

CATALOG INFORMATION

Dept and Nbr: CNIS 90

Title: MONEY MANAGEMENT

Full Title: Money Management

Last Reviewed: 3/30/2009

Units		Course Hours per Week		Nbr of Weeks	Course Hours Total	
Maximum	3.00	Lecture Scheduled	3.00	17.5	Lecture Scheduled	52.50
Minimum	3.00	Lab Scheduled	0	6	Lab Scheduled	0
		Contact DHR	0		Contact DHR	0
		Contact Total	3.00		Contact Total	52.50
		Non-contact DHR	0		Non-contact DHR	0

Total Out of Class Hours: 105.00

Total Student Learning Hours: 157.50

Title 5 Category: AA Degree Applicable

Grading: Grade or P/NP

Repeatability: 00 - Two Repeats if Grade was D, F, NC, or NP

Also Listed As:

Formerly:

**Catalog Description:**  
A foundation for personal financial decision making and the process of managing money to achieve personal economic satisfaction. Covers multiple aspects of personal financial planning including setting financial goals, cash management, credit, purchasing decisions, insurance, estate and retirement planning, investments, taxes and other consumer issues.

**Prerequisites/Corequisites:**

**Recommended Preparation:**  
Eligibility for ENGL 100 or ESL 100

**Limits on Enrollment:**

**Schedule of Classes Information:**  
Description: A foundation for personal financial decision making and the process of managing money to achieve personal economic satisfaction. Covers multiple aspects of personal financial planning including setting financial goals, cash management, credit, purchasing decisions, insurance, estate and retirement planning, investments, taxes and other consumer issues. (Grade or P/NP)

Prerequisites/Corequisites:

Recommended: Eligibility for ENGL 100 or ESL 100

Limits on Enrollment:

Transfer Credit:

Repeatability: Two Repeats if Grade was D, F, NC, or NP

## **ARTICULATION, MAJOR, and CERTIFICATION INFORMATION:**

<b>AS Degree:</b>	<b>Area</b>	Effective:	Inactive:
<b>CSU GE:</b>	<b>Transfer Area</b>	Effective:	Inactive:
<b>IGETC:</b>	<b>Transfer Area</b>	Effective:	Inactive:
<b>CSU Transfer:</b>		Effective:	Inactive:
<b>UC Transfer:</b>		Effective:	Inactive:

**CID:**

**Certificate/Major Applicable:**

Certificate Applicable Course

## **COURSE CONTENT**

### **Outcomes and Objectives:**

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

1. Effectively manage personal finances.
2. Develop personal financial goals and identify strategies for achieving those goals for different life situations.
3. Effectively plan and manage spending and saving decisions.
4. Demonstrate a basic knowledge of tax forms and filing procedures.
5. Prepare a federal income tax return.
6. Assess financial services to minimize banking fees and maximize interest earning on deposited funds.
7. Discuss the advantages and disadvantages of consumer credit as well as the types of credit that are available in order to make wise decisions regarding credit, now and in the future.
8. Evaluate the costs involved in obtaining credit in order to acquire the best source of credit.
9. Identify strategies for effective consumer buying.
10. Evaluate available housing alternatives and analyze the costs and benefits associated with each.
11. Calculate costs associated with purchasing a home.
12. Plan an insurance program to provide adequate coverage for home, personal property, and automobile.
13. Determine the type of health, disability, and long-term care insurance needed to meet financial goals.
14. Determine personal need for life insurance and choose the right policy.
15. Discuss basic investment principles and create a personal investment plan.
16. Describes the steps to take to establish a successful stock investment program.
17. Evaluate bond and mutual funds as investment opportunities.
18. Evaluate the advantages of real estate and other investment alternatives for building a diversified portfolio.

19. Recognize the importance of retirement planning and conduct a financial analysis to determine an appropriate retirement plan.
20. Identify various kinds of wills and trusts that will help devise an estate plan.
21. Identify and utilize financial planners and other financial planning information sources.

## **Topics and Scope:**

- I. Planning your personal finances
  - A. The financial planning process
  - B. Developing personal financial goals
  - C. Influences on personal financial planning
  - D. Creating and implementing a financial action plan to achieve financial goals
- II. Managing your personal finances
  - A. Financial services: savings plans and payment accounts
  - B. A cash management strategy
  - C. Types of financial institutions
  - D. Types of savings plans
  - E. Evaluating savings plans
  - F. Payment methods
- III. Planning for successful money management
  - A. Systems for personal financial records
  - B. Balance sheet
  - C. Evaluating your financial position
  - D. Cash flow statement
  - E. Budget process
  - F. Saving techniques to achieve financial goals
- IV. Taxes and financial planning
  - A. Income tax preparation process
  - B. Who files?
  - C. Forms
  - D. Tax assistance and audit process
- III. Introduction to consumer credit
  - A. Consumer credit defined
  - B. Types of credit
  - C. Measuring credit capacity
  - D. Credit bureaus
  - E. Credit files and reports
  - F. Applying for credit
  - G. Uses and misuses of credit
  - H. Avoiding and correcting credit mistakes
  - F. Consumer credit complaints
- IV. Choosing a source of credit
  - A. Sources of consumer credit
  - B. The cost of credit
  - C. Managing your debts
  - D. Consumer credit counseling services
  - E. Declaring personal bankruptcy
- V. Financial implications of consumer purchasing decisions
  - A. Consumer purchasing activities
  - B. Practical purchasing strategies
  - C. Major consumer purchases

- D. Resolving consumer complaints
- E. Legal options for consumers
- VI. The housing decision: factors and finances
  - A. Evaluating housing alternatives
  - B. Renting vs. buying a residence
  - C. The home-buying process
  - D. Home-buying finances
  - E. Selling a home
- VII. Insuring resources
  - A. Insurance and risk management basics
  - B. Property and liability insurance
  - C. Home and property insurance
  - D. Home insurance cost factors
  - E. Automobile insurance coverages
  - F. Automobile insurance costs
- VIII. Health, disability, and long-term care insurance
  - A. Health care costs
  - B. Health insurance and financial planning
  - C. Types of health care coverage
  - D. Private sources of health insurance and health care
  - E. Government health care programs
  - F. Disability income insurance
- IX. Life insurance
  - A. Introduction to life insurance
  - B. Determining life insurance needs
  - C. Types of life insurance companies and policies
  - D. Important provisions in a life insurance contract
  - E. Buying life insurance
  - F. Financial planning with annuities
- X. Investing financial resources: Investing fundamentals
  - A. Preparing for an investment program
  - B. Factors affecting the choice of investments
  - C. Asset allocation and investment alternatives
  - D. Factors that reduce investment risk
  - E. Sources of investment information
- XI. Investment alternatives
  - A. Stocks
  - B. Bonds
  - C. Mutual funds
  - D. Real estate
- XII. Retirement planning
  - A. Why retirement planning?
  - B. Conducting a financial analysis
  - C. Retirement living expenses
  - D. Planning your retirement income
    - 1. Social Security
    - 2. Other public pension plans
    - 3. Employer pension plans
    - 4. Personal retirement plans
    - 5. Annuities
  - E. Having enough money during retirement
- XIII. Estate planning

- A. Estate defined
  - B. Why estate planning?
  - C. Legal aspects of estate planning
  - D. Types and formats of wills
  - E. Types of trusts and estates
  - F. Federal and state estate taxes
- XIV. Resources
- A. Financial planners
  - B. Financial planning information sources
  - C. Sources of investment information
  - D. Money management resources

### **Assignment:**

1. Reading assignments in text, supplemented by current articles and lecture notes (35-50 pages per week).
2. Writing assignments:
  - a. Keep record of expenditures for two months, define values and goals and develop a balanced budget for one month; summarize your philosophy, techniques and results of budgeting in an essay (2-5 pages).
  - b. Investigate the costs and services of your banking institution; write a 1-2 page summary of findings; results from class will be compiled for comparison of banks in the community.
  - c. Research the facts and choices available in making an informed decision regarding the purchase of a consumer good or service; write a 3-5 page paper using 5 references, including facts and a summary supporting your decision; share results with class in a 5-15 minute oral presentation.
3. Problem solving:
  - a. Complete assigned problem solving exercises from each textbook chapter.
  - b. Calculate your net worth and compile a net worth statement.
  - c. Take an inventory of all belongings and compile a summary including date purchased, cost or estimated value, brand name, model number and a short description.
  - d. Make a list of all the credit cards you own with number, address and phone number to call in case of loss or theft.
  - e. Product and price comparison exercise: complete a 2-3 page summary; present orally in class.
  - f. Compare costs of car insurance from three companies for at least one car; tabulate results.
  - g. Locate examples of different types of advertising according to assigned categories; compile and label examples.
4. Quizzes (5-10); midterm; final exam.
5. Other: Oral presentations; attendance and participation.

### **Methods of Evaluation/Basis of Grade:**

**Writing:** Assessment tools that demonstrate writing skills and/or require students to select, organize and explain ideas in writing.

See list of writing assignments.
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Writing 15 - 35%
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**Problem Solving:** Assessment tools, other than exams, that demonstrate competence in computational or non-computational problem solving skills.

See list of problem solving assignments.

Problem solving  
15 - 35%

**Skill Demonstrations:** All skill-based and physical demonstrations used for assessment purposes including skill performance exams.

None

Skill Demonstrations  
0 - 0%

**Exams:** All forms of formal testing, other than skill performance exams.

Multiple choice, true/false, matching items, essay.

Exams  
25 - 50%

**Other:** Includes any assessment tools that do not logically fit into the above categories.

Attendance, class participation, oral presentations.

Other Category  
5 - 15%

### **Representative Textbooks and Materials:**

Personal Finance, eighth edition. Kapoor, Jack R., Les Dlabay, and Robert Hughes. McGraw-Hill Irwin, 2007.

Before you Spend that Money: Priceless Ways to Manage Your Money. Hall, Alvin. Simon & Schuster, 2006

The Art of Money Management for a Simple Life. Aldrow, Janice. IUniverse, Incorporated, 2005.