



**Department of Housing and Consumer Economics
College of Family and Consumer Sciences**

**FRES 1010 (78-469): Financial Fitness for College Students
First-Year Seminar Fall 2009
11:00-12:15 Tuesdays Dawson Hall 378**

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Purpose: Want to learn how not only to make it on a college budget but also how to get a start on your financial future? We'll cover the basics, from making and sticking with a spending plan to managing your credit, including your student loans. You'll also learn how to put in place now a plan for accumulating your future fortune. And, you'll learn how to stand up for your rights as a Georgia consumer.

Required Reading: The textbook for this course is:

Kobliner, Beth (2009). *Get a Financial Life*. Fireside.

We have NOT ordered this book through the bookstore. It should be available in local bookstores or from Amazon.com where it's \$10.88 for a new paperback (less for a used one).

There WILL be other required reading that will be announced on WebCT. These readings and other course materials will be posted on the WebCT site for this course. Grades also will be posted on the site. You'll need your UGA MyID and password to access WebCT.

I assume that you will *all* read and reply to e-mail using WebCT! Check the WebCT site before each class.

Course Resources:

Dr. Brenda Cude is the lead instructor for the course. She has a Ph.D. in Consumer Economics and 30 years of experience teaching adults and college students. She represents consumers nationally and has represented consumers on Governor-appointed boards in Georgia.

Dr. Cude is a professor in the Department of Housing and Consumer Economics. The department offers four majors: Consumer Economics, Family Financial Planning, Housing, and Consumer Journalism. Students in the Family Financial Planning major can choose a plan of study that meets the education requirements leading to the Certified Financial Planner™ designation. There also is an emphasis in Residential Property Management.

Meg Shepard is the graduate assistant for the course. Meg is a graduate student in the Department of Housing and Consumer Economics studying Family Financial Planning. In 2008, she graduated with a Bachelor's of Business Administration from The University of Georgia's Terry College of Business. Meg was part of UGA's Peer Financial Counseling Program for three years as a UGA undergraduate.

Expectations of Students

Academic Honesty: All academic work must meet the standards contained in "A Culture of Honesty." Students are responsible for informing themselves about those standards before performing any academic work. **Professors take it seriously and so should you. A mistake can follow you throughout your college career – don't make one!**

Disabilities: If you have a disability and would like to request classroom accommodations, see Dr. Cude after class.

Turning In Homework Late: We expect you to turn in all homework when it is due. **That means in class on the date it is due.** If you miss class on the date the homework is due, you can bring it to us or leave it in our mailboxes in Dawson 205. **There will be a 10% penalty for each day your homework is late.**

What Does It Mean to Be Financially Fit?

My goal for this semester is that each of you will increase your financial literacy by participating in this seminar. That could mean many things but at a minimum you should:

- Know how you want to spend your money and have to plan to be sure that you spend it that way. For most people that means you should:
 - Think about what's important to you and spend your money in a way that's consistent with what you care about.
 - Have a plan to help you spend your money on what's important to you.
 - Have a system for keeping up with your spending so you can see if you're following the plan.
 - Understand influences that may deter you from following your plan.

- Develop the habit of saving. If you're like most people, you won't be able to acquire everything you want from current income. You'll need to save for the future. That means:
 - Setting realistic goals and sticking with them until you achieve the result you want.
 - Developing the habit of saving by doing it. Even if you can save only \$1 a week or the change in your pocket, if you develop the habit of saving *now* you'll be ready to save more when your income is more.
 - Start now! The greatest advantage you have is time. Use it!
- Learn to manage credit. Whether it's student loans, credit cards, or a car loan, it's likely you'll use some type of credit while you're in college (and after). It's important that you learn to manage your credit. That means:
 - Making wise choices about how much debt to incur – thinking about whether to take the full amount of student loans offered to you; thinking about whether to have a credit card and, if so, how high the credit limit on your credit card(s) should be; having a realistic idea about the expected income of your chosen occupation (so your debt load matches your potential to pay).
 - Understanding how your credit behavior affects your credit history and how that affects the other choices available to you.

We'll increase your personal financial literacy in a number of ways. One will be that each of you will play an online stock market game. You'll also have several opportunities to learn more about yourself and how you manage money. We'll all participate in a poverty simulation that will make the importance of managing your money real. And, you'll learn lots of information that you'll find useful.

What I Expect

All of the assignments and requirements in this course are related in some way to developing the skills and attitudes listed above.

This course is **pass/fail**. There are **6** requirements to pass this course. A grade of **75%** or better is considered passing. **Students can and do FAIL this course, usually by not turning in homework and/or not attending class.** All written work will be evaluated for grammar, punctuation, and, most importantly, content. Work that reflects little or no effort will receive a failing grade.

Class Attendance

This course only meets once a week and you won't learn if you aren't here. Miss more than **one class** (even an excused absence) and you'll lose points. **Miss more than two classes without an excuse and you will fail the course.**

Requirement 1: Self-Discovery and Participation – 20%

A large part of handling your money is understanding yourself and how you engage in financial decision-making. There will be several activities in this course that will require you to reflect on yourself. These small tasks will greatly increase your learning in the course. The

course also requires your *participation*, which means asking questions and offering information.

- a. Use WebCT to send an e-mail to Dr. Cude (1 point) and Meg (1 point) by August 25.
- b. Tell us something about you. Complete the survey “Tell Me About Yourself” by September 1. (3 points)
- c. Complete the “Your Story” document that is posted to WebCT. You should download the Word file from WebCT to write your story. (Click on Course Content to find the “Your Story” file, this syllabus and other files you’ll need to do assignments in this course.) This assignment is due by September 8. (5 points)
- d. FIRST, read and understand this entire paragraph – especially the last sentence. Read Learn what’s important to you – how do **you** make money decisions? This WebCT quiz, “What’s your money personality,” is due October 13. Print out the questions to bring to class for discussion. (To print, after you’ve filled in the answers but **BEFORE** you click “Finish,” right-click on the quiz and select Print.) (2.5 points)
- e. How do your “Money Habitudes” affect you? We’ll do this activity in class on September 1; write answers to the discussion questions and turn in November 3. (2.5 points)
- f. Learn the skills of leasing smart. This activity will require you to research a potential place to live next year and go through the process of shopping for an apartment. You will go to an apartment complex and go on a tour of the apartment. Then, you will rate the apartment on a questionnaire and write about the experience. This assignment will be due September 22. (5 points)

Other assignments may be added.

Requirement 2: Set financial goals and make an income and expense statement and a spending plan – 25%

- a. Setting financial goals. What do you want to do or buy that takes money that you don’t have? That’s due by September 22. (You’ll receive a handout “Making It On A College Budget: Goals” to use to do this homework.) (2.5 points)
- b. Track your spending for at least two weeks starting no later than September 15. Then, tally your spending and bring the totals to class. Also 1) Write down any expenses that happen just once a month or once a semester – spending you know *will* happen but didn’t during the two weeks you tracked your spending. 2) Write down your income (including money from your parents and from financial aid) – everyone has income even if they don’t have a job. Bring everything to class on October 6. (7.5 points)
- c. Now, use your information to make a budget. We’ll show you a form to use or you can make up your own form. If you make up your own form, be sure it *looks* like a budget – has fixed expenses and variable expenses, and has dollar amounts for the period for which you’re budgeting. Be sure to add columns for actual expenses and the difference between budgeted and actual. If you want to use software to set up your budget, that’s great too. Regardless of the budget form you use, your budget should have some relationship to your goals – including saving toward the goals you set in part a above. **You will prepare 2 budgets – one for December of this year and one for January of next year.** Your budgets are due November 10. (15 points)

Requirement 3: Stock Market Game: 15%

For six weeks of the semester beginning October 6, we will be playing a stock market game to practice some of the skills you will be learning in class and to get your feet “wet” in the world of investing. Directions for the game will be posted to WebCT. During the game, you will be required to turn in three reports about your stock market portfolio each worth 5% of your grade. Your reports must show that you are **actively** engaged in the game to earn full credit.

Requirement 4: Request your credit report from one of the three major credit reporting agencies and describe your experience 10%

We’ll talk about how to do this on **September 8** but instructions will be posted on the WebCT site. The only students who find this to be a problem are those who wait too late in the semester. Some of you won’t yet have a credit report; if you have a cell phone in your name and/or a student loan, it’s likely you have a credit report! If you don’t have a credit report, your assignment is to turn in evidence that you checked your credit report and don’t have one *and* your plan for building a good credit history. You can bring in your credit report (or alternative assignment) any time but they’re due by **September 29th**.

Requirement 5: Book Discussion 15%

Over the semester we will have 3 “Book Club” classes in which a group of students will lead the class in a discussion of a chapter of a current popular book on behavioral economics. Students will divide into 3 groups of 5 and will prepare a 30 minute discussion over their assigned chapter. You are invited to be as creative as possible with your discussion. Some potential examples of activities are to: perform a skit, show a PowerPoint, or illustrate the chapter in a way of your choosing. Don’t forget to check online, including the book’s website, for ideas as you prepare. The other students also will read the chapter and write a one page (double spaced) reflection on their personal reaction to the chapter. The three chapters are on electronic reserves for this course:

1. Zweig, Jason. (2007). *Your Money and Your Brain*. Chapter 9 (Regret). **September 15**
2. Ariely, Dan. (2009). *Predictably Irrational*. Chapter 2 (The Fallacy of Supply and Demand) **October 13**
3. Thaler, Richard H., & Sunstein, Cass R. (2009). *Nudge: Improving Decisions About Health Wealth and Happiness*. Chapter 2 (Resisting Temptation) **November 3**

Requirement 6: Participate in a Poverty Simulation 15%

The Poverty Simulation is a campus event in which students assume roles of family members who are going through difficult times. During the three hour session, you will experience a “month” of events similar to what real families with limited resources experience. There will be volunteer “actors” who will play the roles of people in community agencies (teachers, social workers, police officer, banker, pawn shop operator, health agency personnel, etc.). This will be an **excellent** experience to learn about the financial situation and struggles of other people in our community. You will attend the simulation on **October 19** and write a one-page reflection of your experience. The reflection should be submitted via WebCT by **October 27**. Due to the length of the poverty simulation, we’ll end the semester early. Our last class will be November 17.

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Date	Topic	Instructor	Readings	Assignments Due (R=Requirement)
8/18	Money Matters! Introduction to the course and each other	Dr. Cude and Meg		
8/25	Understanding Credit	Dr. Cude	Kobliner, Chapter 3	R1a
9/1	Credit and Debit Cards	Dr. Cude and Meg	Kobliner, Chapter 3	R1b
9/8	Staying On Top: Credit Reports and Credit Scores	Dr. Cude	Kobliner, pp. 70-78	R1c
9/15	Book Club	Group 1	Zweig, Ch. 9	R5: Book Club Report 1
	Setting Goals, Tracking Spending	Dr. Cude		
9/22	Lease Smart	Meg Shepard		R1f R2a
9/29	Becoming a Millionaire: Savings and Investments	Dr. Cude and Meg	Kobliner, pp. 94-99, Chapter 5	R4
10/6	Investing 101 Introduction to Stock Market Game	Meg	Kobliner, Chapter 5 (read it again!)	R2b
10/13	Book Club	Group 2	Ariely, Ch. 1	R1d R3: Portfolio Report 1 R5: Book Club Report 2
	Money Personalities	Dr. Cude		
Poverty Simulation on Monday, October 19 5:30 – 8:30 p.m.				
10/20	No class but e-mail 2nd Stock Market Game Report to Meg by midnight!			R3: Portfolio Report 2
10/27	Budgeting, Online Tools, Money Habitudes	Dr. Cude and Meg	Freshman Finance 101: Money Management Skills for College Students http://www.360financialliteracy.org	R6: Poverty Reflection
11/3	Book Club	Group 3	Thaler & Sunstein, Ch. 2	R1e R5: Book Club Report 3
11/10	To be announced			R2c
11/17	<i>Final Class</i> Identity Theft	Meg	Kobliner, pp. 74-76	R3: Portfolio Report 3
11/24 THANKSGIVING BREAK				
12/1 CLASS CANCELLED				
12/11 Final Exam 12:00-3:00 CANCELLED				