Introduction to Finance (B201)
Course Outline - 1st Summer Block 2006 - Section 201
Smith 220 - 12:30 - 1:45 PM - MTWTh

Prerequisites: None. (Math 108/110 will greatly help!)
Instructor: Kenton C. Anderson - Degrees: BS in Accounting (BYU), BS in Marketing Education (BYU), MA in International Relations (BYU). Minors in Travel/Tourism, Seminary and Institute Instruction, Economics, and History. Work Experience: Corporate Accounting, Small Business Management & Ownership, Sales, Income Tax Accounting, Office Management, Cooperative Education, CES, Military, Farm Management, and Home Operated Business.

Office Hours: Smith 431B. 1:45-2:30 PM MTWTh or by appointment. (Sign-ups are not necessary, but to avoid waiting, you might want to call before making the effort to come in.) Phone: 496-1427

Text & Materials: Focus on Personal Finance, By Kapoor, Dlabay & Hughes, Paper-back - CD Disk not required
Mission Statement: Students will learn the basics of Personal Finance and be more equipped to make the major financial decisions of life.
Objectives: General objectives are stated in each text assigned reading chapter.

General Grading: Reading Discovery
Chapter Quizzes: 100 Points
   Outside Reading Quizzes
      Accounting Quiz 20 Points
      Consistency Amid Change 10 Points
      One for the Money/ 10 Points
      Escaping the Debt Trap 10 Points
   Exam #1 (Chapters 1-5) 75 Points
   Exam #2 (Chapters 6-10) 75 Points
   Final Exam 25% Comprehensive 75% Chapters 11-14 100 Points

Subtotal for Quizzes/Tests: 400 Points

Mini Research Projects & Assignments:
Financial Notebook/Journal Including the following labeled sections:
1. Financial Goals 20 Points
2. LDS Talks on Personal Finance & Notes 20 Points
3. Personal Bookkeeping for Semester
   A. Personal Journal of Transactions & Source Documents 40 Points
   B. Ledger of Personal Accounts 20 Points
   C. Personal Financial Statements 20 Points
   D. Personal Budgets & Variances 30 Points
4. Personal Tax Documents: 20 Points
5. Future & Present Value Problems 30 Points
6. Major Purchase Projects
   A. Car Buying 20 Points
   B. Home Buying 20 Points
7. Group Research Handouts 10 Points
8. Special Guest Speaker Notes 10 Points
9. Notes on Risk Management -10 if not included
10. Investments & Retirement Problems 30 Points
11. Quiz papers & miscellaneous notes -10 if not included
12. Stock Market Transactions & Game 20 Points

Team Consumer Spending Reports & Presentation 30 Points
Accounting Case Problem 20 Points
Current Events 20 Points
Devotional & Participation 20 Points

Subtotal for Notebook & Assignments: 400 Points
### Grade Percentages:
- 92.0-100% = A
- 89.5-91.9 = A-
- 87.0-89.4 = B+
- 82.0-86.9 = B
- 79.5-81.9 = B-
- 77.0-79.4 = C+
- 72.0-76.9 = C
- Etc.

### Class Policies:
**Homework**: Due at the first of the class or one period late @ 20% off per period.
**Make-up**: 20% off 1st offence with one week due period. 40% off 2nd offence with one due week period. 60% off 3rd offence with one week due period. Etc.
**Absences**: Only pre-arranged excused absences are acceptable to be forgiven late homework and no-penalty make-ups. “I won’t make it to class today” messages on the phone are not excused absences. Some emergency types of excuses can be given without pre-arranged absences.
**Tardiness**: Please be on time and do not disrupt the class. Grade reduction can result with continued tardiness. (Teacher will give warnings)
**Class Conduct**: Dress and Honor Code apply at all times. Please comply!
**Other**: Please bring text to class each period. (Required)

### Class Procedure:
- **Devotional - Prayer/Thought**: (Everyone gets a turn.)
- **Discussions/Video lectures/Case Studies/Guest Speakers/Student Presentations**
- **Quizzes** are usually at the end of class.

### Class Assignment Schedule:
Note: The instructor reserves the right to make timely changes in the class assignment scheduled and the mixture of types of assignments and grading points based on his professional judgement of class needs and current directions/opportunities available. Students will be notified in advance by class announcements of material changes in the class schedule or mixture of assignments/points.

<table>
<thead>
<tr>
<th>Date</th>
<th>Assignments Due (at the first of class)</th>
<th>Class Activities/Comments</th>
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<tbody>
<tr>
<td>5/8 Mon</td>
<td>Class orientation and introductions</td>
<td>Go over course syllabus</td>
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<td>Stocks and Bonds - Project Assignment</td>
<td>Pretest</td>
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<td>Overview</td>
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| 5/9 Tues. | Go to: [http://www.lds.org/topics/0,8170,1569-1-76,00.html](http://www.lds.org/topics/0,8170,1569-1-76,00.html) or [www.lds.org](http://www.lds.org) and then to Gospel Library, and then to LDS Selected Topics in the top right-hand corner, and then to “finances”) **Read/Study** the first two articles in this section entitled:  
1. "Constancy Amid Change"  
2. "One for the Money: Guide to Family Finance"  
**BRING SCRIPTURES TO CLASS** | Devotional Thought/Prayer  
Remarks: Pres. Hinkley  
Discussion on LDS based philosophy of Finance/Money  
**Quiz** on readings. |
| 5/10 Wed. | Read Chapter 1: “Personal Financial Planning in Action”  
Answer Questions in Concept Check 1-3 Blue Box on page 13.  
Memorize Financial Planning Process (six steps.)  
Sources of Income - How do I increase my personal worth? | Devotional  
Class Exercise  
Discuss: Financial Goals  
- Short  
- Term/Long  
- Term  
- Spiritual  
- Financial  
- Goals  
- Case  
- Study  
- Problems  
handed out in class. (Future & Present Values discussed - Opportunity Costs.) |
| 5/11 Thur. | **Review Chapter 1**  
**Due**: Beginning of Financial Notebook with four goal pages in the front (one needs to be spiritual). Problems on Future/Present Value Due. (Case Problems) | Devotional  
Video on the importance of starting a savings program when you are young.  
Discussion of Educational Investment - Career Placement  
**Quiz** over Chapter 1 |
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<th>Date</th>
<th>Activity</th>
<th>Devotional</th>
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<tr>
<td>5/15</td>
<td>Basic Financial Bookkeeping Process&lt;br&gt;Learn the basics in Financial Accounting - The Language of Business&lt;br&gt;On-line Power Point “Accounting Basics” on Brother Anderson’s Web Page. <strong>Read:</strong> Text Chapter 2 Pages 35-44</td>
<td>Devotional&lt;br&gt;Case Study Results&lt;br&gt;In-class handouts/Mini Project related to the accounting cycle.</td>
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<td>5/16</td>
<td>Work on Accounting Project as a class. Finish Project.</td>
<td>Devotional - Bring Accounting Materials</td>
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<tr>
<td>5/17</td>
<td>Set up personal bookkeeping system with a general journal and ledger accounts.&lt;br&gt;Personal Financial Statements <strong>Due</strong>&lt;br&gt;Personal Cash Flow (Income Statement)&lt;br&gt;Personal Balance Sheet Statement</td>
<td>Devotional&lt;br&gt;Quiz over Accounting Project and basic bookkeeping principles.&lt;br&gt;Personal Financial Project Given and Discussed.</td>
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<td>5/18</td>
<td><strong>Read:</strong> Chapter 2 “Money Management Skills”&lt;br&gt;Personal Financial System Complete before class and in place in Financial Notebook.</td>
<td>Devotional&lt;br&gt;Discussion on Budgeting&lt;br&gt;Electronic Programs for financial management</td>
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<td>5/22</td>
<td><strong>Read:</strong> “Escaping the Debt Trap” on <a href="http://www.lds.org">www.lds.org</a>&lt;br&gt;How to waste money&lt;br&gt;Types of Expenses&lt;br&gt;<strong>Due:</strong> Personal Budget for two week period 5/22 - 6/4&lt;br&gt;First Check on Stock Market Game (Check on notebook with these above items)</td>
<td>Devotional&lt;br&gt;Video Lecture from the pros on budgeting and personal finance. Take Notes&lt;br&gt;<strong>Quiz</strong> on Reading Assignments</td>
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<td>5/23</td>
<td><strong>Read:</strong> Chapter 3 “Taxes in Your Financial Plan”&lt;br&gt;Use a pencil to complete tax problems in class.</td>
<td>Devotional&lt;br&gt;Discussion on taxation costs&lt;br&gt;Work on Tax Problem in-Class</td>
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<td>5/24</td>
<td>Work on tax problems started in class.&lt;br&gt;<strong>Due:</strong> Tax Problems - Your Tax Return for 2005 complete. (If possible)</td>
<td>Devotional&lt;br&gt;Video&lt;br&gt;<strong>Quiz</strong> on Chapter &amp; tax problem</td>
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<td>5/25</td>
<td><strong>Read:</strong> Chapter 4 “ Savings &amp; Payment Services”</td>
<td>Devotional&lt;br&gt;Guest Speaker or Video Speakers&lt;br&gt;<strong>Notes Required &amp; Ask Questions</strong></td>
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<td>5/29</td>
<td>Memorial Day - No Class</td>
<td>Devotional</td>
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<td>5/30</td>
<td><strong>Due:</strong> Even Problems on page 109-110 at the end of Chapter 4.&lt;br&gt;(2,4,6,8)</td>
<td>Devotional&lt;br&gt;Review Problems and complete a “Bank Reconciliation” in Class.&lt;br&gt;<strong>Quiz</strong> over Chapter 4</td>
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<td>5/31</td>
<td><strong>Read</strong> Chapter 5 “Consumer Credit”&lt;br&gt;<strong>Due:</strong> Comparison of Credit Card Companies. Page 152 (part 15)</td>
<td>Devotional&lt;br&gt;Video Presentation &amp; Discussion Assignments given out for Chapter 6 team buying information reports.</td>
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<td>6/1</td>
<td><strong>Review</strong> Chapter 5&lt;br&gt;Current Events in Finance (Typed Page with references)&lt;br&gt;New Tax Developments, Consumer Credit Articles, Banking Developments &amp; Services Etc.&lt;br&gt;1st Paragraph: Review of Article’s substance.&lt;br&gt;2nd Paragraph: Your Reaction &amp; Opinion&lt;br&gt;<strong>Due:</strong> One Page Write-Up and be ready to give your findings and reaction to the class in 2 minutes.</td>
<td>Devotional&lt;br&gt;Student Presentations of Current Events in Finance&lt;br&gt;<strong>Quiz</strong> over Chapter 5</td>
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<td>Date</td>
<td>Activity</td>
<td>Devotional</td>
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| 6/5 Mon    | Review for Exam #1 (Chapters 1-5, Extra Reading assignments, Guest Speakers, and Class Discussions)  
**Due:** Notebook with First budget Results and up-to-date Journal & Ledger and Reports. (Source Documents) Check-up on Stock Game | Devotional Review Game - Points for exam can be earned in class. |
| 6/5 - 6/6 Mon & Tues | Exam #1 in Testing Center - 75 objective type questions |                                                                        |
| 6/6 Tues   | **Read** Chapter 6  
“Wise Buying of Motor Vehicles and Other Purchases”  
Visit the LDS “Provident Living” site found on [www.lds.org](http://www.lds.org). Be ready to report on what types of things that are found on the site.  
**Due:** 2nd Budget Forecast for 6/5 - 6/18 (two weeks) | Devotional Discussion of Provident Living and smart buying habits.  
Guest Speaker on buying Cars (if available). |
| 6/7 Wed.   | Student Team Reports and class handouts (on PowerPoint): (15 minutes each)  
Various Selected Topics from Basic Food purchases to recreational & dating options. | Devotional Class Presentations  
(Purchasing a car & home projects given out.) |
| 6/8 Thur.  | Student Reports with handouts: (15 minutes each)  
Continuation of Selected Purchasing Topics. | Devotional Class Presentations |
| 6/12 Mon   | **Read** Chapter 7  
“Purchasing a Home”  
Last Student Reports  
**Due:** Car Purchase Project. | Devotional Student Presentation & Guest Speaker - Real Estate Agent  
**Take Notes & Ask Questions** |
| 6/13 Tues. | **Review** Chapter 7  
Home Choices - Internet Sites Research | Devotional Video: Home Inspection  
**Quiz Chapter 7** |
| 6/14 Wed.  | **Read** Chapter 8 “Home and Automobile Insurance”  
**Due:** Home Buying Research Project | Devotional Video - Discussion  
Risk Management |
| 6/15 Thurs.| **Read** Chapter 9 “Health and Disability Insurance”  
**Due:** Current Event #2 - Articles on any of the Risk Management Issues. Same Format as first Current Event Article. Be ready to share in class. | Devotional Current Event Presentations  
**Quiz Chapter 8 & 9** |
| 6/19 Mon   | **Read** Chapter 10 “Financial Planning with Life Insurance”  
Due: Notebooks with March Budget Results and April’s new Budget. Stock Market Game.  
**Due: Take home quiz for Chapter 10**  
Review for Exam 6-10  
Exam in Testing Center 6/19 - 6/20 | Devotional Guest Speaker - Insurance Agent  
**Notes and Questions Required** |
| 6/20 Tues. | **Read** Chapter 11 “Investing Basics”  
**Due:** Budget #2 Results with related Journal Entries and Bookkeeping. (From 6/5-6/18)  
**Take Notes** from class discussion. | Devotional Class Discussion & overview of basic investment principles. |
| 6/21 Wed.  | **Read** Chapter 12 Stocks & Bonds | Devotional Video Discussion on Investments in Stocks.
& Bonds  
**Investment Problems Part #1** |
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<th>Date</th>
<th>Activity</th>
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| 6/22 Thur.| **Review**: Chapter 12  
**Due**: Investment Problems Part #1  
Devotional  
Go over problems in class  
Investment Problems Part #2  
Related Quiz 11 & 12 |
| 6/26 Mon  | **Read** Chapter 13  
Investing in Mutual Funds  
**Due**: Investment Problems Part #2 & 3  
Devotional  
Grade Investments Problems in class - Discussion of chapter |
| 6/27 Tues | **Read** Chapter 14 “Retirement and Estate Planning”  
**Due**: Answer questions in Concept Check 14-2 pg 399.  
Due: Final Check on Financial Notebook & Stock Game.  
Devotional  
Retirement Basics  
Retirement Case Study Problem  
Short Quiz Chapters 13 & 14 |
| 6/28 Wed  | **FINAL EXAMINATION** - IN NORMAL CLASSROOM Smith  
220 - Bring a #2 Lead Pencil. Final 25% Comprehensive 75% over Chapters 11-14  
Devotional  
Retirement Basics  
Retirement Case Study Problem  
Short Quiz Chapters 13 & 14 |

**Notice #1:** Brigham Young University-Idaho is committed to providing a working and learning atmosphere which reasonable accommodates qualified persons with disabilities. If you have any disability which may impair your ability to complete this course successfully, please contact the Service for Students with Disabilities Office, 496-1158. Reasonable academic accommodation are reviewed for all students who have qualified documented disabilities. Services are coordinated with the student and instructor by this office. If you need assistance or if you feel you have been unlawfully discriminated against on the basis of disability, you may seek resolution through established grievance policy and procedures. You should contact the Personnel Office at 496-1130.

**Notice #2:** The Instructor reserves the right to change the course requirement mix and assignment due dates based on his timely evaluation of individual and class needs. (Advanced notice will be given if changes are required.)
## Stock Market Game Chart

**Initial Investment:** Total of $10,000 divided in up to three stocks of your choice.

**Rules:** Deal only in the Dow 30 stocks. (Be Honest & Ethical - No Retrospect Trading)

Must trade all your stock on Friday of each week (market value)

You can trade back to companies you have used on other weeks if you desire.

Trades/Sales are done on Friday of Each week (anytime during the day)

<table>
<thead>
<tr>
<th>Times</th>
<th>Wks &amp; Trans Dates</th>
<th>Company Held</th>
<th>Shares</th>
<th>Price Per Share</th>
<th>Total Stock Value</th>
<th>Weekly Gain/(Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>5/12 Time:</td>
<td>(Decide on the company you want to start with and divide price per share into $10,000 to determine how many shares - round up)</td>
<td></td>
<td>$10,000</td>
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<tr>
<td>2nd</td>
<td>5/19 Time:</td>
<td>(Decide on the new company you want to transfer all of your money into and divide your last weeks ending total stock value by price per share of your new company’s stock to determine number of shares...round up.)</td>
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<td>3rd</td>
<td>5/26 Time:</td>
<td>calculate same as above using the new company’s price per share.</td>
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<td>4th</td>
<td>6/2 Time:</td>
<td>calculate same as above using the new company’s price per share.</td>
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<td>5th</td>
<td>6/9 Time:</td>
<td>calculate same as above using the new company’s price per share.</td>
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<td>6th</td>
<td>6/16 Time:</td>
<td>calculate same as above using the new company’s price per share.</td>
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<td>7th</td>
<td>6/23 Time:</td>
<td>calculate same as above using the new company’s price per share.</td>
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**Net Profit:** Subtract Ending Total Amount from $10,000

**Ending Total Amount**

Starting Value: $10,000  High Week: ________  Low Week: ________  Ending Value: *  __

Net Income: **

Net Income is determined by subtracting the starting investment of $10,000 from your ending amount. Modest Prize Given to Winner of Game - determined on last day of class.