Personal Finance and Financial Decision-Making  
(Online Course)  
Fall 2015

1 Course Information:

Course Number: 01:220:110: 90:12888

Instructor:
Jessica Scheld

Email:
jscheld@econ.rutgers.edu

Office Hours:
Fridays: 11:30 AM - 1:30PM and by appointment
75 Hamilton St. New Brunswick, NJ
New Jersey Hall Room 408

Course Website:
 sakai.rutgers.edu

Note: This course DOES NOT count toward the economics major or minor.

Prerequisites: Any Course EQUAL or GREATER Than: (01:640:025 ).

Important Dates:
-Last day to drop classes without a "W" grade: September 8th
-Last day to add classes: September 9th
-Last day to drop with a "W" grade: October 26th
-Thanksgiving break: November 26 - 29
-Last day of classes: December 10
-Reading days: December 11, 14
-Final exam period: December 15-22
-Final exam: TBD
2 Required Materials:

1. **Textbook: Focus on Personal Finance, 5th edition**  
   
   a) If you choose to purchase a used copy of the textbook you will need to purchase access to the Connect (or ConnectPlus) course system directly from the McGraw-Hill website.
   
   b) Two versions offered at bookstore:
      ii) Loose-leaf, 3-hole punched version with a ConnectPlus code: ISBN: 978-007809320-3 or 007-809320-1

2. **McGraw-Hill Connect course system (online subscription)**

   a) The website includes online problem sets, study guide, supplemental materials, and (if you purchase ConnectPlus) an online version of the textbook.
   
   b) The difference between purchasing Connect and ConnectPlus is the latter includes access to the online textbook.
   
   c) Connect is McGraw-Hill’s online assignment and assessment software. You will use Connect to complete your homework assignments and midterm tests. Once you register for the course you will have access to the homework assignments, practice problems, adaptive software called LearnSmart and an e-book for 180 days (e-book access requires you to purchase ConnectPlus).

3. **Access to a spreadsheet (e.g., Microsoft Excel or Apple Numbers)**

   a) This class assumes you have a basic working knowledge of spreadsheets (e.g., how to enter values and formulas into cells, how to save work, how to edit work, etc.).
   
   b) If you do not have a basic working knowledge of spreadsheets then you should not take this class.
3 How to Register for Connect:


2. Click Register Now link.

3. Enter Rutgers email address. (Note: If you’ve used Connect before, use the same email address.)

4. Registration:
   a) ConnectPlus Code:
      i) Enter ConnectPlus registration code number (on sheet of paper inside book)
      ii) Click submit.
      iii) You will have access to ConnectPlus software, e-book, and additional resources for 180 days.
   b) Purchase Direct from McGraw-Hill:
      i) Click ”Buy Online” (under ”Don’t have a code?”)
      ii) You will be prompted to choose Connect (no e-book) or Connect Plus (e-book included)
   c) Free Trial:
      i) Provides access for 3 weeks, after which you’ll be required to purchase either Connect or Connect Plus.


Issues: If you encounter issues registering you’ll need to contact McGraw-Hill’s customer experience group at 1-800-331-5094. No one at Rutgers (the professor, Rutgers computer support, etc.) provides tech-support for Connect. All Connect tech-support is provided by McGraw-Hill.
4 Course Description:

The focus will be on providing basic tools of financial planning, insurance, borrowing, tax planning, and managing money. Topics include simple interest, simple discount, compound interest, annuities, investments, retirement plans, credit cards, mortgages, student loans, leasing, insurance, and futures and options. The goal of this class is to increase financial literacy and give students the knowledge, skills, and confidence to be financially secure today and in the future.

5 Learning Objectives:

Students will learn core financial concepts such as interest, present value, risk, diversification, and insurance. Students will also:

1. Learn the social and economic influences on personal financial goals and decisions
2. Improve their skills in using spreadsheets and other tools in common use for analyzing financial information
3. Be introduced to major types of financial instruments including stocks, bonds, mutual funds, and to investments in real estate
4. Learn how to identify different types of taxes and calculate tax implications of different types of income and investment strategies
5. Develop short-run and long-run personal finance goals

6 Online Resources:

1. Sakai:
   a) Announcements will be posted here, as well as grades, online discussions, videos, and links.
   b) If you ever have technical difficulties with Sakai email: sakai@rutgers.edu
2. McGraw-Hill Connect:
   a) Weekly homework assignments and additional practice problems
3. Calculators and spreadsheets:
   a) Calculators and spreadsheets will be used extensively in this course, on homework assignments and on the midterm tests. You will need to become comfortable using a spreadsheet program, such as Excel, which is available on all computers in the Rutgers computer labs.
7 Structure of course:

Every week several video lectures will be available. The lectures will cover the material for the week. The lectures will vary in length. Most will range from 5 minutes to 15 minutes; some will be as long as 60 minutes. The lectures will be similar to standard classroom lectures except that they will asynchronous; you can watch them online when most convenient to you.

The lectures will involve:

a) PowerPoint slides summarizing the chapters (i.e., lecture notes). These slides will include voice over explanation and discussion of the slides.

b) Discussion of financial formulas and concepts; financial planning.

c) Review of homework problems and how to use Excel for financial planning.

d) Discussion of real life application of the ideas covered in the book.

e) Some of the slides will be posted to the course Sakai website and others will be available on the McGraw-Hill Connect website.

8 Assignments, Exams, and Grading:

Your final course grade will be determined as follows:

<table>
<thead>
<tr>
<th>Exam</th>
<th>Exam Date</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homework</td>
<td>See Connect for Due Dates</td>
<td>10%</td>
</tr>
<tr>
<td>Midterm 1 (Chapters 1 - 4)</td>
<td>Wednesday, October 21\textsuperscript{th}</td>
<td>20%</td>
</tr>
<tr>
<td>Midterm 2 (Chapters 5 - 8)</td>
<td>Wednesday, November 18\textsuperscript{th}</td>
<td>20%</td>
</tr>
<tr>
<td>Final (Cumulative)</td>
<td>TBD</td>
<td>50%</td>
</tr>
</tbody>
</table>

8.1 Homework (10%):

Each week’s homework grade is made up of two components: (1) Graded Problem Sets and (2) LearnSmart.

(1) Graded Problems: There will be 14 graded problem sets (corresponding to each chapter). The problem sets must be done online and submitted electronically using the Connect website.

(2) LearnSmart: There will be 14 LearnSmart modules (corresponding to each chapter). LearnSmart is an intelligent online study guide. It will ask you questions and learn about your strengths
and weaknesses. It will ask fewer questions on material that you have mastered and ask more questions on material with which you are struggling. LearnSmart is also submitted via Connect. Completion requires comprehension, so these modules may take 20 minutes or an hour depending on your level of comprehension.

You will always have at least 7 days to complete each LearnSmart and problem set. Late homework will receive no credit. Your score for each chapter is computed as the average of the graded homework and the LearnSmart module. For example, if in Chapter 1 you receive 90% for the LearnSmart module and 80% for the graded homework, your homework score for Chapter 1 is 85%. The lowest two chapter scores will be dropped.

Note: There are also Practice Problems in each chapter. These problems are for extra practice, but do not factor into your homework grade. If you are struggling with material in a chapter, these are good for practice.

8.2 Exams (each test is worth 20% of total points):

There will be two online exams (Wednesday 10/21 and Wednesday 11/18). These exams are taken through Connect, and will have questions similar to the graded homework.

You will be given a 24 hour window in which you can do each midterm test. Once you start the test you will have 1 hour to finish. Late tests will receive no credit.

There are no make up exams in this class. If you must miss an exam, please notify me as far in advance as possible, and be prepared to provide corroborating medical documentation. Notification must occur prior to the exam start time. If the evidence is sufficient, then your final average will be re-weighted. For example, if you are in the hospital during Exam 1, your Exam 2 will count for 30% and the final for 60%.

Notes:
1. Once you sit for an exam, that exam score is counted toward your final average.
2. Calculators and spreadsheets will be permitted on the midterm tests but NOT on the final.

8.3 Final Exam (50% of total points):

1. The final is cumulative and has 70 multiple choice questions. In contrast to the midterms, the final exam incorporates LearnSmart type questions, so it is important to prepare for this as we progress through the semester.
2. Due to scheduling decisions, we will not know the date or time of the final exam until about a month prior to exams. I will post an announcement in Sakai as soon as I know when the exam date will be.

3. If you would prefer to take the final online, there will be an option for that as well. This will be done through a company called Examity. The exam will open on 12/15/2015 at 7:00 AM and will close at 12/16/2015 at 1:00 PM. You must schedule the time you wish to take the exam at least a week in advance (the sooner the better) to ensure a proctor is available. There is a tab in Sakai called Examity Test Proctoring, which will be where you sign up and create the profile for the final exam. Examity requires a strong internet connection and webcam so that the proctor can watch you take the exam. This costs about $50. As we get closer to final exam time, more information will be posted on Sakai.

4. NOTE: Phone, Ipods, computers (ie. spreadsheets, notes) and calculators are NOT allowed during the final exam. However, a formula sheet will be provided.

8.4 Grade Scale:

The final letter grade will be determined according to the following (tentative) distribution:

<table>
<thead>
<tr>
<th>Numerical Grade</th>
<th>Letter Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>$x \geq 90$</td>
<td>A</td>
</tr>
<tr>
<td>$85 \leq x &lt; 90$</td>
<td>B+</td>
</tr>
<tr>
<td>$80 \leq x &lt; 85$</td>
<td>B</td>
</tr>
<tr>
<td>$75 \leq x &lt; 80$</td>
<td>C+</td>
</tr>
<tr>
<td>$70 \leq x &lt; 75$</td>
<td>C</td>
</tr>
<tr>
<td>$60 \leq x &lt; 70$</td>
<td>D</td>
</tr>
<tr>
<td>$x &lt; 60$</td>
<td>F</td>
</tr>
</tbody>
</table>

Note: I reserve the right to change the cutoffs for grades in the downward direction only. They will never be increased.

8.5 Extra Credit

There are two extra credit opportunities - please see the syllabus video for more information.
9 Academic Integrity:

All students are bound by the Rutgers policy on academic integrity. The University’s policy on academic integrity is found in the official website at [http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers](http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers)

Violating this policy is a very serious matter, and you are strongly advised to observe it meticulously in all your courses.

I want to bring particular attention to one section of this policy:

9.1 Cheating:

Cheating is the use of inappropriate or prohibited materials, information, sources, or aids in any academic exercise. Cheating also includes submitting papers, research results and reports, analyses, etc. as one’s own work when they were, in fact, prepared by others. Some common examples are:

1. Receiving research, programming, data collection, or analytical assistance from others or working with another student on an assignment where such help is not permitted.

2. Copying another student’s work or answers on a quiz or examination.

3. Using or possessing books, notes, calculators, cell phones, or other prohibited devices or materials during a quiz or examination.

4. Submitting the same work or major portions thereof to satisfy the requirements of more than one course without permission from the instructors involved.

5. Preprogramming a calculator or other electronic device to contain answers, formulas, or other unauthorized information for use during a quiz or examination.

6. Acquiring a copy of an examination from an unauthorized source prior to the examination.

7. Having a substitute take an examination for one.

8. Having someone else prepare a term paper or other assignment for one.

The sanction for a Cheating violation ordinarily is an F for the course and suspension for one or more semesters, depending on the seriousness of the violation.
10 Accessibility of Online Courses:

Rutgers University welcomes students with disabilities into all of the University’s educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation:

https://ods.rutgers.edu/students/documentation-guidelines

If the documentation supports your request for reasonable accommodations, your campus’s disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the registration form on the ODS web site at:

https://ods.rutgers.edu/students/registration-form

11 Tentative Course Outline:

<table>
<thead>
<tr>
<th>Weeks</th>
<th>Chapters</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>What is this course about?</td>
</tr>
<tr>
<td>2</td>
<td>Ch. 1</td>
<td>Time value of money; inflation</td>
</tr>
<tr>
<td>3</td>
<td>Ch. 2</td>
<td>Saving: IRA (Roth and traditional); 401K, 403B, annuities, etc.</td>
</tr>
<tr>
<td>4</td>
<td>Ch. 3</td>
<td>Taxes</td>
</tr>
<tr>
<td>5</td>
<td>Ch. 4</td>
<td>Savings plans and financial services</td>
</tr>
<tr>
<td>6</td>
<td>Ch. 5</td>
<td>Consumer finance, credit, debt management</td>
</tr>
<tr>
<td>7</td>
<td>Ch. 6</td>
<td>Rent vs. lease</td>
</tr>
<tr>
<td>8</td>
<td>Ch. 7</td>
<td>Buying a house</td>
</tr>
<tr>
<td>9</td>
<td>Ch. 8</td>
<td>Home/automobile insurance (risk management)</td>
</tr>
<tr>
<td>10</td>
<td>Ch. 9</td>
<td>Health, disability income insurance</td>
</tr>
<tr>
<td>11</td>
<td>Ch. 10</td>
<td>Financial planning, life insurance (risk management)</td>
</tr>
<tr>
<td>12</td>
<td>Ch. 11</td>
<td>Investing basics: bonds</td>
</tr>
<tr>
<td>13</td>
<td>Ch. 12</td>
<td>Investing basics: stocks</td>
</tr>
<tr>
<td>14</td>
<td>Ch. 13</td>
<td>Investing basics: mutual funds</td>
</tr>
<tr>
<td>15</td>
<td>Ch.14</td>
<td>Retirement and estate planning</td>
</tr>
</tbody>
</table>

The syllabus is a guide for students to know what is expected and provide a tentative outline of material covered. Changes to the syllabus can be made at the discretion of the instructor.