals.

4. Set up a personal budget.
5. Use present value tables and future value tables to calculate the savings required to reach financial goals.
6. Calculate the estimated income tax liability for the coming year.

Using Banks and Other Credit Resources

7. Analyze the advantages and disadvantages of various accounts offered by banks, savings & loans, and credit unions.
8. Discuss the proper use of credit and inappropriate uses of credit.
9. Explain the difference between a simple interest loan and an add-on interest loan.
10. Amortize a simple interest loan.

Making Major Purchases

11. List advantages and disadvantages of renting housing.
12. List advantages and disadvantages of owning housing.
13. Discuss the process of buying a house and explain the typical cost components of a house purchase.
14. Calculate the after-tax cost of buying a house.
15. Discuss the recommended steps to buying a new car.

Making Insurance Choices

16. Explain the concept of risk management through insurance.
17. Identify the typical elements of a property insurance policy.
18. Identify the major policy provisions of a medical insurance plan.
19. Explain the differences between a traditional medical insurance plan, a health maintenance organization plan, and a preferred provider organization plan.
20. Explain the nature of a disability insurance plan.
21. Contrast a term life insurance policy and a whole life insurance policy.
22. Identify the typical features of a life insurance policy.

Managing Investments

23. Explain the relationship between investment risk and the expected return of an investment.
24. Contrast lending investments and equity investments, and identify typical lending and equity investments.
25. Discuss the nature of bonds and stocks.
26. Explain the relationship between bond prices and interest rates.
27. Discuss the nature of mutual funds, and list the advantages of investing through mutual funds.
28. Explain the difference between load mutual funds and no-load mutual funds.
29. List advantages and disadvantages of investing in real estate.
30. Identify several vehicles for investing in real estate.
31. Discuss the advantages and disadvantages of investing in collectibles and precious metals.

### Retirement and Estate Planning

32. Discuss the rules for qualifying for Social Security benefits.
33. Discuss the benefits of tax-qualified retirement plans.
34. Explain the benefits and limitations of an Individual Retirement Account (IRA).
35. Define key terms regarding wills.
36. Explain the nature of a trust and list advantages of a trust.
37. Discuss the nature of the federal transfer tax on gifts and estates

Students should be able to establish a personal financial system, make major purchases, evaluate insurance choices, and have a general understanding of investment alternatives, and retirement and estate planning.

### **Course Outline or Schedule:**

We will cover approximately one chapter every class time. Any changes to the schedule will be announced in class.

	In-Class	On-line/Assignments
Week 1	Class Overview Topic Overview/ Chapter 1 Introduction to the stock market simulation	Read chapters 1 and 2
Week 2	Chap 2: Personal Financial Statements Reading a stock page Stock market basics	Sign-up for the stock game (see link to left) Prepare your personal financial statements Read chapter 3
Week 3	Chap 3: Time-value of Money Stock market heuristics (rules of thumb)	Take Quiz #1 by Friday 11:59 PM Read chapter 4
Week 4	Chap 4: Tax Concepts in Financial Planning Mutual funds and ETFs	Take Quiz #2 by Friday 11:59 PM Read chapters 14 and 15
Week 5	Chap 14: Investing Chap 15: Stocks, Short-selling	Read chapters 5 and 6
Week 6	Brief chap 5-6 lecture Investing Concepts – Diversification, Leverage, and Arbitrage	Take Quiz #3 by Friday 11:59 PM Read chaps 7 and 8
Week 7	Brief chap 7-8 lecture Technical analysis, Fundamental analysis	Take Quiz #4 by Friday 11:59 PM Study for Exam (no reading)
3/9 – 3/13	Spring Break	Spring Break
Week 8	Review chaps 1-8	Take mid-term Exam (ch 1-8) by Fri. 11:59 PM Read chapters 9 and 10
Week 9	Chap 9: Personal Loans Chap 10: Purchasing a house	Take Quiz #5 by Friday 11:59 PM Read chaps 11, 12

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Week 10	Chap 11: Auto & Home Insurance Chap 12: Health & Disability Insurance	Take Quiz #6 by Friday 11:59 PM Read chaps 13 and 16
Week 11	Chap 13: Life Insurance Chap 16: Bonds	Take Quiz #7 by Friday 11:59 PM Read chaps 17 and 18
Week 12	Chap 17: Mutual Funds and ETFs Chap 18 Asset Allocation & Rebalancing Wrap-up and Review of Chapters 14-18	In-Class Quiz next week
Week 13	In-Class Quiz on chapters 14-18 Review of chapters 9- 13	In-class quiz
Week 14	Wrap-up and Review for Final Exam	Study for Final Exam
Week 15	Final Exam (comprehensive)	Final Exam (In-Class)

### **Course Grading Information:**

There will be 7-8 quizzes, 2-3 assignments, a stock market game, a mid-term Exam, and a Final Exam. The weighting of assignments will be as follows:

Attendance and Participation	10%
Stock Market Project	12%
Assignments	20%
Quizzes	20%
Mid-term Exam (chaps 1-7)	18%
Final Exam (chaps 1-13)	<u>20%</u>
	100%

### **Late Work, Attendance, and Make Up Work Policies:**

Due dates will be assigned by the instructor on the date the assignment is made. Any missed assignments or exams will be counted as zero. With the permission of the instructor a make-up exam will be given for reasons listed in the student's handbook.

\* [Click Here for the MCC Attendance/Absences Policy](http://www.mclennan.edu/highlander-guide/policies)  
([www.mclennan.edu/highlander-guide/policies](http://www.mclennan.edu/highlander-guide/policies))

Click on the link above for the college policies on attendance and absences. Your instructor may have guidelines specific to this course.

**Student Behavioral Expectations or Conduct Policy:**

Students are expected to maintain classroom decorum that includes respect for other students and the instructor, prompt and regular attendance, and an attitude that seeks to take full advantage of the education opportunity.

\* **[Click Here for the MCC Academic Integrity Statement](http://www.mclennan.edu/academic-integrity)**

**([www.mclennan.edu/academic-integrity](http://www.mclennan.edu/academic-integrity))**

The link above will provide you with information about academic integrity, dishonesty, and cheating.

**Cheating**

*Cheating will not be tolerated in class. When detected, it will be punished.* Cheating will result in a 'zero' for the assignment, as well as reporting the incident to the MCC Administration. Although I will try to stop and catch cheating, it is also the responsibility of the students to report it. I will protect the privacy of students who report cheating. Cheating includes, but is not limited to, copying answers from another student, providing answers to another student, and using notes or other aides. To limit the opportunity to cheat on exams, students will not be able to wear hats, or use programmable calculators. In addition, I reserve the right to move students around the room to create space between exam takers. Other rules for exams will be announced immediately prior to the exam. **Cheating will result in a "0" on the assignment. A second instance of cheating will result in a grade of F for the course.**

**Accommodations/ADA Statement**

Any student who is a qualified individual with a disability may request reasonable accommodations to assist with providing equal access to educational opportunities. Students should contact the Accommodations Coordinator as soon as possible to provide documentation and make necessary arrangements. Once that process is completed, appropriate verification will be provided to the student and instructor. Please note that instructors are not required to provide classroom accommodations to students until appropriate verification has been provided by the Accommodations Coordinator. Instructors should not provide accommodations unless approved by the Accommodations Coordinator. For additional information, please visit [mclennan.edu/disability](http://mclennan.edu/disability).

Students with questions or who require assistance with disabilities involving physical, classroom, or testing accommodations should contact:

[disabilities@mclennan.edu](mailto:disabilities@mclennan.edu)

254-299-8122

Room 319, Student Services Center



## **Title IX**

\* **[Click Here for more information about Title IX](#)**

([www.mclennan.edu/titleix](http://www.mclennan.edu/titleix))

We care about your safety, and value an environment where students and instructors can successfully teach and learn together. If you or someone you know experiences unwelcomed behavior, we are here to help. Individuals who would like to report an incident of sexual misconduct are encouraged to immediately contact the Title IX Coordinator at [titleix@mclennan.edu](mailto:titleix@mclennan.edu) or by calling Dr. Drew Canham (Vice President for Student Success) at 299-8645. Individuals also may contact the MCC Police Department at 299-8911 or the MCC Student Counseling Center at MCC by calling 299-8210. The MCC Student Counseling Center is a confidential resource for students.

McLennan's Title IX webpage (<http://www.mclennan.edu/titleix/>) contains more information about definitions, reporting, confidentiality, resources, and what to do if you or someone you know is a victim of sexual misconduct, gender-based violence or the crimes of rape, acquaintance rape, sexual assault, sexual harassment, stalking, dating violence or domestic violence.

\* *You will need to access each link separately through your Web browser (for example: Internet Explorer, Mozilla, Chrome, or Safari) to print each link's information.*