

BUSFIN 1200: Personal Finance

Autumn 2018

Classroom: Schoenbaum Hall – Room 209

Professor Derik Staufenberg

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Office: 301 Fisher Hall

Office Hours: - Mon. & Wed. 2:00PM - 3:00PM

- By appointment

Course Overview: This course is designed to teach the principles of personal finance. The course will cover personal financial management, planning, consumer financial institutions, use of credit, student loans, auto loans, insurance, and investing. **Not open to students with credit for 220, or Accounting or Finance majors.**

Recommended Texts:

- *Personal Finance* by Jeff Madura from Pearson 6th edition. The ISBN number is: 9780134426839
- *Personal Finance* by Rachel Siegel and Carol Yacht is a free open textbook hosted by the University of Minnesota: <https://open.umn.edu/opentextbooks/BookDetail.aspx?bookId=31>

Turnitin.com: All written assignments will be reviewed by Turnitin.com.

Course Resources:

1. *Course notes* are posted on the course website. Please bring your notes to class each day to participate in the class discussion.
2. *Required readings* or links to *required readings* posted on the class website. Students are expected to have completed the assigned reading before class. To encourage preparation and facilitate class discussion, the professor will call on students in class to share their insights.
3. Suggested readings related to current events will be posted periodically on the class website.
4. *Additional Resources:* Below are some national and international news resources that are relevant to the course.
 - The *Wall Street Journal* (WSJ) provides national and international news as well as detailed information on financial markets and institutions.
 - The *Financial Times* is a daily newspaper out of London with a US edition. The *Financial Times* offers a much more extensive coverage of economic and business activity outside of the United States, compared to most domestic news sources such as the WSJ.
 - The *Economist* is a weekly British news magazine that analyzes the week's events and surveys financial market developments. Its target audience includes senior executives as well as high-ranking government officials.

- *Bloomberg.com*: Bloomberg.com offers news, data, videos on a broad group of markets, asset classes and the economy.
- *Podcasts* are radio shows, stories and interviews that offer an insider's perspective on the latest financial market news.

Classroom Expectations: I expect each student to come to class **on time** and be prepared to discuss homework and/or participate in class discussions.

Electronic Devices Policy: The absence of unnecessary distractions and interruptions is essential for a positive and effective learning environment. Thus, students may not use any electronic device in class, unless explicitly permitted by the instructor. All electronic devices must be turned off and put away prior to the start of class.

Students who want to take electronic notes may do so but only if it is on a tablet device and that tablet must remain flat on the table top for the entire class time.

Basic Office Calculator (Required): Your calculator must be able to add, subtract, multiple and divide. Basic office calculators are available at the OSU Bookstore, as well as Target, Wal-Mart, on-line, etc. **Cellphone and laptop calculators are not allowed for all quizzes, midterms and the final exam.**

Seating Chart: In order to help me learn your names, I would like for each student to sit in the same seat each class. I will keep a seating chart beginning on the third day of class. I would also appreciate name tents for the first few weeks. This is to your benefit for participation points on class discussions and for attendance points.

E-mail Communication: If it is necessary to communicate with the class between class sessions, I will send an e-mail to the class. I will assume that you check your e-mail at least once every 24 hours, Monday through Friday, or talk to classmates who check their e-mails daily.

Grading:

Homework & Assignments	100 points
Quizzes (Best 5 out of 6)	50 points
Midterm 1	50 points
Midterm 2	50 points
Final Exam	50 points
<u>Participation</u>	<u>23 points</u>
Total	323 points

The grade scale is as follows (in percent):

93-100 A
90-92.9 A-
87-89.9 B+
83-86.9 B
80-82.9 B-
77-79.9 C+
73-76.9 C
70-72.9 C-
67-69.9 D+
60-66.9 D
59.9 or below E

Homework & Assignments: The assignments will be individual and group, depending on the assignment. In either case, each student or group will be working independently of all other students or groups. Professor Staufenberg will randomly assign students to groups for each group assignment. The assignments include exam-style problems, case studies discussion questions, questions related to assigned readings and completion of in-class exercises to be completed outside of class. All assignments are due at the beginning of class on the date indicated in the assignment. No late assignment will be accepted (See Course Schedule for assignments and dates). ***Please note that some assignments will be announced in-class and will not be listed in the syllabus.***

Each assignment grade will contribute equally towards the Assignments component grade.

Quizzes: There are 6 quizzes over the course of the semester. Quizzes will take place during the first 20 minutes of class on the dates in the course schedule. Students who arrive late to class may take the quiz but will not be given extra time. The lowest quiz score will be dropped. The remaining quiz scores will contribute equally towards the total quiz grade.

Midterms & Final Exam: There will be two midterms and a final exam. The midterms and final exam will be non-cumulative.

- Midterm 1 – Tuesday, September 18th
- Midterm 2 – Tuesday, October 23rd
- Final Exam – Tuesday, December 4th

There will be no make-up midterms nor final exam unless with my permission prior to the exam with evidence of an emergency (e.g. hospitalization) that prevented you from obtaining such permission. If you miss a midterm without my permission, then you will receive a zero for that component of the grade.

Exam rules: You should be in your seat 5 minutes before the exam starts. All electronic devices other than your calculator must be turned off and put away during exams. All other course materials must be out of sight. All hats and hoods must be off your head. Your exam grades will be posted on Canvas.

Participation: My expectation is that everyone in this class will attend every class and be on time. You can miss up to 3 non-midterm/final exam class days without affecting your participation grade. Each additional class that you miss will result in a 10% reduction to your participation grade. Attendance will be taken through Top Hat: tophat.com. Instructions in how to sign-up for Top Hat will be given on the first day of class. You are expected to come to class having read the required textbook sections and Canvas reading assignments.

There will be a Board Problem assigned at the end of most lectures for discussion at the start of the next class. I will randomly select a student to solve the problem on the board and present the solution to the class. Failure to prepare the board problem will negatively affect the participation grade, while active engagement in the board problem discussion will be rewarded. Note that this will be evaluated by effort, not by correctness.

Extra Credit/Grade Change Policy: Extra credit will not be offered unless it is available to the entire class. For example, if a student wishes to improve his or her grade at the end of the course, extra credit will not be available for this purpose, as it unfairly penalizes students who have consistently worked hard throughout the course. *This policy is strictly enforced.*

Financial Products Disclaimer: All of the financial products that we will be using in class are not products I am promoting professionally or personally, they are chosen as examples.

Administrative Points

Notification of Scores and Final Grades:

The results of any graded materials, including final grades, WILL NOT be given by the instructor to individual students via phone, US post, e-mail, or verbally in person. Materials submitted for grading throughout the term will be returned to students generally within one week after submission. Students with invalid absences on the return date must retrieve their materials at the instructor's office. Students may obtain their final grades online by accessing the University Registrar link.

Office of Disability Services (ODS)

Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Office for Disability Services at 614-292-3307 in room 089 Baker Hall to coordinate reasonable accommodations for students with documented disabilities.

The stated schedule (shown below) and procedures in this course are subject to change in the event of extenuating circumstances. Continued enrollment in this course will indicate that the student has carefully read the syllabus and assumed responsibility for meeting course requirements.

Appeals:

Grading errors should be corrected. Appeals must be in writing within one weeks after the graded work is made generally available—not the date you first look at it. If the end of term is within the one week period, the one week will start at the beginning of the next term. In general, the entire document will be checked for grading errors, and correcting these could either raise or lower the overall score.

Academic Integrity and Conduct:

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute "Academic Misconduct."

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct, so Professor Staufenberg recommends that students review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct. (Students can find the full Code at http://studentlife.osu.edu/pdfs/csc_12-31-07.pdf)

If Professor Staufenberg suspects that a student has committed academic misconduct in this course, he is obligated by University Rules to report his suspicions to the Committee on Academic Misconduct.

Absences and Make-Ups:

It is the sole responsibility of absent students to obtain any missed class notes, handouts, etc. If you have a valid family, health or safety emergency, please contact the instructor PRIOR to the assignment deadline. Unexcused absences will result in a grade of zero (0) for any missed assignments.

Disenrollment:

University Rule 335-8-33 provides that a student may be disenrolled after the third instructional day of the semester/term, the first Friday of the semester/term or the student's second class session of the course, whichever occurs first, if the student fails to attend the scheduled course without giving prior notification to the instructor.

As a reminder, The University and College expectation is that students spend two hours outside of class for every hour spent in class. Since this course meets almost 3 hours per week, you should expect to spend around 6 hours per week outside of class on course-related work.

Tentative Class Schedule

The following schedule is tentative and subject to change based on how the class progresses.

Day	Topic
Week 1 Aug. 21, Tues. & Aug. 23, Thurs.	<ul style="list-style-type: none"> Intro., Course Overview, Financial Literacy Overview of a Financial Plan Homework: Take the Financial Literacy Quiz and bring in your answers to class on Tuesday, August 28th.
Week 2 Aug. 28, Tues. & Aug. 30, Thurs.	<ul style="list-style-type: none"> Planning with Personal Financial Statements & Budgeting In-Class Budgeting Assignment Quiz 1: On Thursday, August 30th Homework FinTECH Company Comparison: <i>Mint & Goodbudget Due Tuesday, September 4th</i>
Week 3 Sept. 4, Tues. & Sept. 6, Thurs.	<ul style="list-style-type: none"> Applying Time Value Concepts Using Tax Concepts for Planning
Week 4 Sept. 11, Tues. & Sept. 13, Thurs.	<ul style="list-style-type: none"> Overview of Financial Institutions: Consumer Banks, Credit Unions Types of Bank Accounts, Peer to Peer Lenders, Pay Day & Title Loans Featured FinTech Companies: <i>SoFi & LendingClub</i> Quiz 2: On Thursday, September 13th Homework FinTECH Company Comparison: <i>Chime & Simple Due Tuesday, September 18th</i>
Week 5 Sept. 18, Tues. & Sept. 20, Thurs.	<ul style="list-style-type: none"> Midterm 1 on Tuesday, September 18th Assessing and Securing Your Credit, Credit Scoring – FICO

Day	Topic
Week 6 Sept. 25, Tues. & Sept. 27, Thurs.	<ul style="list-style-type: none"> Managing Your Credit Loans: Auto, Personal, Student Payday loans Unsecured Consumer Credit Featured FinTech Company: <i>Credit Karma</i> Homework FinTECH Company Comparison: <i>Earnest & Prosper Due Tuesday, October 2nd</i>
Week 7 Oct. 2, Tues. & Oct. 4, Thurs.	<ul style="list-style-type: none"> Auto, Renter and Homeowners Insurance Life Insurance : Term, Whole and Universal Life Insurance Featured FinTech Companies: <i>PolicyGenius & Metromile</i> Quiz 3: On Thursday, October 4th
Week 8 Oct. 9, Tues.	<ul style="list-style-type: none"> Guest Speaker: Hans Schell - State Farm Insurance Agent
Week 9 Oct. 16, Tues. & Oct. 18, Thurs.	<ul style="list-style-type: none"> Intro. to Home Mortgages, HELOCs and Housing Bubble Featured FinTech Companies: <i>Point</i> Watch in-class the CNBC Video Special: House of Cards video on Sub-Prime Mortgage loans. Please write a one-page summary <i>Due Tuesday, October 23rd</i> Quiz 4: On Thursday, October 18th
Week 10 Oct. 23, Tues. & Oct. 25, Thurs.	<ul style="list-style-type: none"> Midterm 2 on Tuesday, October 23rd Guest Speaker: Dan Oglevee - Entrepreneurship
Week 11 Oct. 30, Tues. & Nov. 1, Thurs.	<ul style="list-style-type: none"> Investing Fundamentals Investing in Stocks Investing in Bonds Featured FinTech Company: <i>Acorns</i>

Day	Topic
Week 12 Nov. 6, Tues. & Nov. 8, Thurs.	<ul style="list-style-type: none"> • Guest Speaker: Steven VonSchriltz - Kensington Wealth Partners - Director of Investment Services • Investing in Mutual Funds • Asset Allocation & Robo Advisors • Featured FinTech Company: <i>Betterment</i> • Quiz 5: On Thursday, November 8th
Week 13 Nov. 13, Tues. & Nov. 15, Thurs.	<ul style="list-style-type: none"> • Retirement Planning: 401(k) and IRAs • Later in life events: 529 Plans & Estate Planning • Featured FinTech Companies: <i>Vault & Collegebacker</i>
Week 14 Nov. 20, Tues.	<ul style="list-style-type: none"> • Guest Speaker: Mary Beth McCormick - Real Estate & The Fisher Real Estate Minor
Week 15 Nov. 27, Tues. & Nov. 29, Thurs.	<ul style="list-style-type: none"> • Guest Speaker: Frank Sberna - Wright-Patt Credit Union Financial Advisor • Debt Reduction Strategies • Student Loan Refinancing & Repayment Assistance • Featured Company: <i>GreenPath</i> • Quiz 6 On Thursday, November 29th <p>Homework FinTECH Company Comparison: <i>CommonBond & Tuition.IO Due Tuesday, December 4th</i></p>
Week 16 Dec. 4, Tues.	<ul style="list-style-type: none"> • Final Exam on Tuesday, December 4th