



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Personal Finance	

Academic Staff	Division
Instructor: Gustavo Adolfo Mota Salinas	Faculty of Economics and Business Administration

Cycle of studies	Type of the subject (module)
1st (Bachelor)	Individualised Studies

Form of implementation	Period	Language of instruction
Remotely	Spring semester	English

Requirements for student	
Prerequisites: none	Additional requirements (if any): none

Volume of the subject (module) in credits	Total student workload	Contact hours	Individual work hours
5	130	48	82

Purpose of the course unit (module)		
The aim of the subject is to provide students with fundamental knowledge and skills of personal financial management, to develop financial literacy, analytical and critical thinking, the ability to address financial problems in an analytical way, to identify financial risks, and to critically evaluate saving, borrowing and investment decisions in pursuit of personal goals and financial well-being.		
Learning outcomes of the course unit (module)	Teaching and learning methods	Assessment methods
Will know and be able to properly apply the most important theories of personal finance management.	Lectures and seminars, with active learning methods (group discussions, case studies, practical financial modeling, and other active learning methodologies)	Final exam: written test consisting of open-ended (problem solving) and/or closed-ended (multiple choice) questions. Problem Sets: CFA style quizzes to be answered during seminars
Will be able to evaluate personal financial decisions within logical and structure frameworks. This includes but not limited to: Time Value Money calculations, budget Spreadsheets, formulas and general rules		
Will be able to critically think and decide on critical personal choices regarding saving money, investing in a personal portfolio, taking mortgages and buying insurance.		
Will be able to prepare and present an independent work (presentation slides) on a chosen topic, analytically solving personal financial problems, critically evaluating saving, borrowing, and investment solutions to ensure personal financial well-being.	Preparation of an individual assignment (presentation slides) and oral presentation.	The assessment of the independent work/presentation review is based on a summative assessment according to established assessment criteria.

Themes	Contact hours						Individual work: time and assignments		
	Lectures	Consultations	Seminars	Practical Cases	Lab Works	Practice	Total Contact Hours	Independent Work	Assignments
Introductory lecture	2						2		
1. Basics of personal finance. Importance of personal finance. The essence of money and psychological aspects of money management. Theories of financial behavior. Time value of money: PV, NPV, IRR	4		2				6	4	Literature: Kapoor, Personal finance; King, Personal finance: a practical approach, p. 1-14 and problem set 1
2. Personal Financial Statements Sources of income. Categories of expenditure and their management. Personal Balance Sheet, Cashflow and Ratios	2		2				2	4	Literature: Kapoor, Personal finance, p. 50-58; King, Personal finance: a practical approach, p. 15-17 and problem set 2
3. Personal budget. The essence and benefits of budgeting. Preparation of a budget and personal financial statements and their evaluation.	2		2				4	4	Literature: Kapoor, Personal finance, p.76-94; King, Personal finance: a practical approach, p. 18-23, and problem set 3;
4. Savings. Meaning and objectives of saving. Size of savings. Time value of money and risk. Financial saving instruments and interest.	2		2				4	4	Literature: Kapoor, Personal finance, p. 136-165; King, Personal finance: a practical approach, p. 86-105, problem set 4;
5. Risk management. The essence of insurance and types of insurance. Pension system. Alternative sources of income.	4		2				6	4	Literature: Kapoor, Personal finance, p. 304-404; p. 568-610 King, Personal finance: a practical approach, p. 195-243, problem set 5;
6. Financial well-being. Investment. Investment instruments. Investment risk and return. Basic rules of investing. Investing in Stocks, Bonds and basics of Asset Portfolio	8		2				10	8	Literature: Kapoor, Personal finance, p. 406-560; King, Personal finance: a practical approach, p. 125-194, problem set 6;
7. Peculiarities of borrowing. Usage strategies. Credit cards. Consumer loans. Leasing. Housing purchase. Personal credit history.	4		2				6	6	Literature: King, Personal finance: a practical approach, p. 44-61;
8. Innovation and sustainability in personal finance.	2		2				4	4	Reading: ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ISSUES IN INVESTING, CFA Institute.
Preparation of independent work (presentation slides and presentation reviews).							0	24	Work based on requirements and the indicated literature required for the course
Exam	2						2	20	
Total	32		16				48	82	

Assessment strategy	Share in %	Time of assessment	Criteria of assessment
Independent work (presentation slides) and oral presentation	30	During semester seminars	<p>1. <i>Content quality and clarity of topic (1.5 points)</i>: appropriately formulated and achieved aim and objectives; the chosen topic is presented clearly and comprehensively; relevant methods selected with calculations, data and/or detailed case analysis provided; logically argued proposals and well-grounded conclusions.</p> <p>2. <i>Presentation clarity and structure (1.5 points)</i>: presentation is logically structured and fluent; well-prepared with visual material; information presented clearly and understandably (visual illustrations such as examples, schemes, graphs, video, etc. are used); ability to answer questions and defend proposals with arguments.</p> <p>Total: up to 3 points.</p>
Problem sets	40	1-2 weeks after problem set is assigned. Detail will be given in class.	<p>Conceptual and practical understanding of the concepts reviewed in class (4 points): Ability to analyze, assess the situation and propose solutions. Ability to submit assignments in time.</p> <p>Total: Up to 4 points.</p>
Written exam	30	At the end of the course	<p>The exam will take place in a computer classroom using Moodle. The test will consist of open-ended (simple problem solving) and/or closed-ended (multiple choice) questions of varying difficulty (from understanding to evaluation). Each test question is assigned a corresponding score. Students must correctly answer at least 50% of all tasks.</p> <p>Total: Up to 3 points.</p>
<p>Students who fail the exam are entitled to a free retake within the first two weeks of the new semester. Exams for spring semester subjects are retaken during the first weeks of September, while exams for autumn semester subjects are retaken during the first weeks of February. If a student's exam session has been postponed, the exam must be retaken within two weeks after the end of the postponement period.</p> <p>External examination of the subject is not possible</p>			

Author(s)	Year of publication	Title	Issue	Publishing house or web link
Required reading				
Kapoor, J. R.; Dlabay, L. R.; Hughes, R. J.; Hart, M. M.	2022	Focus on personal finance: an active approach to help you achieve financial literacy	7 th edition	New York: McGraw-Hill
King, J.; Carey, M.	2014	Personal finance: a practical approach	2 nd Edition	Oxford: Oxford University Press
Kapoor, J. R.; Dlabay, L. R.; Hughes, R. J.	2012	Personal finance	10 th edition	New York: McGraw-Hill
CFA Insitute	2015	ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ISSUES IN INVESTING		https://www.cfainstitute.org/sites/default/files/-/media/documents/article/position-paper/esg-issues-in-investing-a-guide-for-investment-professionals.pdf
Supplementary literature				
Kahneman, D.	2016	Think fast and Slow		Vilnius: Eugrimas
Farnoosh, T.	2012	Financial literacy		Upper Saddle River: Pearson
Keown A. J.	2014	Personal finance: turning money into wealth	6 th edition	Harlow: Pearson
Walker, R. B.; Walker, K. P.	2013	Personal finance: building your future		New York: McGraw-Hill Irwin