

COLLEGE OF MICRONESIA – FSM
Kolonia, Pohnpei, FM 96941

BUSINESS MATHEMATICS
 Course Title

BU/MS 110
 Dept. & No.

Course Description:

The emphasis of the course is on the understanding of basic business math. This includes graphs, equations, ratio and proportion, percentage, and measurement systems to solve typical business problems such as the calculation of trade and cash discounts, markups, taxes, employee compensation, simple and compound interest, depreciation, inventory valuation, bonds and stocks, basic financial statement analysis, and business statistics.

Course prepared by: Charles Musana, Division of Business Administration

	Hours per week	x	Number of weeks	=	Total hours	=	Semester credits	
Lecture	<u>3</u>	x	<u>16</u>	=	<u>48/16</u>	=	<u>3</u>	
Laboratory	_____	x	_____	=	_____	=	_____	
Workshop	_____	x	_____	=	_____	=	_____	
Total Semester Credits							=	<u>3</u>

Purpose of Course: Degree Requirement x
 Degree Elective _____
 Certification _____
 Remedial _____
 Other _____

Prerequisite Courses:

College Algebra – MS 100 (pre- OR co-requisite)

 Signature, Chairperson Curriculum Committee

 Date approved by Committee

 Signature, President COM-FSM

 Date approved by President

I. Course Description

The emphasis of the course is on the understanding of basic business math. This includes graphs, equations, ratio and proportion, percentage, and measurement systems to solve typical business problems such as the calculation of trade and cash discounts, markups, taxes, employee compensation, simple and compound interest, depreciation, inventory valuation, bonds and stocks, basic financial statement analysis, and business statistics.

II. Specific Objectives

After completion of this course, students will be able to:

- balance a checkbook, and reconcile a bank statement
- change percents to and from fractions and decimals
- calculate percent increase and decrease
- prepare an invoice, enter the quantity(s) and prices, apply trade or cash discounts and find the total for the invoice
- calculate the mark up and mark up rate
- calculate employee gross pay; apply deductions and taxes, and calculate the net pay for hourly and salary employees using FSM tax laws and tax rates
- prepare FSM gross revenue tax forms, payroll tax forms and file such forms
- value ending inventory using various valuation methods
- prepare Income Statements, Statements of Owner's Equity and Balance Sheets for service and merchandising businesses
- define loan date, due date, principal, and rate. Calculate simple interest using exact and ordinary time period
- calculate interest, given the interest rate, principal, and time
- solve statistical problems using frequency distribution, graphs, mean, median, mode, and standard deviation

III. Course Content

- i. Check book and bank reconciliation.
- ii. Percents, changes percents to and from fractions. Percent increase and decrease.
- iii. Invoices; quantity, unit price, extension, cash and trade discount and invoice total.

- iv. Pricing the merchandise and services: mark up and mark down.
- v. Payroll; gross pay, deductions, taxes and net pay for the hourly and salary employees.
- vi. FSM gross revenue tax and payroll taxes.
- vii. Ending inventory valuation.
- viii. Financial statements for service and merchandising business.
- ix. Loans, simple interest with ordinary and exact time period.
- x. Interest, interest rate, principal, and time period.
- xi. Business statistics: frequency distribution, graphs, standard deviation

IV. Texts and References

Text:

Mathematics for Business Sixth Edition by Stanley A. Salzman

Published by: Adley Wesley Longman (1998)

References:

Handouts of FSM Payroll Tax Laws and Tax Rates

Handouts of FSM Gross Revenue Tax Laws and Tax Rates

V. Methods of Instruction

Lecture, projects, practice sets, individual and group assignments

VI. Evaluation

Grades will be assigned based on the following percentage of total points received from tests, projects, quizzes, practice sets, the mid-term examination and the final examination:

A	90% to 100%
B	80% to 89%
C	70% to 79%
D	60% to 69%
F	59 % and below

VII. Attendance Policy

The COM-FSM Attendance Policy will be observed.