



Western Technical College

## 10114123 Personal Investing

### Course Outcome Summary

#### Course Information

<b>Description</b>	Students will review the basics of personal investing. Bonds, stocks, and mutual funds will be evaluated as part of a personal investment plan. Various tools of retirement planning will be explored, including 401(K)'s, 403(B)'s, and IRA's.
<b>Career Cluster</b>	Finance
<b>Instructional Level</b>	Associate Degree Courses
<b>Total Credits</b>	1
<b>Total Hours</b>	18

#### Textbooks

*MindTap for Personal Finance Tax Update*. 13th Edition. Copyright 2021. Garman, E. Thomas and Raymond E. Forgue. Publisher: Cengage Learning. **ISBN-13:** 978-0-357-43888-6. Required.

#### Success Abilities

1. Cultivate Passion: Expand a Growth-Mindset
2. Cultivate Passion: Increase Self-Awareness
3. Live Responsibly: Develop Resilience
4. Live Responsibly: Foster Accountability
5. Refine Professionalism: Act Ethically
6. Refine Professionalism: Improve Critical Thinking
7. Refine Professionalism: Practice Effective Communication

#### Program Outcomes

1. Create reports.
2. Analyze financial statements.
3. Analyze investments.

4. Develop short and long term personal goals.
5. Demonstrate an understanding of the role of financial institutions.

## **Course Competencies**

### **1. Examine investing fundamentals.**

#### **Assessment Strategies**

- 1.1. Written Exam (score 70% or higher)
- 1.2. Risk/return project
- 1.3. Risk component project
- 1.4. Basic Investing written product

#### **Criteria**

*You will know you are successful when*

- 1.1. you correctly identify the terms and definitions associated with the basics of investing.
- 1.2. you examine the balance between investment returns and the risk associated with those returns.
- 1.3. you match up the various elements of investing risk with specific scenarios.
- 1.4. you understand the concept of diversification.

#### **Learning Objectives**

- 1.a. Explain the importance of setting up an investment program.
- 1.b. Describe how risk, income, growth, and liquidity impact your investment choices.
- 1.c. Explore ways to reduce investment risk.

### **2. Evaluate bonds as an investment.**

#### **Assessment Strategies**

- 2.1. Written Exam (score 70% or higher)
- 2.2. Bond return project
- 2.3. Bonds written product

#### **Criteria**

*You will know you are successful when*

- 2.1. you correctly identify the terms and definitions associated with bonds.
- 2.2. you calculate the taxable equivalent yield and the yield to maturity on bonds.
- 2.3. you explain how conversion rates on bonds work.
- 2.4. you calculate the amount of interest on bonds.
- 2.5. you understand the concept of market pricing of bonds.
- 2.6. you understand the importance of bond ratings.

#### **Learning Objectives**

- 2.a. Explain the advantages and disadvantages of government bonds.
- 2.b. Explain the advantages and disadvantages of corporate bonds.
- 2.c. Explain the advantages and disadvantages of municipal bonds.

### **3. Evaluate stocks as an investment.**

#### **Assessment Strategies**

- 3.1. Written Exam (score 70% or higher)
- 3.2. Stock classification project
- 3.3. Stock portfolio written product

#### **Criteria**

*You will know you are successful when*

- 3.1. you correctly identify the terms and definitions associated with stocks.
- 3.2. you successfully match up the classification of stock with the appropriate scenario.
- 3.3. you understand where to research stock information
- 3.4. you are able to calculate various stock formulas.
- 3.5. you are able to describe the process of trading stocks.

### **Learning Objectives**

- 3.a. Identify important features of common stock.
- 3.b. Identify important features of preferred stock.
- 3.c. Explain how to evaluate stock as an investment.
- 3.d. Analyze the numerical measures that impact the value of stock.
- 3.e. Describe the process of stock trading.
- 3.f. Explain stock trading techniques.

## **4. Evaluate mutual funds as an investment.**

### **Assessment Strategies**

- 4.1. Written Exam (score 70% or higher)
- 4.2. Mutual Funds project
- 4.3. Mutual Funds written product

### **Criteria**

*You will know you are successful when*

- 4.1. you correctly identify the terms and definitions associated with mutual funds.
- 4.2. you successfully determine the type of mutual fund given certain information.
- 4.3. you understand how to research various mutual funds.
- 4.4. you explain the difference between a closed-end and open-end mutual fund.
- 4.5. you understand the difference between a load fund and a no-load fund.

### **Learning Objectives**

- 4.a. Explain the characteristics of mutual funds.
- 4.b. Classify mutual funds by investment objective.
- 4.c. Evaluate the advantages and disadvantages of mutual funds.
- 4.d. Explain the process of investing in mutual funds.

## **5. Investigate retirement planning.**

### **Assessment Strategies**

- 5.1. Written Exam (score 70% or higher)
- 5.2. Retirement written product

### **Criteria**

*You will know you are successful when*

- 5.1. you correctly identify the terms and definitions associated with retirement planning.
- 5.2. you identify retirement planning misconceptions.
- 5.3. you identify various sources of retirement income.
- 5.4. you explain the different accounts used to save for retirement.
- 5.5. you determine the amount of savings necessary to retire given certain information.

### **Learning Objectives**

- 5.a. Analyze current financial situation and relate it to retirement goals.
- 5.b. Estimate retirement income and expenses and create a retirement budget.
- 5.c. Calculate current savings needs to reach retirement goals.