

Personal Finance

Course Texts

- Kapoor, Jack, Les Dlabay, Robert J. Hughes, and Melissa Hart. *Focus on Personal Finance*, 6th Edition. McGraw-Hill, 2019. ISBN: 9781259919657

Course Description

This course will equip you to understand, plan, and manage your financial affairs. It will focus on the development of practical methods of organizing your financial information, interpreting your personal financial position and cash flow, developing achievable and worthwhile goals, and implementing actionable plans and risk management techniques to meet those goals. Specific topics to be covered include money management, insurance, and investing.

Course Objectives

After completing this course, you will be able to:

- Identify socioeconomic influences that impact personal financial planning.
- Create a plan for making personal financial and career decisions.
- Calculate your taxable income and taxes owed to the IRS.
- Explain how to obtain disability insurance and describe how it can protect you from loss.
- Compare and contrast the advantages and disadvantages of three different types of payment methods and give examples.
- Assess the components of the risk factor one must consider before investing.
- Calculate the cost of securing a loan and describe how to go about applying for credit.
- Describe the characteristics of mutual funds investments and classify mutual funds by investment objective.
- Determine your planned retirement income and develop a balanced budget based on your retirement income.
- Analyze the personal and legal aspects of estate planning.

Course Prerequisites

There are no prerequisites to take Personal Finance.

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Important Terms

In this course, different terms are used to designate tasks:

- **Proctoring:** all final exams require proctoring which can be completed conveniently from your home. A webcam is required.
- **Tutoring:** memberships include online tutoring for students to access with any content/subject related questions in the place of faculty. If your tutor is not able to answer your questions please contact a student advisor.
- **Practice Exercise:** A non-graded assignment to assist you in practicing the skills discussed in a topic.
- **Graded Quiz:** A graded online test.
- **Graded Exam:** A longer, graded online test.

Course Evaluation Criteria

StraighterLine provides a percentage score and letter grade for each course. See [Academic Questions](#) section in FAQ for further details on percentage scores and grading scale. A passing percentage is **70%** or higher.

If you have chosen a Partner College to award credit for this course, your final grade will be based upon that college's grading scale. Only passing scores will be considered by Partner Colleges for an award of credit.

There are a total of 1000 points in the course:

Topic	Assessment	Points Available
3	Graded Exam #1	125
7	Graded Exam #2	125
7	Midterm Exam	200
10	Graded Exam #3	125
14	Graded Exam #4	125
15	Final Exam	300
Total		1000

Course Topics and Objectives

Topics	Topic	Objectives
1	Personal Financial Planning in Action	<ul style="list-style-type: none"> • Identify social and economic influences on personal financial goals and decisions. • Develop personal financial goals. • Assess personal and financial opportunity costs associated with financial decisions. • Implement a plan for making personal financial and career decisions.
2	Money Management Skills	<ul style="list-style-type: none"> • Identified the main components of wise money management. • Create a personal balance sheet and cash flow statement. • Develop and implement a personal budget. • Connect money management activities with saving for personal financial goals.
3	Taxes in Your Financial Plan	<ul style="list-style-type: none"> • Identify the major taxes paid by people in our society. • Calculate taxable income and the amount owed for federal income tax. • Prepare a federal income tax return. • Select appropriate tax strategies for various life situations.
4	Savings and Payment Services	<ul style="list-style-type: none"> • Identified commonly used financial services. • Compare the types of financial institutions. • Assess various types of savings plans. • Evaluate different types of payment methods.
5	Consumer Credit: Advantages, Disadvantages, Sources, and Costs	<ul style="list-style-type: none"> • Analyze advantages and disadvantages of using consumer credit. • Assess the types and sources of consumer credit. • Determine whether you can afford a loan and how to apply for credit. • Determine the cost of credit by calculating interest using various interest formulas. • Develop a plan to protect your credit and manage

		your debts.
6	Consumer Purchasing Strategies and Wise Buying of Motor Vehicles	<ul style="list-style-type: none"> • Identify strategies for effective consumer buying. • Implement a process for making consumer purchases. • Describes steps to take to resolve consumer problems. • Evaluate legal alternatives available to consumers.
7	Selecting and Financing Housing	<ul style="list-style-type: none"> • Assess costs and benefits of renting. • Implement the home buying process. • Determine costs associated with purchasing a home. • Develop a strategy for selling a home.
8	Home and Automobile Insurance	<ul style="list-style-type: none"> • Identify types of risks and risk management methods and develop a risk management plan. • Assess the insurance coverage and policy types available to homeowners and renters. • Analyze the factors that influence the amount of coverage and cost of home insurance. • Identify the important types of automobile insurance coverage. • Evaluate factors that affect the cost of automobile insurance.
9	Health and Disability Income Insurance	<ul style="list-style-type: none"> • Recognize the importance of health insurance and financial planning. • Analyze the costs and benefits of various types of health insurance coverage as well as major provisions and health insurance policy. • Assess the trade-offs of different health insurance plans. • Evaluate the differences among healthcare plans offered by private companies and by the government. • Explain the importance of disability income insurance and financial planning and identify its sources. • Explain why the costs of health insurance and health care have been increasing.

10	Financial Planning with Life Insurance	<ul style="list-style-type: none"> • Define life insurance and determine your life insurance needs. • Distinguish between the types of life insurance companies and analyze various life insurance policies these companies issue. • Select important provisions in life insurance contracts and create a plan to buy life insurance. • Recognize how annuities provide financial security.
11	Investing Basics and Evaluating Bonds	<ul style="list-style-type: none"> • Explain why you should establish an investment program. • Describe how safety, risk, income, growth, and liquidity affect your investment program. • Identify the factors that can reduce investment risk. • Understand why investors purchase government bonds. • Recognize why investors purchase corporate bonds. • Evaluating bonds when making an investment.
12	Investing in Stocks	<ul style="list-style-type: none"> • Identify the most important features of common and preferred stock. • Explain how you can evaluate stock investments. • Analyze the numerical measures that cause the stock to increase or decrease in value. • Describes how stocks are bought and sold. • Explain the trading techniques used by long-term investors and short-term speculators.
13	Investing in Mutual Funds	<ul style="list-style-type: none"> • Explain the characteristics of mutual fund investments. • Classify mutual funds by investment objective. • Evaluate mutual funds. • Describe how and why mutual funds are bought and sold.
14	Retirement and Estate Planning	<ul style="list-style-type: none"> • Analyze your current assets and liabilities for retirement and estimate your retirement living costs. • Determine your plan retirement income and develop a balanced budget based on your

		retirement income. <ul style="list-style-type: none">• Analyze the personal and legal aspects of estate planning.• Distinguish among various types of wills and trusts.
15	Review	<ul style="list-style-type: none">• Review of Course Topics