

UC Santa Cruz

COWL52 PERSONAL FINANCE AND INVESTING

Syllabus

Instructor Patricia Kelly pmkelly@UCSC.edu

Office Hours by appointment, or after Live Zoom sessions

TAs/Readers See Module One "TAs"

Live Lectures on Zoom TBD

Final Online, no ProctorU

Units: 5-Units

(Updated July 25, 2025)

Course Overview

A survey of the financial responsibilities young adults take on after college. Topics covered include compensation, taxes, budgeting, banking and savings, credit, insurance and investing. Ubiquitous terms, such as 401(k), will be defined and financial principles applied to personal financial decision making.

The course provides a framework for managing personal finances and investments. The course follows a path from negotiating your first compensation package, paying your taxes to creating a budget. Financial products such as credit cards, car loans and mortgages will be explained. It also covers insurance-health, auto and life insurance-and how to manage finances with a partner.

The basics of investing are also covered. Throughout the class you participate in a stock market investing game, buying stocks and learning what makes the stock market move. The last part of the course covers creating a basic investment strategy suitable for an IRA or 401K portfolio.

While the marketplace and Google are full of information on personal finance and investing, this course aims to teach the financial principles to guide responsible and successful financial decision making. Basic concepts such as compound interest, the tradeoffs between risk and return, opportunity costs, inflation, and the erosion of purchasing power, and diversification will be explained and applied. We will look at financial products and their uses, and the motives for financial institutions to offer them.

By the end of the course, you will be able to do the following:

- file a US Federal Tax Form 1040 and understanding employee withholdings

- create a budget and plan for financial emergencies
- understand the terms and conditions of credit cards, loans and a credit score
- create a statement of net worth
- set up a retirement investment portfolio
- identify the components and fees of consumer financial products
- understand the layout of our financial service industry

This course is for educational purposes only. The Professor's comments are not to be considered investment advice. Financial management and investing involve risk and the potential loss of money.

About the Instructor

Patricia Kelly has taught this course since 2015. After working on Wall Street in corporate finance, she spent her career in investment management, investing for private and corporate clients, including the Vanguard Equity Income Fund. She is currently a private investor living in the Monterey Bay Area. She serves on the investment committees of several nonprofit organizations.

She earned her BA in Economics from UCSC and an MBA from Harvard Business School.

Prerequisites None

Class Format

The course has all recorded lectures, readings, assignments, quizzes and final posted on Canvas. Students can move through the material at their own pace. There is a “Checklist” at the start of each module with listings of required lectures, readings and assignments. It also has links to supplemental and advanced material for interested students.

Keeping up and completing assignments is imperative to be successful in the class.

Each week follows the same pattern:

- Watch the videos and take the embedded quizzes
- Do the readings
- Attend/view the Live Zooms (extra credit quizzes!)
- Take the weekly quizzes which cover material from the readings
- Each week's materials are DUE on Sundays at midnight. If turned in on time, you are welcome to redo an assignment to improve your score. (Alert the professor or your TA if you have resubmitted an assignment.) Late penalties accrue at 1% grade per day late.

Live Zoom Lectures

- The course can be done asynchronously, but there are weekly live Zooms to go over how to do homework and additional material. The sessions are recorded and posted on Canvas under the respective module.

Technical Difficulties

Chrome and Firefox are the most reliable browsers for videos. If you encounter problems, [try clearing your cache and cookies](#) and turning your system off and on.

Grading: *You may elect to take the class for a letter grade, P/NP or simply audit.*

50% Assignments (7 x)

20% Quizzes (weekly and within the videos)

30% Final

5% Extra Credit

100%

- *Letter grades:* (UCSC default grading)
- A+ >99.99%, A <99.99-95, A- <95-90,
- B+ <90-87, B <87-83, <B- 83-80,
- C+ <80-77, C <77-73, C- < 73-70,
- D <70-60 No Pass
- F < 60-0 No Pass

CANVAS Grading System (DRAFT)

Your grade dropped because :

At the end of term, assignments that are not turned in are given a zero.

With the extra credit, if you did one out of three extra credits, before adjustments Canvas gives you 100% credit for the extra credit section.

After adjustments, you only get 33% of the extra credit.

Unfortunately you then see your grade drop.

I am in a no win situation with Canvas: if I put in zeros before assignments are due, I get a flood of emails concerned they are getting a zero for an assignment either not yet completed or not yet graded. If I leave the "dashes", students see their active grade as assignments are turned in and graded, but once the end of term hits, missing assignments switch to zero and grades can drop.

Assignments

- Stock Market Simulation: Participate throughout the course in the online stock market game: in the first week you will buy a collection of stocks and write a brief summary of your selections. At the end of the course, you will prepare a brief summary on what you learned from the game
- Stock Trak Stock Market Assignment (only one chance at an answer. No re-dos.)
- StockTrak Budget Game
- Prepare a 1040 Tax Return based on a scenario given
- Prepare a budget given a scenario
- Prepare a Statement of net worth with loan repayment calculations based on a scenario
- Create a Roth IRA portfolio of mutual fund meeting risk and return criteria

CORRECTED HOMEWORK CAN BE RESUBMITTED

LATE PENALTIES: 2% off per each day late

Final

Summer I 2025: Final opens on Canvas, Friday August 29, 12:01 am through midnight, it takes two hours.

I do not use ProctorU. Disregard any mention of it in the "Syllabus Quiz" at the start of the term.

The final will consist of multiple choice, true false, and fill in the blanks. You may be asked to reproduce financial statements we learn about in class. Questions will be based on the lectures and reading.

[Link to Description of the Final](#)

Extra Credit opportunities may be available, to be announced

Sections and Teaching Assistants

The course will have several Teaching Assistants and Readers. You will be assigned a TA in the first week of class. Email the professor if you need to change TAs. Each TA will have office hours and hold a section to answer group questions. These times will be announced in the first week of class. Participation is not mandatory but encouraged.

You can find your TA on Canvas by going to "People" and looking up your name to find your section. The TAs hours are posted in Module One.

Student hours for class

It is assumed for a 5-unit course you should expect to spend at least 150 hours over the quarter, or 15 hours per each of the 10 weeks. (Summer is over 5 weeks at 30 hours per week.)

MS Office 360

Several of the assignments use spreadsheets, available on Google Docs and MS Excel.

All active UC campus faculty, staff, and students should be able to access MS Office 365 for free. Instructions on signing in can be found here [Microsoft Office 365 ITS page](#). You can sign into www.office.com Links to an external site. via a web browser to use the web apps as well.

Key Terms, Concepts and Principles and a Bibliography are linked in the first module under Reference Material. They may be useful.

Texts

Texts are on Canvas:

- Kobliner, Beth. *Get a Financial Life: Personal Finance in Your Twenties and Thirties*. New York: Simon & Schuster, 2017. Print.
- Lynch, Peter. *One Up on Wall Street*.
- Elizabeth Warren & Amelia Warren Tyagi. *All Your Worth*. New York: Free Press, 2005. Print.
- Orman, Suze. *The Money Book for the Young, Fabulous & Broke*. New York: Riverhead, 2007. Print.
- Investopedia.com

OPTIONAL

- Goodwin, Michael. *Economix: How Our Economy Works (and doesn't work) in words and pictures*. New York: Abrams ComicArts, 2012. Print.
- Tina Hay. *Napkin Finance*. Harper Collins, 2019. Print.

- Wall Street Journal Student Subscription: sign up at wsj.com/studentoffer. [LINK](#)

UC Investment Academy Careers in Finance

[LINK](#)

<https://canvas.ucsc.edu/courses/83201/files/10617282?wrap=1>

At the UC Office of the President level, the Chief Investment Officer's office has started the UC Investment Academy to train students interested in careers in finance, in addition to special training and special events, they provide internships and jobs with the finance industry.

UC Alumni Career Network

The UC Alumni Career Network is a perfect place to start your job search. They have industry specific networking events.

[LINK](#)

<https://www.universityofcalifornia.edu/get-involved/alumni/alumni-career-network>

SCHEDULE OF LECTURES AND ASSIGNMENTS (May not map directly to current Canvas)

Week	Subject, Reading, Assignments, Tests
Week 1	<p>Introduction and Overview</p> <p>Risk and Return</p> <p>Investing Part 1 Securities Market: What are stocks and bonds and how does the stock market work?</p> <p>Assignment Due: Set Up Investopedia.com/SimulatorAccount</p> <p>Reading Due: Kobliner, Ch 1 and Ch 5 Investing</p> <p>Investopedia.com Stock Trading Simulator game</p> <p>Investing Part 2 How do you pick stocks?</p> <p>ASSIGNMENT: Create a Portfolio with comments</p>
Week 2	<p>Your Job: Compensation negotiating compensation and benefits, paying taxes</p> <p>Paying taxes</p> <p>Reading: Kobliner, Ch 9 Taxes</p>

What is inflation? <http://www.investopedia.com/university/inflation/inflation1.asp>

Your Job: 401ks, IRAs and retirement plans

Reading: Kobliner Ch 6 Living the Good Life in 2070

<http://www.investopedia.com/articles/personal-finance/040315/why-save-retirement-your->

ASSIGNMENT: Tax Return

Your Budget: Getting organized, budgeting the 50/30/20 budget

Week 3

Building a budget and online services, eCommerce

Reading: Kobliner Ch 2 Taking Stock

On Canvas: Article 50/20/30 Budget

Your Savings: Savings, Banking and eCommerce, emergency funds

Reading: Material: Kobliner Ch 4 Banking

Financial Service Industry Overview

ASSIGNMENT: Prepare a Budget

Week 4

The Economy and Behavioral Economics

Why markets move: Business Cycles and the Financial Markets: Business cycles, interest rates

Topics: Adam Smith to Karl Marx; today's economy

Reading: Goodwin, p.1-71 and 252-291

Behavior Economics and Speculative Bubble

Reading: Investopedia Tulip Bulbs, The Bubble's Lesson

Week 5

Credit cards, credit scores

Reading: Kobliner Ch. 3 Debt

Buying Stuff Part 2: Amortizing Loans, mortgages car loans

Reading: Kobliner Ch. 7 Owning a Home

Student Loans: student loans and repayment options

Week 6

Net Worth, Insurance

Calculating your Net Worth, Trust Fund Babies and Bankruptcy

Protecting Stuff: Insurance: car, renters, medical, home and life insurance.

Reading: Kobliner Ch. 8 Insurance

Economics and Some Economic History: How we got to where we are now

Topics: Adam Smith to Karl Marx; today's economy

Reading: Goodwin, p.1-71 and 252-291

ASSIGNMENT: Prepare a statement of net worth

Week 7

Investing Part 3: What is Investing? Banking versus investment accounts, compounding and returns, diversification

Reading: Suze Orman, "The Money Book, Ch. 7: Investing Made Easy"

Week 8

Investing Part 4: Constructing an Investment Portfolio Investment objectives, construction, allocation, diversification expected returns and standard deviations

"Financial Planning through the Decades"

Creating a Roth IRA Portfolio online

Reading: Suze Orman reading titled Investing 101 Orman

Financial Planning by the decades

Vanguard Power of Compounding

ASSIGNMENT: Prepare a Roth IRA Portfolio

Week 9

Sharing Stuff: Partnering up and issues, wills and trusts

Reading: Kobliner p. 20 "When a Spender Marries a Saver";

Suze Orman, The Money Book: Love and Money, p. 323-331

Week 10

Review

ASSIGNMENT: Final Portfolio and comments

Final Exam