

BUS 146: PRINCIPLES OF MONEY MANAGEMENT

Citrus College Course Outline of Record

Heading	Value
Effective Term:	Fall 2024
Credits:	3
Total Contact Hours:	54
Lecture Hours :	54
Lab Hours:	0
Hours Arranged:	0
Outside of Class Hours:	108
Total Student Learning Hours:	162
Transferable to CSU:	Yes
Transferable to UC:	Yes - Approved
Grading Method:	Standard Letter

Catalog Course Description

This course is an introduction to the principles of money management. Students examine their personal relationships with money and explore the psychological, sociological, and physiological factors that influence financial decisions. Emphasis is placed on financial goal setting, culminating in the development of a personal budget and financial plan. Other topics include income generation and career planning; effective spending decisions including major consumer purchases and real estate; savings strategies; credit building; insurance; retirement and estate planning; investment options; and the interrelationships among financial, social, physical, and mental health. This course is intended for all students interested in personal finance and money management. 54 lecture hours.

Course Objectives

- Assess the impact of social security, tax advantaged accounts, and lifestyle decisions on individuals' circumstances at retirement.
- Examine the role that personal and social values play in the setting of financial goals and budgeting for an individual and/or family.
- Evaluate one's individual financial performance by analyzing income, expenses, savings, and debts.
- Discuss the role of debt in society and strategies for effectively managing credit to achieve financial goals.
- Calculate personal financial net worth.
- Define personal financial goals for the individual and/or family.
- Appraise insurance needs.
- Explain the importance of developing and maintaining strong personal credit.
- Analyze and interpret a credit bureau report.
- Compare and contrast the characteristics of investment vehicles such as stocks, bonds, and mutual funds.
- Examine the interrelationships among financial, social, physical, and mental health.

Major Course Content

1. Foundations of financial planning
 - a. Defining financial success
 - b. Importance of planning
 - c. Planning across the lifespan
 - i. Career choice and development
 - ii. Life stages and financial concerns
 - d. Time value of money (TVM)
 - e. Role of financial advisors
2. Importance of financial planning
 - a. Individual attitudes towards money
 - b. Personal and social financial values
 - c. Effects of wealth and debt
 - i. Psychological
 - ii. Emotional
 - iii. Social
 - iv. Physical
3. Techniques of financial planning
 - a. Recordkeeping
 - b. Financial record management
 - c. Financial statements
4. The income and expense statement
 - a. Income sources
 - b. Discretionary expenses
 - c. Living/nondiscretionary expenses
 - d. Recording financial activity
 - e. Measuring current financial performance
 - f. Evaluating financial activity patterns
5. The balance sheet
 - a. Assets
 - b. Liabilities
 - c. Calculating net worth
 - d. Evaluating net worth
6. Financial goal setting
 - a. Needs vs. wants
 - b. Current vs. future consumption
 - c. Short-term vs. long-term goals
 - d. Prioritizing
 - e. Components of an effective financial goal
7. The budget/financial plan
 - a. Income sources
 - b. Income taxes
 - c. Savings/investments
 - d. Expenses
 - i. Categorizing expenses
 - ii. Estimating dollar amounts
 - e. Evaluation
 - i. Budgeted vs. actual amounts
 - ii. Variance analysis
 - iii. Financial performance
 - iv. Goal re-evaluation
 - v. Budget adjustments
8. Cash and credit management

- a. Checking accounts
- b. Savings accounts
- c. Revolving debt (credit cards)
- d. Credit
 - i. Types of credit
 - ii. Establishing and maintaining a credit history
 - iii. Credit ratings
 - iv. Credit bureau reports
 - v. Getting out of debt
9. Major consumer purchases
 - a. Car
 - b. Home
 - c. Financing options
10. Taxes
 - a. Types
 - b. Income tax filing
 - c. Tax planning
 - d. Economic and social aspects
11. Insurance
 - a. Purpose
 - b. Types
 - c. Relationship to physical and mental health
12. Retirement and estate planning
 - a. Psychological, physical, and sociological effects of aging and retirement
 - b. Retirement planning
 - i. Estimating income in retirement
 - ii. Estimating financial needs in retirement
 - iii. Retirement savings/investment vehicles
 - c. Estate planning
 - i. Wills
 - ii. Trusts
 - iii. Estate taxes
13. Investments
 - a. Objectives
 - b. Sources of information
 - c. Trading methods
 - d. Principles
 - i. Investor and market behavior
 - ii. Risk and return
 - iii. Diversification
 - iv. Investment philosophy
 - v. Portfolio mix and stage of life
 - e. Types
 - i. Stocks
 - ii. Bonds
 - iii. Mutual funds
 - iv. Other types (e.g. real estate; collectables)

Examples of Required Writing Assignments

An essay on one's personal money history, and essay on the role and meaning of money in one's personal life.

Students will produce a 35 to 45 page Personal Life and Financial Plan Portfolio that will be worked on through the semester.

Examples of Outside Assignments

Students will produce a 25 to 35 page Personal Life and Financial Plan Portfolio that will be worked on through the semester.

Writing assignments such as an Educational plan and a statement of personal goals.

Instruction Type(s)

Lecture, Online Education Lecture

Suggested Reading Other Than Required Textbook

The Millionaire Next Door, by Thomas J Stanley and William Danko.
 Smart Women finish Rich, by David Bach