GROSSMONT COLLEGE

Official Course Outline

BUSINESS 195 – PRINCIPLES OF MONEY MANAGEMENT FOR SUCCESS

1. Course Number Course Title Semester Units Semester Hours

BUS 195 Principles of Money 3 3 hours lecture: 48-54 hours

Management for Success 96-108 outside-of-class hours

144-162 total hours

2. Prerequisites

None.

Corequisite

None.

Recommended Preparation

None.

3. Catalog Description

This course explores the theories and techniques of managing personal income by setting goals, which will culminate in the development of a personal plan to manage their financial lives. Topics include financial planning, budgeting, institutional savings and checking services, investment analysis, retirement planning, consumerism, insurance, home ownership, credit management, taxes and estate planning.

4. Course Objectives

The student will:

a. Identify life management skills; values and goals at different stages of the life cycle.

b. Interpret the impact of economic situations on the consumer issues of housing, credit, transportation, insurance, taxes, money management, and financial planning.

c. Compare and analyze the different costs of forms of housing, credit, transportation, insurance, food clothing, investments, and financial services.

d. Prepare an individualized budget, financial statement and financial plan.

e. Appraise the taxes due in different financial situations.

f. Review the essentials of an estate plan.

g. Contrast the purpose, cost, selection, potential risks and return on specific forms of investments.

h. Review sources of specialized information and assistance on purchasing, consumer protection, money management, banking services, investments, financial planning, taxes, and estate planning.

i. Evaluate internet and computer usage in financial planning.

5. Instructional Facilities

Standard lecture classroom

6. Special Materials Required of Student

1. Electronic storage media.
2. Computer with Internet access.
3. Calculator.

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7. Course Content

a. Financial Planning – elements of a successful plan, balance sheet and cash-flow statement

b. Budgeting and Cash-Flow management.

c. Managing Income Taxes – filing a return, steps in calculating income taxes, reducing taxes.

d. Management of Monetary Assets – interest earning checking accounts, money market accounts, long-term savings instruments.

e. Credit Use and Credit Cards – obtaining credit and building good credit, types of consumer credit.

f. Installment Credit – understanding consumer loans, sources of consumer loans.

g. Automobiles and Other Major Purchases – guidelines for buying, comparison shopping.

h. The Housing Expenditure – the steps of home buying, financing a home.

i. Risk Management and Property/Liability insurance – understanding how insurance works, homeowner’s insurance, automobile insurance, property and liability insurance.

h. Health Care Planning – sources of health care benefits, making sense of your health care benefits, what costs are covered, long-term health insurance.

k. Life Insurance Planning – calculating your need for life insurance, strategies for buying.

l. Investing in Stocks and Bonds – understanding numeric measures, classification of stock, bond characteristics.

m. Investing through Mutual Funds – unique features, mutual fund fees.

n. Retirement Planning – understanding social security, calculating retirement needs, employer-sponsored retirement plans.

o. Estate Planning – ways to transfer estate, use of trusts, estate and inheritance taxes.

8. Method of Instruction

a. Lecture.

b. Group discussion.

c. Videos

9. Methods of Evaluating Student Performance

a. Term paper to include topics on:

(1) Written analysis of an individual budget, financial statement.

(2) Retirement plan.

(3) Major purchase.

(4) Housing.

(5) Insurance planning.

(6) Financial goals.

b. Assigned problems and exercises.

c. Three tests and a final exam to include essay questions.

10. Outside Class Assignments

a. Reading assignments in text.

b. Internet Research such as comparing interest rates and misc. expenses for consumer loans and selecting best credit cards for individual consumer needs.

c. Research and write a term paper on topics such as home buying projects, car leasing vs purchasing, whole life vs. term insurance, and retirement planning options

11. Texts

a. Required Text(s):

Kapoor, Dlabay, Hughes and Melissa Hart. *Focus on Personal Finance*. New York, NY: McGraw-Hill Education, Fifth Edition, 2016

b. Supplementary texts and workbooks:

To be assigned.

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Addendum: Student Learning Outcomes

Upon completion of this course, our students will be able to do the following:

* 1. Identify key characteristics and benefits to personal financial planning and budgeting, and apply appropriate techniques to optimize the development of an effective Personal Financial Plan.
  2. Identify key characteristics and benefits to appropriate liquidity, long-term liability, investment, and risk management techniques.
  3. Compare and contrast the various financial, banking, insurance, and investment institutions, analyze the differences in their products, and effectively utilize these products to assist in the attainment of specific financial and non-financial goals relative to personal financial planning.

Date approved by the Governing Board: May 15, 2018