

Approved 2-6-07  
Senate Info. 2-27-07

06-33

**Undergraduate Distance Education Review Form**

(Required for all courses taught by distance education for more than one-third of teaching contact hours.)

**Existing and Special Topics Course**

**Course: CNSV 315 Consumer Economics and Family Finance**

**Instructional(s) of Record: Dr. Sally M. McComb**

**Phone: 7.4412**

**Email: smccomb@iup.edu**

**Step One: Proposer**

A. Provide a brief narrative rationale for each of the items, A1- A5.

1. How is/are the instructor(s) qualified in the distance education delivery method as well as the

discipline?



Forward form and supporting materials to Liberal Studies Office for consideration by the University-wide

Undergraduate Curriculum Committee. Dual-level courses also require review by the University-wide

**Step Three: University-wide Undergraduate Curriculum Committee Approval**

Recommendation:  Positive (The objectives of this course can be met via distance education)

Negative

Gail S. Schmitt  
Signature of Committee Co-Chair

2/6/07  
Date

Forward form and supporting materials to the Provost within 30 calendar days after received by committee.

**Step Four: Provost Approval**

Approved as distance education course

Rejected as distance education course

Ch. Simons  
Signature of Provost

2/9/07  
Date

1. How is/are the instructor(s) qualified in the distance education delivery method as well as the discipline?

Dr. Sally M. McCombie's area of expertise is Family and Consumer Sciences. She took an intensive 2-day workshop entitled Family Economics & Financial Education during the summer of 2006 to update her content knowledge. Dr. McCombie currently teaches another

on-line course, CANS101 Personal and Family Management. She offered this course

on-line for the first time during the summer of 2006. She completed WebCT training during

**6. Understand consumer rights and responsibilities.**

Consumer rights and responsibilities are integrated into each major topic. Students will also be posed with discussion questions concerning consumer rights and responsibilities. Some of the case studies will call upon the understanding of these rights and

4. How will instructor-student and student-student, if applicable, interaction take place?

Students will be required to actively participate in on-line discussions. There will be questions embedded in the notes as well as weekly postings by the instructor. The instructor will facilitate the discussions. Students will participate in chat room discussions within groups assigned to work on designated activities. The instructor will be available at regular times for contact via telephone, email or chat room.

5. How will student achievement be evaluated?

Multiple assessment techniques will be implemented to evaluate student achievement including:

- Timed exams using WebCT with password protection
- Group project
- Individual project
- Discussion contributions

6. How will academic honesty for tests and assignments be addressed?

The on-line quizzes will be designed in a manner such that items are randomly numbered

**DE SYLLABUS**

CS 315 (801) Consumer Economics and Family Finance

TEXT: Personal Finance, Garman/Forgue, 8<sup>th</sup> Edition, Houghton/Mifflin, 2006.

~~McGraw-Hill Financial Planning, Garman/Forgue, Houghton/Mifflin, 2006~~

**OBJECTIVES:** During the study of Consumer Economics and Family Finance each students will:

1. Understand basic terminology and concepts.
2. Apply fundamental economic principles
3. Become acquainted with publications which pertain to the consumer.
4. Acquire knowledge of family finance—i.e. budgeting, credit, insurance, home ownership, wills and estates, taxes
5. Communicate and apply facts to everyday situations.
6. Understand consumer rights and responsibilities

AREAS OF STUDY: The course is responsive to changing economic conditions.

- I. Basic Economic (2 weeks)
  - a. Basic economic facets and problems
  - b. Terminology
  - c. Production
    - i. Supply and demand
    - ii. Price
    - iii. Elasticity
    - iv. Law of diminishing returns
  - d. GNP
  - e. Incomes

- i. Capital
- ii. Specialization
- iii. Money
- iv. Inflation-recession

- g. The consumer
  - i. History of the movement
  - ii. Welfare

- iv. Advertising. Packaging
- v. Motivational research

- h. Consumer agencies
  - i. Federal and state
  - ii. Private

- II. Income and budgeting (1 week)
  - a. Income vs. occupation
  - b. Budgeting
    - i. Forms
    - ii. Purposes

- c. Buying on the installment plan
  - i. Protection for seller
  - ii. "Let the buyer beware"
- d. Government regulations
  - i. Truth-in-Lending
  - ii. Equal Credit Opportunity
  - iii. Fair Credit Reporting
  - iv. Fair Credit Billing
  - v. Fair Debt Collection Practices

IV. Borrowing (1 week)

- a. Shopping for a loan
  - i. Obtaining credit
  - ii. Choosing a lender-advantages vs. disadvantages
- b. Cost of the loan

V. Using your bank (1/2 week)

- a. National vs. state

- d. Transferring funds
- e. Obtaining a loan
- f. New trends in banking
- g. Electronic banking

VI. Savings (1/2 week)

- a. Commercial banks
- b. Savings banks
- c. Savings and loan
- d. Credit unions
- e. Savings bonds

VII. Life Insurance (1/2 week)

- a. Terminology
- b. Questions to ask
- c. Policies
  - i. Term
  - ii. Straight Life
  - iii. Combination policies



- a. Protection provided
- b. Categories
  - i. Hospital expense
  - ii. Surgical
  - iii. Limited medical
  - iv. Major medical
  - v. Comprehensive
  - vi. Disability
- c. Rising costs/ catastrophic coverage
- d. Nursing homes

IX. Property and Automobile insurance (1 week)

a. Terminology

b. Smaller policies available to home

- i. Liability
- ii. Burglary and theft
- iii. Fire
- iv. Property

c. Homeowner's policy

d. Coinsurance

e. Autos

- i. Liability vs. physical damage
- ii. PA law

- XII. Buying a home (1 week)
  - a. Terminology
  - b. Advantages vs. disadvantages
  - c. Points to consider before you buy
  - d. Mortgages
    - i. Kinds
    - ii. Sources of loans
  - e. Co-ops vs. Condominiums

- XIII. Taxes (1 week)
  - a. Filing a return
  - b. Exemptions vs. deductions
  - c. Taxable and non-taxable income
  - d. Capital gain or capital loss

- XIV. Investments (1 week)
  - a. Reading the financial press

- i. Terminology
- ii. Government and corporate
- iii. The exchanges

- c. Risks and returns
- d. Decision-making

**METHODS OF PRESENTATION:** Course material, quizzes, and assignments will be presented through WebCT. The discussion tool will be used to facilitate discussion participation. Students will be expected to participate in discussion.

REQUIRED TEXTS: Personal Finance, Garman/Forgue, 8<sup>th</sup> Edition, Houghton/Mifflin, 2006.

My Personal Financial Planner, Garman/Forgue, Houghton/Mifflin, 2006.

**COURSE SCHEDULE**

*I hope to maintain the following schedule, however, circumstances may require changes. Any changes*

Week of July 09

**Module 1**

Introduction to Course

The Importance of Financial Planning

Income and Budgeting

Taxes

Savings

Banking

July 13

**First Quiz-Chapters 1,2,3,4,5**

Week of July 16

**Module 2**

Borrowing

Buying a Home

Automobile and Other Major Purchases

July 20

**Second Quiz-Chapters 6,7,8,9**

Additional Resources:

[www.bls.gov](http://www.bls.gov) (inflation and consumer price index)

[www.bankrate.com](http://www.bankrate.com)

[www.treasurydirect.gov](http://www.treasurydirect.gov)

[www.globalindicators.org](http://www.globalindicators.org)

[www.bea.doc.gov](http://www.bea.doc.gov) (gross domestic product)

**SYLLABUS OF RECORD**

CS 315 Consumer Economics and Family Finance

TEXT: Personal Finance, Garman/Forgue, 8<sup>th</sup> Edition, Houghton/Mifflin, 2006.

Personal Finance Handbook, A Guide to Personal Finance, 11<sup>th</sup> Edition

**OBJECTIVES:** During the study of Consumer Economics and Family Finance each students will:

1. Understand basic terminology and concepts.

- a. Income vs. occupation
- b. Budgeting
  - i. Forms
  - ii. Purposes
  - iii. Categories and expenditures

c. Income Management

- ii. Decision-making techniques

XVII. Use of Credit (1 week)

- a. Charge accounts
- b. Credit cards
  - i. Establishing credit
  - ii. Women and credit
  - iii. Function of credit bureaus
- c. Buying on the installment plan
  - i. Protection for seller
  - ii. "Let the buyer bewate"
- d. Government regulations
  - i. Truth-in-Lending
  - ii. Equal Credit Opportunity
  - iii. Fair Credit Reporting
  - iv. Fair Credit Billing
  - v. Fair Debt Collection Practices

XVIII. Borrowing (1 week)

- a. Shopping for a loan
  - i. Obtaining credit
  - ii. Choosing a lender-advantages vs. disadvantages

b. Cost of the loan

XIX. Using your bank (1/2 week)

- c. Savings and loan
- d. Credit unions
- e. Savings bonds

XXI. Life Insurance (1/2 week)

- a. Terminology
- b. Questions to ask

c. Policies

- i. Term

- iii. Combination policies
- iv. Universal life

d. New regulations

XXII. Health Insurance (1/2 week)

- a. Protection provided
- b. Categories
  - i. Hospital expense
  - ii. Surgical
  - iii. Limited medical
  - iv. Major medical
  - v. Comprehensive
  - vi. Disability

c. Rising costs/ catastrophic coverage

- d. Nursing homes

- ii. Basic benefits—all age groups
- iii. Medicare
- b. Annuities and pensions
  - i. Immediate annuities
  - ii. Deferred annuities
  - iii. Zero vs. fully funded
  - iv. IRA, Keogh, other options
- c. Life-care retirement

**XXV Estate planning (1 week)**

- a. Terminology
- b. Wills
- c. Regulation of estate planning
- d. Estate taxes
- e. Use of trusts

**XXVI Buying a home (1 week)**

- a. Terminology
- b. Advantages vs. disadvantages
- c. Points to consider before you buy
- d. Mortgages
  - i. Kinds
  - ii. Sources of loans
- e. Co-ops vs. Condominiums

**XXVII. Taxes (1 week)**

- a. Filing a return
- b. Exemptions vs. deductions
- c. Taxable and non-taxable income
- d. Capital gain or capital loss

**XXVIII. Investments (1 week)**

- a. Reading the financial page
- b. Securities and securities markets
  - i. Terminology
  - ii. Government and corporate
  - iii. The exchanges
- c. Risks and returns
- d. Designing a portfolio



**METHODS OF PRESENTATION:** Course material, quizzes, and assignments will be presented through WebCT. The discussion tool will be used to facilitate discussion participation. Students will complete a personal financial planner.

**EVALUATION METHODS:** Graded assignments, quizzes, and exams.

90%-100% = A  
80%-89% = B  
70%- 79% = C  
60%-69% = D  
Below 60% = F

**REQUIRED TEST:** Personal Finance, Garman/Forgue, 8<sup>th</sup> Edition, Houghton/Mifflin, 2006.

Peterson, Esther, Choice Time: Thinking Ahead on Long-Term Care, 1987, Aetna Life Insurance & Annuity Co.

Cherry, H. The Experience of Aging 1988 Auburn House Publishing Co.

## Sample Lesson from Module 1

### Introduction to Consumer Economics and Family Finance

#### Lesson Objectives:

Students will be able to:

- List some benefits of studying personal finance
- Summarize the six key steps in successful personal financial planning
- Explain fundamental economic considerations that affect decision making in personal finance

The least efficient way to learn about personal finance is through experience. While the lea

Inflation  
Interest  
Marginal tax rate  
Opportunity cost  
Personal finance  
Present value  
Pretax dollars  
Purchasing power  
Qualified retirement plan  
Rule of  
Tax-sheltered income

~~Time value of money~~

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