

**RARITAN VALLEY COMMUNITY COLLEGE**  
**Risk and Financial Management BUSI-156**

**I. Basic Course Information**

- A. Course Prefix and Title: Risk and Financial Management BUSI-156
- B. Date: February 2005
- C. Sponsoring Department: Business and Public Service
- D. Semester Credit Hours: 3
- E. Weekly Contact Hours: 3                      Lecture 3  
   Laboratory 0
- F. Prerequisites: None
- G. Laboratory Fees: None

**II. Catalog Description**

This course introduces the fundamental principles of risk and financial management. Content focuses on insurance, consumer and trade credit, budgeting, banking, investing, loans, and other financial considerations facing owners of small business.

**III. Statement of Course Need**

Risk represents a potential danger to investors, business owners and corporate analysts. The ability to recognize, estimate, and develop plans to deal with risk is vital to anyone in the financial field. This course is an integral component of the Financial Services Option.

**IV. Place of Course in College Curriculum**

Required course in AAS Financial Services  
Free Elective

As posted on NJ Transfer, this course will transfer to most institutions as an elective.

## **V. Course Outline:**

- Fundamentals and terminology
- Loss exposure
- Risk management essentials
- Insurance regulations and contracts
- Basic property and liability insurance contracts
- Commercial property insurance
- Bonding, crime insurance and reinsurance
- Life insurance policies and annuities
- Medical Expense and disability insurance
- Employees benefits
- Social Security
- Unemployment and workers compensation insurance
- The role and goals of financial management
- Organizational business structure
- Financial statements, cash flows and taxes
- Profit, profitability and break-even analysis
- Capital financing
- Time value of money
- Working Capital
- Capital budgeting
- The financial marketplace
- Portfolio development
- Stocks, bonds, mutual funds, and annuities
- Wills and estate planning
- Selling a small business

## **VI. General Education Goals and Student Learning Outcomes**

### General Education Goals

Students will:

- A. Evaluate the risks involved with launching a new business venture. (G.E. 1)
- B. Communicate effectively by presenting a financial plan for a small business. (G.E. 2)
- C. Interpret financial statements for small businesses and to evaluate issues dealing with risk management. (G.E. 7)
- D. Reason quantitatively with respect to risk and financial management in order to calculate the risk for starting a new business. (G.E. 7)

## Student Learning Outcomes

Students will be able to:

- A. Identify the basic risk management concepts and terminology.
- B. Examine the commercial aspects of the insurance industry.
- C. Identify the variety of business issues dealing with risk management.
- D. Compare the relationship between the law, risk management and insurance as it applies to small businesses.
- E. Identify how insurance solves problems for business firms, individual consumers, and society.
- F. Identify basic lifetime financial objectives.
- G. Produce an investment philosophy that achieves the goals of the firm.
- H. Explain the principles of the Securities Markets.

## VII. Modes of Teaching

- Lecture/ Discussion
- Student Presentations

## VIII. Methods of Assessment

- Examinations
- Presentations
- Class Participation

## IX. Grade Determination

Presentations, examinations, class participation will be used to assess the students according to the learning outcomes and general education goals listed above.

## X. Suggested Materials

Dorfman, M.S., Introduction to Risk Management, Prentice Hall, Latest

Adelman & Marks, Entrepreneurial Finance, Prentice Hall, Latest

## XI. Resources

CATT room preferred.