

Financial Nuggets



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This fun-filled educational program, developed by University of Maryland Extension (UME), is designed to connect middle school aged youth to real life financial concepts through a variety of hands on learning activities that can be taught in the classroom, in out-of-school programs and community settings.

Lessons and activities are paired to match the Maryland Financial Literacy Standards, created in 2010, for grades 5-8.

Educational kits, including all of the necessary resources and materials, are available at each UME County/City office across Maryland.

Some materials in this publication were developed or adapted from resources from:

Take Charge Today, University of Arizona
Money Habitudes, Syble Solomon

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Lesson 1

Financial Decisions



Maryland Standard 1: Make informed financially responsible decisions.

Objectives

- Students will predict the consequences of making financial decisions (1.8.A.1).
- Students will describe the opportunity cost of financial decisions made by individuals (1.8.A.2).
- Students will develop and apply financial literacy vocabulary (1.8.C.1).

Lesson Plan Overview

Time	Task
5 minutes	Welcome and introduction
10 minutes	Introduce the concept of decision making, and build group discussion on decision making and spending choices.
30 minutes	Activity A or B – “Back to School Shopping” or “The Bean Game”
10 minutes	Reflection discussion

Vocabulary

Budget (Spending plan)
 Choice
 Comparison shop
 Decisions
 Estimate
 Needs
 Opportunity costs
 Priorities
 Spend
 Trade-off
 Wants

(See Glossary for definitions)

ENGAGE - Instructor Key Concepts:

Financial Decision Making

Below is a basic introduction to the content of this lesson along with sample discussion questions.

*“Today we are going to learn about making **decisions**, why we make the decisions we make, and the consequences of our choices.”*

“Think about when you are shopping, what helps you decide what to buy?” – Potential answers: price, if you like it, if a friend has it, if you need it, if you just want it, etc.

“Can you remember the last thing you purchased, with YOUR money? Who would like to share?” – Potential answers: candy bar, music, game, shirt, etc.

“Was your purchase a need or a want? Let’s talk more about needs and wants.” Begin with the following opening activity designed to help students classify items as a need or want. The purpose is not to declare a clear right or wrong answer but for students to reflect on their justification.

Fill a hand bag or back pack with a variety of items that are obvious needs, obvious wants, and one to two items that can be either, based on their personal circumstances. Until the bag is empty, pull one item at a time and discuss as a group. This should be a fun activity... use your imagination. Consider the following items: tissues, pens, pencils, cell phone, keys, bottled water, assignment pad, watch, stopwatch, alarm clock, computer mouse, stuffed animal, candy, calculator, Styrofoam cup, fork, wallet, toilet paper, etc.

*“**Needs** are those items or purchases that are necessary for survival, such as food, clothing, and shelter. Water is a good example of a need. Water is necessary for everyone’s survival.”*

*“**Wants** are those items or purchases that are desired to make our lives more comfortable and convenient. Wants can vary greatly depending on a person’s individual interests, lifestyle, or family situation. An example of a want may be designer clothing instead of department store brand clothing. Designer clothing is a luxury, rather than a necessity.”*

“What are some other factors that could affect the different needs and wants for people? – Potential answers: your age, your health, where you live, where you work, your culture and values, etc.

“Opportunity cost, what is that? Opportunity cost is the value of something you are willing to give up so that you can have something else. Let’s pretend your friend, Lacie asks you to go bowling and moments later, Mia asks you to go to the movies at the same time of the day. You have to pick. You have to make a choice to either go bowling or go to the movies. Which one will you pick? Why? (Responses can vary – the goal is for the students to think of alternatives). The resources we have – time, money, energy and effort – are limited. We often have to choose one and give up another. Opportunity cost is the value of next best alternative that we give up. All of our choices – financial or not – have a cost associated with them. For example, you may really want to see the latest movie but prefer to hang out with Lacie this time. You want to consider alternatives to your choices as well. Can you think of other options rather than just choosing bowling or the movies? (An example might be to see if Lacie and Mia want to go out together for the movies today and then plan to go bowling... there are endless possibilities). Whenever you make a choice, you give something else (or an alternative) up. This is why understanding needs, wants and priorities are very important. So you can think of it as a **trade-off**; what you have to give away to get something else. It could be a need or a want, but ultimately every **choice** we make has an opportunity cost.”

At this point, proceed with either Activity A or Activity B. If you have time, you may wish to complete both.

Back to School Shopping

Lesson 1 – Activity A

Materials:

- Store circulars from 2-4 stores such as Walmart, Office Depot, Staples & Target
- Paper/pencils
- Calculators
- Optional: Back-to-school supply list as suggested by individual school

Helpful Teacher Hint

Many “deals” involve purchasing multiple items. Remind students that it may be cheaper to do so, but do they really need three rulers, for example?

There’s a fine line between deciding what a good “deal” is, especially when you may end up spending more money to get additional items that you may not really need. This is an important shopping skill to know.

Financial Fun Fact

You can double fold a dollar about 4,000 times (forward and backward) before it will tear. Try it!

Source:

www.federalreserveeducation.org

EXPLORE – Activity Directions:

Pre-activity notes and questions:

“Now that we have discussed the difference between a “need” and a “want”, let’s work together to create a school shopping list.”

“What are some of the supplies that you think are necessary to buy for school?” – Write the items on the board as shared.

“How much do you think that these supplies will cost?” – Write these estimates on the board alongside each item.

Activity Instructions:

1. “Please work individually.”
2. “In front of you is a chart. The first column you can see has ‘school supply’ listed. In the top box of each of the four remaining columns, please list each of the store names you have store circulars for.”
3. “From the school supply list that we created together, choose the items that **YOU**, personally, will need for school. Remember, your choices may be different from your classmates. Write each of these items under the ‘school need’ column.”
4. “At the bottom, record how much you think these items will cost (**estimate**), in total. This will become your imaginary **budget**, also called a spending plan.”
5. “Using circulars from each of the stores, **comparison shop** to find out where you can purchase each of these items for the least amount of money. Write these prices down on your chart.” Give the students a few minutes to work.
6. “When you have all the prices recorded, you need to do two things.”
 - a. “When you have completed your comparison shopping, total up the cost of the items in each of the columns. Circle the store total that is the cheapest.”
 - i. “Which store, in total, has the lowest price for the items you needed?”
 - ii. “How do these totals compare to your estimated total cost?”
 - b. “Now, circle the cheapest price for each item, no matter the store. Add up those items and write the total at the bottom of your paper.”
 - i. “So imagine you could shop around, at all of the stores, how does your total supply cost vary?”
 - ii. “How would that price be affected by having to travel to different stores? Is the savings enough to justify it?”

EXPLANATION – Reflection Questions:

Students should discuss some of their purchases and the choices they made. They should reflect on how they **prioritized** and managed their allotted money. Ask the youth the following questions to promote discussion:

- *What did you purchase?*
- *Why did you make the decisions you did?*
- *Compare two of your purchases. Which was a need and which was a want?*
- *What was the opportunity cost? What did you give up for that purchase?*
- *Would you make the same decision again?*
- *Did you underestimate or overestimate? Did you stay within your imaginary budget?*
- *Did you make the choice to get something you really wanted as opposed to something you needed? What was the opportunity cost to get that item?*
- *If you overestimated and had money left over, what would you do with that extra money?*
- *If you underestimated, what did you have to take off of your list in order to stay within your budget?"*
- *Did stores lure you in with penny deals?*
- *Is it worth it to travel to another store to only save a \$1? What are the opportunity costs of your decisions?*

Back to School Shopping Activity Chart Lesson 1 – Activity A

School Supply	Store 1: _____	Store 2: _____	Store 3: _____	Store 4: _____
Example: 1 ruler	\$0.89	\$3.50	\$0.69	\$1.00
	Total:	Total:	Total:	Total:

Estimated Total Cost: _____

Youth Bean Game

Lesson 1 – Activity B

Materials:

- The Youth Bean game for every two students (laminated the two game pages side by side)
- A bag of twenty beans per pair

Helpful Teacher Hint

Have a few spare bags of counted beans, just in case someone drops/spills/loses beans.

Have students imagine they are adults or college students.

Financial Fun Fact

How much does a million dollars weigh?

If you use \$1 bills, it weighs 2,040.8 pounds but only 20.4 pounds if you use \$100 bills.

Source:

www.factmonster.com

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. "How do you make financial choices and decisions?"
2. "What things must you consider?"
3. "What would make it possible to address all of your needs and wants?"

"This activity will give you an opportunity to consider several financial decisions. Let's see what choices you make and why."

Activity Instructions:

1. This activity works best in pairs, so that students can simulate real life choices more effectively, learning how decisions affect one another and how to compromise; however it can be used individually.
2. Pass out the Youth Bean Game and a bag of beans to each pair of students. It is helpful to have it laminated for repeated use.
3. *"In this activity, the beans represent money (limited financial resources). As consumers, we have a limited amount of money, or beans, but there is an unlimited amount of choices in the world, many of which are listed here."*
4. *"You and your partner will allocate your beans, (i.e. your money), based on your decisions. The circles on the board represent how many beans you must put down to make that choice."*
5. Together as a group, work through an example.
 - a. *"Let's look at the Housing category. Do you and your partner consider housing a need or want? How will this choice drive your decision?"*
 - b. *"You have four (4) options to choose from; (1) you can live at home, (2) rent and share housing with a roommate, (3) rent a place on your own or (4) buy a home."*
 - c. *"If you choose to live at home, there are no beans needed for this expense because your parents will continue to pay your living expenses."*
 - d. *"If you choose to rent, there are two circles there and you will need to lay down two beans."*
 - e. *"What should you consider if you plan to live with a roommate? What do you need to consider if you want to live alone? What are the benefits of renting versus buying? If you prefer to live with a roommate or live alone, there are other considerations, such as amenities (the extra comforts) and furnishings."*
 - f. *"With your partner, come to an agreement on your housing choices. What is important to you?"*

Youth Bean Game Board

Lesson 1 – Activity B

Housing

Live at home and help with chores (includes cable television, internet, and phone)	No Monthly Cost
Rent a place to live with a roommate (includes cost for necessary utilities, such as electricity and water)	○ ○
Rent a place to live on your own (includes cost for necessary utilities, such as electricity and water)	○ ○ ○ ○
Buy a home (includes cost of utilities, taxes, insurance, maintenance, and other homeowner expenses)	○ ○ ○ ○ ○ ○ ○
If you choose to rent or buy, you will also have to pay for any amenities and furnishings you may want:	
Cable	○
Internet	○
Phone	○
Buying furniture at garage sale, thrift shop or used furniture	○
Buy new furniture	○ ○

Transportation

Walk or bike	No Monthly Cost
Ride the bus	○
Drive a personal automobile (includes cost for necessary fuel, insurance, maintenance, and licensing)	○ ○

Food

Eating at home (groceries) and help with preparation and cleanup	No Monthly Cost
Included in college dormitory room and board costs	No Monthly Cost
Groceries for one person	○ ○
Eating out	
Meal out once / month	○
Meal out once / week	○ ○
Meal out once / day	○ ○ ○

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Personal Care	
Basic toiletry supplies (toothpaste, shampoo)	○
Basic household supplies (laundry detergent, dishwashing soap)	○
Gym membership	○
Hair cut	○
Deluxe hair grooming (styles, perms, color)	○ ○
Spa package (one massage, manicure, or other spa treatment per month)	○ ○

Entertainment/Other	
Cell Phone	
Basic service/track phone	○
Service with data plan	○ ○
Movies	
Subscription to a movie rental service	○
See one movie in the theater/month (with purchase of popcorn, candy and drink)	○ ○
Music	
Download 10 songs per month/purchase 1 CD per month	○
Attend one musical event/concert per month	○ ○
Gifts	
Purchase cards and small gifts on special occasions	○
Purchase frequent gifts for everybody	○ ○
Spectator sports – attend two sporting events per month	○ ○
Shopping – one purchase per month	○
Purchase supplies for a hobby	○
Donate to a charitable cause	○

Saving	
No Saving	No Monthly Cost
10%	○
20%	○ ○

Clothing	
Wear present wardrobe	No Monthly Cost
Buy clothes at discount stores/thrift shops	○
Buy clothes at department stores	○ ○
Shop for designer labels	○ ○ ○

*Adapted from: *Take Charge Today: Family Economics & Financial Education*
Purdue University Extension

EVALUATION

Lesson 1: Financial Decisions

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I will consider my needs and wants before making a purchasing decision.				
I better understand the opportunity costs of making financial decisions.				

EVALUATION

Lesson 1: Financial Decisions

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I will consider my needs and wants before making a purchasing decision.				
I better understand the opportunity costs of making financial decisions.				

Lesson 2

Careers, Education, and Income



Maryland Standard 2: Relate careers, education, and income.

Objectives

- Students will examine the relationships among education, skills, career choices, economic conditions, and income (2.8.A).
- Students will examine how income affects choices and spending decisions (meets multiple standards: 2.8.C.1, 2.8.A.5, 2.8.A.4)

Lesson Plan Overview

Time	Task
5 minutes	Welcome and introduction
10 minutes	Introduce the concept of earning income, and build group discussion on how education and career choices affect income.
30 minutes	Activity A or B– “Take a Chance at Your Career” or “I Want To Be an Entrepreneur”
10 minutes	Reflection discussion

Vocabulary

- Career
- Cost of living
- Education
- Entrepreneur
- Marketable
- Supply and demand
- Value
- Wages

(See Glossary for definitions)

ENGAGE - Instructor Key Concepts:

Careers, Education, & Income

Below is a basic introduction to the content of this lesson along with sample discussion questions.

“Who here would like to make lots of money? How do you go about doing that?” – Potential answers: going to college, getting a good job, being the boss, etc.

“Lots of things can determine how much money you make in a job. Any ideas what they could be?” – Potential answers: type of job or industry, what specific job in the business, what college degrees you have, where the job is located, etc.

*“Knowing these factors can help you find a **career** with the income level you want. Several factors can influence your income too. Income includes salary or **wages**, which are other words for how much money you earn. Income can also be non-earned, such as gifts or investment income.*

*“**Education** can affect your income level. Employees with a bachelor’s degree (a 4-year degree) tend to make more money than an employee with an associate’s degree (a 2-year degree) or those that only have a high school diploma.”*

*“**Supply and demand** for the job can affect your income. Are there lots of people qualified to do the job or are people with those skills or training hard to find? Jobs where not many people are qualified tend to pay more because they are using wages as an incentive to try and find those qualified people. In many careers, you have the potential to advance and increase your wages. This can be achieved by additional certificates, advanced degrees and education, exceptional performance, or years of service. Many careers can be enhanced with additional certificates and education; for example, an attorney or lawyer may specialize in a certain area, like corporate law.”*

*“**Value** of the product or service will also affect how much money you make. If the product made or service provided is expensive or in demand, it’s likely that you will get paid more.”*

*“**Risks** or unpleasantries can directly affect the wages of a job. Careers that have health and safety risks such as heights, heavy lifting, and chemicals, or those with inconveniences such as night shift or frequent travel, will sometimes pay more because employers are trying to entice workers.”*

*“**Cost of living** in an area also impacts wages and salary. For example, the cost of living in the city is often more expensive than in the rural areas, therefore the wages may be higher to compensate for that.*

Take a Chance at Your Career Lesson 2 – Activity A

Materials:

- Calculators
- Pencils
- Career cards, one per student
- Computers

Helpful Teacher Hint

You may want to print the career cards on heavy card stock. You may want to have extra copies on hand should students need another.

Financial Fun Fact

More than 67% of entrepreneurs start in their home or basement. No big operation needed! Just a special skill or talent.

Source:

http://www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2009/02/mit_impact_full_report.pdf

References: Bls.gov;
Diplomaguide.com

Average MD Auto Insurance Rates:

<http://www.prweb.com/releases/average-car-insurance/rates-2013/prweb10860824.htm>

Average MD Utilities:

<http://www.bls.gov/ro3/apwb.htm>

At this point, proceed with either Activity A or Activity B. If you have time, you may wish to complete both.

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. This lesson focuses on career and education choices and how these choices impact your earning potential. Students should begin to see the connection between education, career and income. To get them thinking, ask the following questions:
2. *“To what extent do you think career and education choices impact your future? Why? Why not?”*
3. *“Do you think what you do in school today will impact your future? Why? Why not?”*

Activity Instructions:

1. *“In this activity, you are going to select a career from the options in your group. Next, you are going to make some financial choices based upon this career.”*
2. While students are selecting (or being assigned) a career, write the following information on the board or a flip chart for their use and review. *“Your career cards include information on your predetermined housing, food, and car expenses. However you will have to make other purchasing and living decisions through this process. Please review the information on the board/chart to use for this activity:”*

Savings	10% of your monthly salary
Monthly Income	Calculated by dividing annual salary by 12 months
Student Loan	Already provided on the career card
House Payment	Already provided on the career card
Food	Already provided on the career card
Clothing	Ask students to think about what they currently spend on clothing as an estimate
Utilities (heat,water,trash)	Already provided on the career card
Gasoline	Driving to work: \$400 per month; Walking to work: \$200 per month
Car Payment	Already provided on the career card
Car Insurance	Already provided on the career card
Cable TV	Already provided on the career card
Internet/Cell Phone	Already provided on the career card
Insurance-home/health/life	Already provided on the career card
Luxuries	Ask students to think about luxuries they would like to participate in or purchase and what they estimate the cost to be

- *“Please take your career card and based on the additional expenses on the board (flip chart), create a budget for yourself. Your ability to pay the bills will depend on the career you are assigned and the income you will earn from that career.”*
- There are no right/wrong answers for the blank costs. The goal is for students to manipulate their available money in order to practice financial decision making.
- When the students are finished, *“To better understand each career, let's do some basic market research. Knowing this information can provide better insight as you make important and future decisions. Based on your chosen occupation/career:*
 - a. *Find a job description.*
 - b. *Research how many Americans are employed in this occupation.*
 - c. *Find the mean (average) annual age for that occupation.”*
(Bureau of Labor and Statistics)

EXPLANATION – Reflection Questions:

Students should discuss some of their bills and how easy or hard it was to successfully pay all the bills. They should reflect on how their career and income affected what bills they could pay and the lifestyle they were or weren't able to maintain. Ask the youth the following questions to promote discussion:

- *How did you choose what bills to pay?*
- *How did you adjust your spending plan based on your income level?*
- *How do adults make these decisions?*
- *What relationship did you find between education, career, and a person's quality of life, or lifestyle?*
- *Think about which careers required degrees or certifications; are there annual expenses associated with keeping these?*
- *What special expenses might you have because of the career chosen? (uniform, tools, vehicle, etc.)*

<p>Pediatrician (Children's Doctor)</p> <p>\$137,900</p> <p>12 Years of College and residency</p>	<p>School Bus Driver</p> <p>\$34,020</p> <p>High School Diploma Commercial Driver License</p>	<p>Baker at a Grocery Store</p> <p>\$25,420</p> <p>High School Diploma</p>
<p>Auto Mechanic</p> <p>\$40,850</p> <p>High School Diploma 1-2 years Certification Program</p>	<p>Carpenter for Residential Building Construction</p> <p>\$41,310</p> <p>High School Diploma 3-4 years apprenticeship</p>	<p>Electrician for Non-residential Building Construction</p> <p>\$52,910</p> <p>High School Diploma 4 years apprenticeship</p>
<p>Forest Ranger at a State Park</p> <p>\$23,950</p> <p>2 years of College</p>	<p>Accountant (CPA)</p> <p>\$47,630</p> <p>4 years of College Pass an Exam</p>	<p>Medical Secretary at a Dentist Office</p> <p>\$36,740</p> <p>2 years of college or certificate program</p>

<p>Cashier at Department Store</p> <p>\$19,220</p> <p>No minimum requirements</p>	<p>Hair Dresser/Stylist</p> <p>\$26,550</p> <p>1-2 years of college or certificate program</p>	<p>Fitness Trainer at a local gym</p> <p>\$37,220</p> <p>2 years of college</p>
<p>State Policeman</p> <p>\$60,650</p> <p>2 years of college and acceptance into training program</p>	<p>Prison Guard at a local county jail</p> <p>\$42,020</p> <p>2 years of college</p>	<p>Dentist</p> <p>\$164,780</p> <p>8 years of college and residency and pass an exam</p>
<p>Registered Nurse at a local hospital</p> <p>\$69,810</p> <p>4 years of college</p>	<p>Physical Therapist at a nursing home</p> <p>\$83,220</p> <p>5-7 years college and pass an exam</p>	<p>Dental Hygienist</p> <p>\$70,070</p> <p>2-6 years college and pass an exam</p>

<p>Veterinarian</p> <p>\$91,160</p> <p>8 years of college, clinical experience, and pass an exam</p>	<p>Librarian at a college</p> <p>\$61,590</p> <p>4-6 years of college</p>	<p>Mechanical Engineer</p> <p>\$89,500</p> <p>4 years of college</p>
<p>Computer Programmer</p> <p>\$76,800</p> <p>4 years of college</p>	<p>Lawyer</p> <p>\$81,960</p> <p>7 years of college and pass an exam</p>	<p>Child Care Teacher Aide</p> <p>\$23,250</p> <p>High School Diploma</p>
<p>Waitress</p> <p>\$20,660</p> <p>No minimum requirements</p>	<p>Real Estate Agent</p> <p>\$51,600</p> <p>High School Diploma and pass an exam</p>	<p>Paralegal/ Legal Assistant (Lawyer Assistant)</p> <p>\$47,790</p> <p>2-4 years of college and pass an exam</p>

Pediatrician (Children's Doctor)		School Bus Driver		Baker at a Grocery Store	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	1439	Student Loan	n/a	Student Loan	n/a
House Payment	1300	House Payment	630	House Rent	250
Food	300	Food	150	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	730	Car Payment	220	Car Payment	150
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Auto mechanic		Carpenter		Electrician	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	100	Student Loan	n/a	Student Loan	100
House Payment	300	House Payment	300	House Payment	630
Food	225	Food	225	Food	225
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	150	Car Payment	150
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Forest Ranger at a State Park		Accountant (CPA)		Medical Secretary for Dentist	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	239	Student Loan	356	Student Loan	367
House Rent	500	House Payment	930	House Payment	630
Food	150	Food	150	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	300	Car Payment	300	Car Payment	300
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	

Cashier at Sears Dept. Store		Hair Dresser/Stylist		Fitness Trainer at a local gym	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	n/a	Student Loan	265	Student Loan	372
House Rent	300	House Payment	425	House Payment	425
Food	150	Food	150	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	150	Car Payment	220	Car Payment	220
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
State Policeman		Prison Guard at a Local Jail		Dentist	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	606	Student Loan	420	Student Loan	1647
House Payment	1050	House Payment	850	House Payment	1900
Food	225	Food	225	Food	300
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	220	Car Payment	590
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Registered Nurse at Hospital		Physical Therapist at Nursing Home		Dental Hygienist	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	698	Student Loan	832	Student Loan	700
House Payment	1250	House Payment	1250	House Payment	1050
Food	25	Food	225	Food	225
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	440	Car Payment	590	Car Payment	590
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	

Veterinarian		Librarian at a College		Mechanical Engineer	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	911	Student Loan	615	Student Loan	895
House Payment	1050	House Payment	630	House Payment	1050
Food	300	Food	225	Food	300
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	440	Car Payment	300	Car Payment	300
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Computer Programmer		Lawyer		Child Care Teacher Aide	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	768	Student Loan	819	Student Loan	
House Payment	1250	House Payment	1250	House Payment	630
Food	225	Food	300	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	440	Car Payment	220
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Waitress		Real Estate Agent		Paralegal (Lawyer Assistant)	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	n/a	Student Loan	n/a	Student Loan	477
House Payment	300	House Payment	630	House Payment	630
Food	150	Food	225	Food	225
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	440	Car Payment	300
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	

I Want To Be an Entrepreneur

Lesson 2 – Activity B

Materials:

- Pencils
- Paper
- Colored pencils and markers

Helpful Teacher Hint

Everyone has a special skill or talent. Encourage your students to be creative and list their skills and talents.

Financial Fun Fact

Entrepreneurship doesn't always run in the family. More than half (51.9 percent) of respondents were the first in their families to launch a business.

Source: www.onstartups.com

EXPLORE – Activity Directions:

Pre-activity notes and questions:

This lesson focuses on **entrepreneurship**. Students should be able to identify the key components of a business plan through this activity. Students will be introduced to the critical components of youth entrepreneurship and will be able to identify their marketable skills and talents.

*"In this lesson, you will identify your skills and talents that are **marketable**, or wanted by someone else. Many people pay for products and services every day. In fact, small business is a major component or part of our economy. And, most millionaires are entrepreneurs. Now this is hard work but if you love what you do, it's all worth it!"*

Activity Instructions:

1. "Let's begin this lesson as an aspiring **entrepreneur**. An entrepreneur is a person that organizes and operates a business. What skills and talents do you have? What do most people compliment you on? What comes easy to you? What do you enjoy doing?" Provide an opportunity for students to answer. If necessary, prompt them. "Do you babysit younger siblings, neighbors or family members? Do you wash cars, rake lawns or shovel snow? Do you make jewelry, pottery or delicious baked goods? What services can you provide with relative ease? What products do you enjoy making? What contribution can you make to help others? Do you like speaking in front of a crowd? Do you like to read or take notes?"
2. "Let's think more about this skill or talent. Who would you market or sell your service or product to? Would you contact friends, neighbors, family, teacher... can you provide examples of potential customers?"
3. "Next, we will complete a basic business plan. Start by brainstorming:
 - a. Business name: Does your name explain what you are doing?
 - b. Business logo: Be creative... use color, angles and your imagination!
 - c. Mission: What does your business strive to do?
 - d. Service or product: Draw a picture or design. What does it look like, feel like, etc.?
 - e. Competitors? Who else offers this service or product? How much does it cost?"
4. "When you are an entrepreneur, you make the rules but you also do the work. Most entrepreneurs work more than 40 hours per week but they are passionate and love what they do.

Entrepreneurs see opportunities and create new goods and services to fill a need. They design different approaches to problems and they hire workers and help the economy grow."

EXPLANATION – Reflection Questions:

Ask students to write two to three sentences describing their business idea. It should tell someone what their business is and why they should buy from them. Students should discuss their business idea with a partner and try to sell their product or service. Ask students the following questions to promote discussion:

- *What opportunity have you found?*
- *What problem does your business solve?*
- *How do you use your education to advance your business idea?*

My Business Plan

Business Name

Product Sold or Service Offered

Ideal Customer

Marketing Ideas

**Special things
about my business**

Logo Design



- Make it colorful and eye-catching
- Keep it simple; use art principles of proportion and symmetry

EVALUATION

Lesson 2: Careers, Education, & Income

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I can apply financial literacy vocabulary.				
I better understand how education and my career choice affect income and other spending decisions.				

EVALUATION

Lesson 2: Careers, Education, & Income

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I can apply financial literacy vocabulary.				
I better understand how education and my career choice affect income and other spending decisions.				

Lesson 3

Plan and Manage Money



Maryland Standard 3: Develop skills to plan and manage money effectively by identifying financial goals and developing spending plans.

Objectives

- Students will develop financial goals based on personal values (3.8.C).
- Students will analyze and discuss the long range impact of setting personal financial goals (3.8. C.1.)

Lesson Plan Overview

Time	Task
5 minutes	Welcome and introduction
10 minutes	Introduce the concept of managing money, and build group discussion to learn how planning can positively impact successful money management.
30 minutes	Activity A or B – “Dreams to Goals” or “Money Habitudes”
10 minutes	Reflection discussion

Vocabulary

- Dream
- Financial goal
- Goal Long-term
- Personal values
- Short-term SMART Goal
- Spending plan

(See Glossary for definitions)

ENGAGE - Instructor Key Concepts:

Planning and Managing Money

Below is a basic introduction to the content of this lesson along with sample discussion questions.

*“Today we are going to learn about setting goals and developing plans to achieve those goals. Goals can be **short term**, achievable in less than a year; or **long term**, achievable in more than a year.”*

*“These goals are different for everyone because they depend on each individual’s **personal values**. Our personal values determine how and why we make or justify certain decisions, including our spending decisions.”*

“What things do you think about when you are about to spend money?” – Potential answers: how much is it, when will I use it, is it worth the price, I want it, etc.

“It’s important to understand your relationship with money. When we understand why we do things, like making spending choices, it helps us to better understand ourselves, and why we do what we do, or why we buy what we buy. It is also very important to create goals for our money that are reachable and that help us plan for our future.”

“Lots of things can influence our spending habits, or our money personality. Do you spend money as soon as you get it? Do you often share it with others? Do you save all or most of it because you are working toward a goal? Do you plan to save it but change your mind as soon as you watch a new commercial or visit a store?”

*“Let’s talk a little more about spending goals. First of all, what is a **dream**?” – Potential answers: something you really want, or a wish that may or may not be achievable, or realistic.*

*“What is a **goal**?” – Potential answers: something you want, something you’re working towards, that is achievable, realistic.*

At this point, proceed with Activity A and/or Activity B, your choice. However completing both would be beneficial.

Dreams to Goals

Lesson 3 – Activity A

Materials:

- Five foods that start with the letters, SMART
- Example foods that start with SMART...
 - S=Skittles Candy
 - M=M& M Candy
 - A=Apple or Apricot slices (dried)
 - R= Raisins
 - T= Teddy Grahams
- Label foods with SMART*
- Large mixing bowl
- Large mixing spoon
- Small plastic cups
- Paper star, one per student
- Markers
- Scissors

Helpful Teacher Hint

Purchase any foods that begin with the letters SMART.

To save time, have the stars cut out prior to the activity.

Financial Fun Fact

It costs 2.41 cents to make one penny. Do you think this is profitable?

Source: www.factslides.com

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. "Everyone has dreams or life aspirations. What are some of your dreams?" – Potential answers: I want to be a millionaire; I want to live in a mansion. "Let's figure out how to make that dream achievable."
2. "There are several steps to turning that dream into reality - or making it happen. Changing a dream to a goal requires making a plan."
3. "Since a goal must be achievable, it involves a plan with several steps to get there. For example, I have a bag of M&Ms here, but I really want trail mix. What else am I missing? It's not trail mix unless I have other ingredients, right?"
4. "Each item here on this table represents an ingredient in trail mix. Let's start with the S. which ingredient starts with S?"
S=Skittles
M=M&Ms
A=Apples
R=Raisins
T=Teddy Grahams
5. Continue through the remaining letters, adding each ingredient.
6. "Just as each ingredient is necessary to make a trail mix. A smart financial goal has five (5) important components as well. Let's talk more about these components."

Activity Instructions:

Everyone should take a star.

1. "On this star, write a dream. We want you to wish upon a star! And then we're going to turn that dream into a SMART goal."
2. When everyone has his/her own dream written down, "So what is a SMART **financial goal**? When you're thinking of goals, remember to be SMART; S.M.A.R.T.
3. "**S: Specific** - goals should be specific. Instead of saying, I want to have lots of money, say I want to have \$1,000.
4. "**M: Measurable** - goals should be measurable and manageable, so an example could be, I want to save \$5 each month."
5. "**A: Attainable** - goals should be attainable, or reachable. Let's think about an example. I want to save \$5 each month to reach my \$1,000 goal in a year. Is that attainable? No, however, if we could save \$5 each week, we would have \$1,000 in 200 weeks, or about 3 years and 11 months.
6. "**R: Realistic** - goals should be realistic, so an example could be, I want to get a job so I can save to buy a car. What's an example of an unrealistic goal?" – Potential answer: I want to

buy a Porsche with my saved money of \$1,000. "Porsche cars probably cost more than \$1,000 right? Probably not the most realistic goal, right?"

7. **"T: Time-bound** - goals should have a time frame. Set yourself a deadline in order to motivate you to achieve that goal. So an example could be, I want to save \$5 each month for six months."
8. "Now if we look back at what you wrote on your star, how do we convert that dream into a goal?"
9. "Think about your dream. How can we make it SMART? Let's put these pieces together."
10. "Flip your star over and write your SMART goal."

Example:

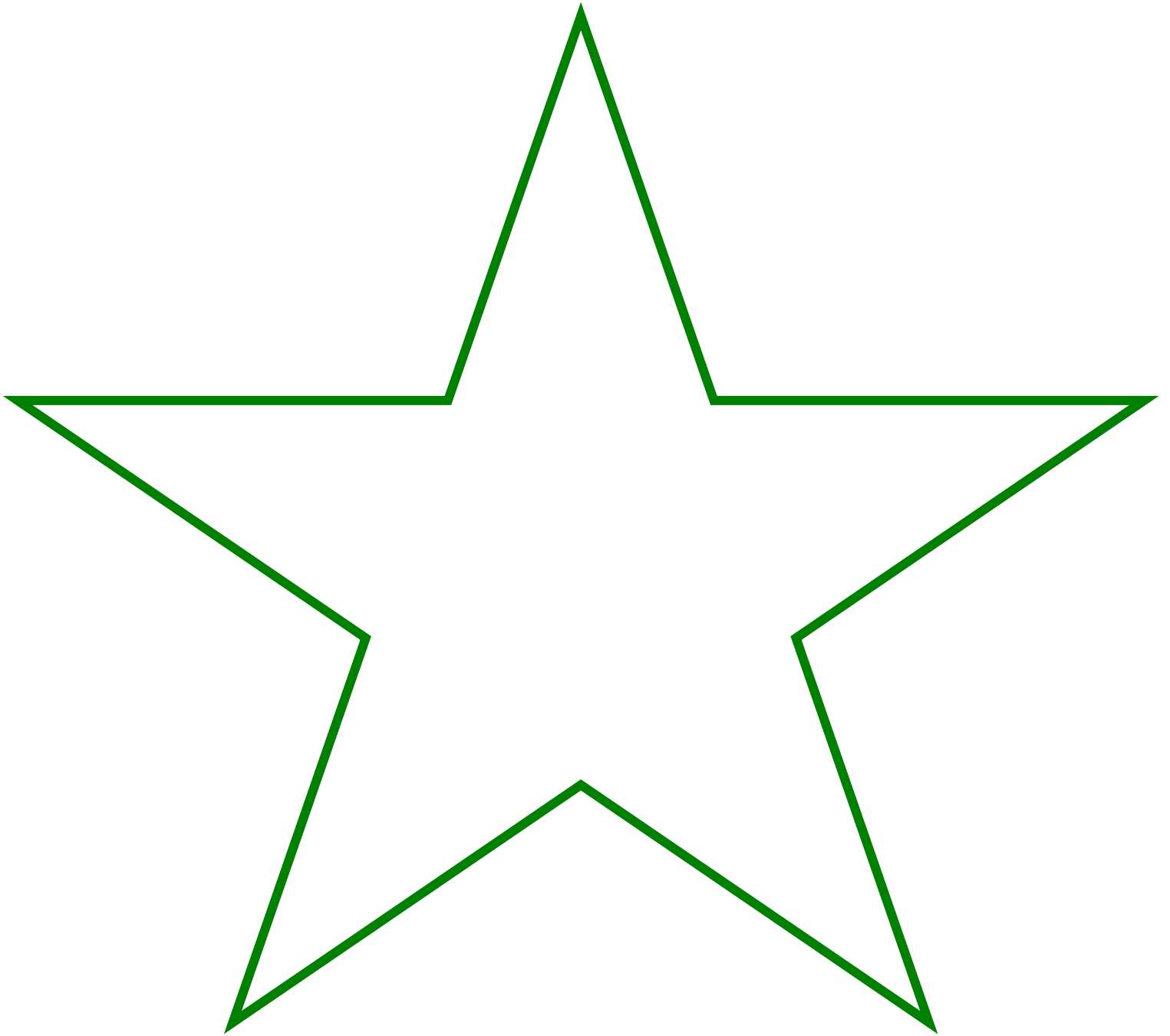
I wish for a _____. To make this dream come true, I think I need \$ _____ (amount of money) by _____ (date). Therefore, I need to save \$_____ each _____ (week/month).

EXPLANATION – Reflection Questions:

Students should discuss their SMART goals and the changes they made to take their dream to a SMART goal. Students should reflect on how they added clarity to their goal by adding the SMART components. Ask for volunteers to share their experiences.

Ask the youth the following questions to promote discussion:

- What was the easiest component to add to your goal?
- What was the hardest to add?
- Now that you have your complete smart goal, do you think it's reachable?
- How do these changes make the goal more attainable?



Money Habitudes

Lesson 3 – Activity B

Materials:

- Full sheet of paper for each student
- Pencils
- Money Habitudes cards (included in toolkit from your local UME office)

Helpful Teacher Hint

If you have a class size larger than 15, you may want to separate the deck of cards. Pay careful attention to the categories and separate the decks evenly.

Financial Fun Fact

Every time you remind yourself of a goal, you are training your brain to make it happen.

Source: www.teenshealth.org

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. *“As we mentioned, our spending goals vary depending on our personal values. This activity will help us to talk about money and explain our habits and attitudes about money.”*
2. *“Often we don’t know why we spend and save the way we do. So hopefully this will be a great conversation starter for us.”*

Activity Instructions:

1. Have the students take a piece of paper and turn it horizontally so that the long edge is on the top and bottom. Write three headings across the top.
That’s Me Sometimes, It Depends That’s Not Me
2. Set aside the eight yellow interpretation cards, the green instruction card, and the informational cards.
3. There are 54 statement cards. Shuffle these cards and divide evenly among students.
4. Have the students read the statement cards they have and place the card below the heading on their paper that most fits how they feel about the statement.
5. Remind them: there are no right or wrong answers, don't think too much, think about yourself today-not how you should be as a grown-up, and have fun with it!
6. When the students are finished sorting, turn over the cards in the “That’s Me” pile. There are pictures on the backs of each card. Put those cards into columns by grouping them with the same picture. This shows the money personality.
7. Ask for volunteers to share what image they have the most of. With the yellow interpretation cards, read aloud to the group the habitude type of that student, and continue until all habitudes have been read.
8. Alternate direction: This activity can also be played in small groups of 4-6. To do so, choose a team captain of each small group to deal the deck. The group then completes the game as explained above.

EXPLANATION – Reflection Questions:

Students should discuss their money personality they realized through this activity. They should reflect on their habitude type. Ask the youth the following questions to promote discussion:

- What surprised you about your card choices?
- Which habitude is working well for you? Why?
- Which different habitude should you use more often? Why?
- How might your habitude affect your life differently as an adult?

EVALUATION

Lesson 3: Plan and Manage Money

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I can distinguish between short term and long term goals.				
I can develop financial goals based on my personal values.				

EVALUATION

Lesson 3: Plan and Manage Money

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I can distinguish between short term and long term goals.				
I can customize my financial goals to my personal values.				

Lesson 4

Manage Credit and Debt



Maryland Standard 4: Develop skills to make informed decisions about incurring debt and maintaining credit worthiness.

Objectives

- Students will explain credit terminology (4.8.C.1).
- Students will identify the consequences of not meeting credit obligations, such as late fees, acquiring loans, paying higher interest rates, and bankruptcy. (4.8.G.1).

Lesson Plan Overview

Time	Task
5 minutes	Welcome and introduction
10 minutes	Introduce the concept of managing money, and build group discussion to learn about pros and cons of credit and debt.
30 minutes	Activity A or B – “Fly Swatter” or “Cost of Borrowing”
10 minutes	Reflection discussion

Vocabulary

- Annual percentage rate (APR)
- Bankruptcy
- Credit
- Credit score
- Loan
- Interest rate
- Loan
- Minimum payment
- Credit report
- Debt
- Interest
- Late fee
- Principal

(See Glossary for definitions)

ENGAGE - Instructor Key Concepts:

Managing Credit and Debt

Below is a basic introduction to the content of this lesson along with sample discussion questions.

“Another important part of planning and managing your money is knowing how to handle or manage credit and debt. Let’s talk about credit and debt. What is credit?” - Potential answers: credit cards, money on loan, etc.

Like many of you mentioned, credit can be confusing. There is revolving credit and installment credit. One example of revolving credit is a credit card. Credit cards, like other revolving types of credit, typically require a minimum payment, accrue interest on charges, and are not required to be paid off in full every month. Installment credit accounts include auto or car loans and mortgages. These accounts have fixed monthly payments and a fixed number of payments. Sometimes when asked about credit, you may think of credit scores and credit reports. We will learn more about these terms and concepts.”

“Let’s think of it in relation to your school work. When you get credit for doing your homework or extra credit on a test, what does this mean?” - Potential answers: you earn points and a higher grade, good work pays off, get more privileges, feel good about yourself, etc.

“It is important to learn how to manage your money and credit wisely. Learning how to make good decisions about your finances today will help you later in life too.”

“Is credit free money? When you or your parents pay by swiping a credit card, what does that mean?” – Targeted answer: no, credit is not free money; everything you swipe the credit card for, you still have to pay for, and in an allotted time, or you will be charged more money – or interest - for not paying it fast enough.

“Credit is money that a bank or business will allow a person to use and then pay back in the future with an additional cost (the additional cost is interest which we will cover soon). Credit means someone is willing to loan you money, called **principal**, in exchange for your promise to pay it back, usually with interest. **Interest** is the amount you pay to use someone else’s money.”

*“Credit can come from a variety of places, such as banks or credit unions. Other forms could be auto or home **loans**, student loans for college or credit cards.”*

“Good use of credit also helps build your credit score. Your **credit score** is a three-digit number that shows how well you manage your money. Your credit score is determined by your credit history – or how you have paid creditors in the past – and is generated by a credit bureaus. Credit bureaus serve as a repository place to monitor your credit history. The most common credit bureaus are Equifax, Experian, and Trans Union. The higher your credit score, the easier it will be for you to borrow money at lower interest rates because you will be seen as a trustworthy person. How can we build a good credit score?” - Target answers: pay bills on time, pay more than the minimum due, etc. “This shows lenders that you are financially responsible, and they can trust loaning you money.”

“When is having credit a bad thing? When you spend more than you can afford, or have too much debt, and you can't or don't pay back the borrowed money.”

“What is **debt**? Debt is the amount of money you owe to lenders, whether it be how much you owe on a car loan, or how large a balance you have on a credit card.”

“But it's important to remember the downside to credit and debt, if it's not managed well. If you don't pay back your loans, all that interest continues to add up, and can create more debt than you can manage, potentially leading to **bankruptcy**. How can we avoid getting too far in debt? Easy, spend less than you earn! Use credit for the 'big' ticket items. You also want to use credit wisely – primarily for “big ticket” or expensive items. As you get older, you may want to purchase a home. You will likely need to borrow to purchase a home.”

“Let's think through an example; if I wanted to borrow \$100 from you, what would you want from me in return? My word or promise that I would pay you back? Extra money or interest?”

“Since credit is not free money, it usually costs you a little extra. The **interest rate** determines how much you will have to pay in addition to the amount originally borrowed, for using it for a time period. This rate is normally based on an **annual percentage rate, or APR**. Then there is also the risk of **late fees**, extra fees that can be charged if you don't make a payment on time.”

“So that \$100 I borrowed could turn into \$120 if you charged me \$20 in interest, and if I don't pay you back until six months later, maybe you charge me a \$50 late fee. Next thing you know, the \$100 I needed actually cost me \$170. Borrowing can get us in trouble if we don't do it wisely.”

“How can we be sure to be good money managers when borrowing? Spend and save wisely; pay bills in full and on time. This will help us have good credit reports, a good credit score, be more deserving of a lower interest rate, and be viewed as a responsible money manager.”

Fly Swatter

Lesson 4 – Activity A

Materials:

- Flip chart paper
- Markers
- Two fly swatters

Helpful Teacher Hint

Instead of flip chart paper, the two words, *True* or *False*, can be written on the chalk board.

You can choose a student to serve as the scorekeeper.

Have a spare fly swatter in case one becomes damaged during the game.

Financial Fun Fact

The average college student graduates with \$3,000 in credit card debt. So it's important to understand credit so this doesn't happen to you!

Source: www.studentaid.gov

At this point, proceed with Activity A, and/or B, your choice. However completing both would be beneficial.

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. This activity can serve as a review of some of the common vocabulary terms associated with credit and debt (See Reflection Questions below).

Activity Instructions:

1. Attach two pieces of flip chart paper to the wall. On one piece of paper, write "True" and on the other, write "False."
2. Divide the class into two teams.
3. Give the first student in line on each team a fly swatter.
4. The instructor will pose questions about "credit" and "debt" that are in the form of True/False questions.
5. After each question is read, the student at the front of each line holding the fly swatter will try to be the first to answer the question by "hitting" either the True or False written on the flip chart paper.
6. The first student to get the answer correct wins a point for his/her team for that round.
7. The fly swatter is then passed to the next student in line. Each student should get the chance to answer a question.
8. The team with the most points wins the game.

Sample Fly Swatter Game Questions

1. Good money managers can get credit more easily than others who don't make wise financial choices. (T)
2. Those who manage their credit well can get lower interest rates when they borrow. (T)
3. Credit is free money. (F)
4. You should monitor the amount of debt that you have. (T)
5. People with good credit are seen as responsible money managers. (T)
6. The better your credit history (?) and credit score, the higher the interest rate you will pay when borrowing. (F)
7. Late fees are always charged when you borrow money. (F)
8. A good money manager pays only the minimum payment for credit card each month. (F)
9. You are seen as being a more responsible money manager if you have a high credit score. (T)
10. Paying back debt on time is important in order to maintain a good credit score. (T)

11. A bank is the only place from which you can borrow money. (F)
12. Interest is the amount of money you pay to use someone else's money. (T)
13. Having credit can sometimes be a bad thing. (T)
14. If you borrow \$50 from me and I charge you \$10 in interest, you will repay a total of \$60. (T)
15. You never have to worry about how much money you charge on your credit card each month. (F)
16. Mismanaging your money and being overextended with credit can lead to bankruptcy. (T)
17. Everyone is able to borrow money from a bank. (F)
18. Paying bills late does not affect your credit score. (F)
19. Not paying back debt is a serious thing. (T)
20. It is important to manage your money wisely. (T)

EXPLANATION – Reflection Questions:

Students should discuss the statements and the vocabulary words associated with each. Each statement in the above Fly Swatter Activity should prompt further discussion and reflection. The instructor can ask students to elaborate on why a statement is true, why a statement is false, and what would make a false statement true, as the activity is taking place.

Cost of Borrowing

Lesson 4 – Activity B

Materials:

➤ Computers

Helpful Teacher Hint

Perhaps you can have the students' videos or blogs viewed in school using your morning announcements or during advisory. Consider this an opportunity to create a PSA and increase awareness of financial literacy.

Integrating technology is essential to engage youth. Consider using the following platforms: glogster.com, prezi.com, xtranormal.com, blabberize.com, goanimate.com or pixton.com.

Financial Fun Fact

Believe it or not, George Washington had to borrow money to attend his own inauguration.

Source: Washington Publishers Tallahassee Florida, George Washington Trivia

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. *“When we borrow, we are asking a person or institution to loan us money and trust that we will repay them according to a preset plan. How do we demonstrate our trustworthiness?”*
Potential answers: Do what we say we will do; Pay our bills on time; Show them.
2. *“It is important to honor your commitments in your financial life as you already do in your personal and academic lives. What commitments do you honor in school? At home?”* - Potential answers: I take out the trash every Monday. I do my homework assignments.
3. *“Why is it important to honor your commitments and do what you say you will do? What happens if you don't?”*

Activity Instructions:

1. *“Using what you know about borrowing, credit and debt, think about a message that is important to share with your peers.”*
2. Have the students create a blog, Prezi, or short video clip that can be shared with their peers. It should be a 45-second message discussing the pros and cons of borrowing.
3. Give the students time to work on creating the message.
4. When students are finished, encourage them to share messages within the class, school, or community.

EXPLANATION – Reflection Questions:

Students should discuss the experience. They should reflect on the ease or difficulty applying and relaying the information. Ask the youth the following questions to promote discussion:

- How did you choose what message to relay?
- How did you make the information attractive or enticing to a viewer/listener?
- Where might you share what you created with others?
- What other methods or venues could you use to relay information on this topic?

Example Message:

Scenario:

Suppose Cameron is 18 and charges \$1,500 worth of clothes and DVDs on a credit card with a 19 percent APR (annual percentage rate). If Cameron repays only the minimum amount each month, and the minimum is 4 percent of the outstanding balance (the lowest amount permitted by some issuers), the monthly payment will start at \$60. Cameron will be 26 years old by the time the debt is paid off. That is 106 payments and over \$889 extra in interest. And that's if Cameron doesn't charge anything else on the card and no other fees are imposed (for example, late charges). What recommendations would you share with Cameron? Why?

- Find alternatives for Cameron by using one of the credit calculators available at Employee Benefit Research Institute's Education and Research Fund, <http://www.choosetosave.org/calculators/>, or on the sites below:
 - Utah State University Cooperative Extension: <https://powerpay.org/>
 - Springboard Nonprofit Consumer Counseling: <http://credit.org/calculators/cost-of-credit/>
 - The American Institute of Certified Public Accountants: www.forefieldkt.com/kt_dt/dt_trns.aspx?xd=CardOptimizer&il=ai

Your Turn:

Think of a purchase that you may need to use credit or financing to obtain. What does it cost? Visit one of the websites from above to calculate the cost if you use credit card. Assume a 22% interest rate. What is the estimated monthly payment? How long will it take you to pay it off? How much interest do you pay in total? Is it worth it? Why or why not? Are there other alternatives to using credit for this purchase?

- Borrowing money is a way to purchase something now and pay for it over time. But, you usually pay "interest" when you borrow money. The longer you take to pay back the money you borrowed, the more you will pay in interest.
- This example demonstrates one reason it pays to shop around to get the best deal on a loan and why it is better to pay more than the **minimum payment**. Compare loan terms from several lenders, and it's okay to negotiate the terms. Shopping around and paying more than the minimum helps you to pay less in interest over the life of the loan.
- One of your most important aids when shopping for a loan is the APR – the Annual Percentage Rate. This is the total cost, including interest charges and fees, described as a yearly rate.

EVALUATION

Lesson 4: Manage Credit and Debt

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I understand how to calculate credit card interest.				
I understand the effects of borrowing.				

EVALUATION

Lesson 4: Manage Credit and Debt

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I understand how to calculate credit card interest.				
I understand the effects of borrowing.				

Lesson 5

Create and Build Wealth



Maryland Standard 5: Students will develop skills to plan and achieve long-term goals related to saving and investing in order to build financial security and wealth.

Objectives

- Students will apply the “Rule of 72” to a financial decision (5.8.B.3).
- Students will distinguish between income and wealth (5.8.B.5).

Lesson Plan Overview

Time	Task
5 minutes	Welcome and introduction
10 minutes	Introduce the concept of creating and building wealth, and build group discussion to learn about different methods for growing money for the future.
30 minutes	Activity A or B – “Your Life Your Money” or “Risk and Return”
10 minutes	Reflection discussion

Vocabulary

- Aggressive
- Risk of Loss
- Conservative
- Diversification
- Money Market Account
- Certificate of Deposit
- Compound Interest
- Investment
- Bond
- Wealth
- Mutual Fund

(See Glossary for definitions)

ENGAGE - Instructor Key Concepts:
Creating and Building Wealth

Below is a basic introduction to the content of this lesson along with sample discussion questions.

“What does it mean to create and build wealth? Can you pick apart those key words? To create and build means to make, sustain and grow.”

“What about wealth? **Wealth** is the abundance of money and other possessions. What does wealth mean to you? What does wealth look like? Who wants to be wealthy? Why or why not?”

“In this class, we are going to discuss various ways to create, build and grow money for the future.”

“The primary strategy we will learn about is investing. Investing means having your money work for you. One way is that your money earns money. Someone pays you to use your money. Another way is that you buy something with your money that increases value over time. **Compound interest** is interest earned on interest. A small amount of money can grow to big money.

When you invest, you set your money aside for future income, or profit, however, there is no guarantee that your money will grow or increase. Time (or time horizon) is a very important to consider. Your goals and the amount of time you have to reach them will help you determine how you invest your money. There is a certain amount of **risk of loss** associated with an **investment**, but if it does grow, it usually grows more than it would in a savings account.”

“We each have different comfort levels of how much risk we want to take with our money. Some of us are **conservative** and want to take little risk, others are more **aggressive**, and are willing to take a bigger risk, in hopes of a bigger financial return.”

“A conservative investor may consider a certificate of deposit or bond. A certificate of deposit, also called a time deposit, offers guaranteed earnings and can be obtained at most credit unions and banks. A bond is essentially a loan to an organization or the government in exchange for a modest rate of return. More aggressive investors may consider a mutual fund or individual stocks. A mutual fund allows an investor to have a mix of investments or securities while individual stock ownership represents ownership in a specific company.”

“Whether you are conservative or aggressive, a smart investor wants to make sure their investment decisions are safe and realistic. One of the ways to protect against risk is investing for the

Your Life Your Money

Lesson 5 – Activity A

Materials:

- Duct tape
- Word search

Helpful Teacher Hint

Prepare room prior to student arrival. Duct tape works great to create a line for the students to stand on. If possible label True and False on a board and run the line between the words. Be sure it is safe for the students to jump side to side. You can find more characteristics about millionaires in *The Millionaire Next Door: The Surprising Secrets of American's Wealthy* (citation below)

Financial Fun Fact

How can you hold a Ferris wheel in your hand? A Ferris wheel or cartwheel are nicknames for the silver dollar.

Source:

<http://www.usmint.gov/kids/coinnews/funfacts.cfm>

<http://facts.randomhistory.com/millionaires-facts.html>

Stanley, Thomas J. and William D. Danko. 1996. *The Millionaire Next Door: The Surprising Secrets of America's Wealthy*. Lanham, MD: Taylor Trade Publishing.

long term. Markets go up and down in short term. Over the years, long-term investors do better than others.

There is a simple rule that investors follow when you invest for the long term: The Rule of 72. Does anyone know what the number 72 is important?" Allow students the opportunity to discuss and then define The Rule of 72.

Copy the pyramid for each student/group or display via projector for the class to see.

"The Rule of 72 is used to calculate the interest rate or number of years needed to double an investment. Let's look at the investment pyramid and thinking about what you learned about risk, how does the type of investment impact an investment?"

Discuss the **Financial Risk Pyramid. (See page 45)**. Point out that the investment tools on the bottom of the pyramid are very safe but have a low rate of return and will take longer to double. "The financial risk pyramid shows you the potential risk and return (or reward) that an investor can expect given the particular investment chosen. Often lower risk investments will yield lower returns and higher risk investments will yield higher returns. Smart investors try to diversify or include multiple investments in their portfolio. **Diversification** is pretty simple; it spreading your money among several different investments. By spreading it around, you reduce the chance that any one of them will really hurt you financially if their value drops. In other words, you don't want to put all your eggs in one basket. Diversification is the key to a smart investment plan."

Many children dream and talk about being "rich" and "a millionaire". Ask the students: "What does wealth look like?"; "What does financial security look like?"; "What is the difference in terms of resources (money)?"; "Who wants to be wealthy?"

At this point, proceed with Activity A or Activity B, your choice. However completing both would be beneficial.

EXPLORE – Activity Directions:

Pre-activity notes and questions:

This activity can serve as a review of some of the common vocabulary terms associated with credit and debt (See Reflection Questions below).

1. Initiate open dialogue with the following questions. "Why is it important to start saving early? What are some challenges with consistently saving? How can we overcome these challenges?"

Activity Instructions:

1. Using duct tape, divide the room (space) in half. Label one side True and the other False. **(ALTERNATIVE: Use fly swatter instructions - Lesson 4 - for this activity)**
2. The instructor will pose questions about millionaires that are in the form of True or False.
3. Students should stand on the line and jump to the left or right – for true or false – accordingly after each question is read **(Instructor should tell students to wait until the full statement has been read)**
4. Instructor will read the answer and the justification for each question/statement.

True – False Jumping Game Questions

- Most millionaires inherited their Money? **False** - Only 19% of millionaires were given any money or wealth from their families
- Millionaires don't actually work. They have people who work for them. **False** - Most work more than 45 hours per week
- Millionaires shop in fancy stores, not where ordinary people shop. **False** - 43% have a Sears store credit card
- Millionaires drive fancy sports cars. **False** - Only 23% drive a new car.
- Most millionaires make their money in cool ways, like being a sports star or a celebrity. **False** - Most work in very ordinary jobs.
- Millionaires have lots of credit cards. **False** - Many have only 1 and pay them off each month. They don't like paying interest.
- Most millionaires own their own business? **True** - About half of all millionaires are entrepreneurs.
- Many people become millionaires by winning the lottery. **False** - Your chances of winning the power ball are 1 in 17 billion. You have a better chance of being struck by lightning--1 in 9 million.
- Most millionaires are college graduates? **True** - 4 out of 5 have at least a college degree. They are well educated.
- There's a good possibility that you can become a millionaire? **True** - It's not that hard if you stick to a savings plan. if you invest \$3,000 each year and you earn 8% interest on it from age 21-64, you will retire with a million dollars!

EXPLANATION – Reflection Questions:

Students should discuss the value of savings. Ask the youth the following questions to promote discussion:

- Which millionaire facts surprised you the most? Why?
- What differences do you think exist between millionaires and billionaires?
- How can saving help support your financial future?

Extension Activity:

- Online Quiz: Test Your Money Smarts about Saving & Investing
- <http://investor.gov/tools/quizzes/test-your-money-smarts>
- Set a goal and use the calculator below to figure out how much you can save and how long it will take:
- http://investor.gov/tools/calculators/compound-interest-calculator#.UuA_Wk3n-M9

Double Your Money

Lesson 5 - Activity B

Materials:

- Print Activity Page for Lesson 5

Helpful Teacher Hint

Risk can be a challenging topic but students can understand it. Consider rolling a die, there is a chance you can roll various numbers or get various options. There is a risk or chance that you can roll the number 1 or the number 5. Financial risk is a roll of the dice but we can use tool and strategies to help us account for some of the risk.

Financial Fun Fact

More Monopoly money is printed each year than the total amount of paper currency in the entire world!

(Source:

www.factslides.com/S-Money

EXPLORE – Activity Directions:

Pre-activity notes and questions:

1. "What is The Rule of 72?"
2. "Do you think knowing how long it will take for your investment to double is good to know as an investor? The Rule of 72 is an approximation that does just that using compound interest. Let's try it together: Cassidy invested \$2500 into a bond that earns 4% interest rate. How long will it take for Cassidy's money to double? The formula for this is $72/\text{interest rate}$ – so in this example, we divide $72/4\%$ which equals 18. This means that it will take Cassidy 18 years to double her investment of \$2500 for a total of \$5000. Now it's your turn, calculate the length of time it will take Ray to double his investment of \$2500 with an interest rate of 3%. How many years will it take?" Allow students to answer. (The answer is 24 years). Have students consider what type of account Ray may be using since the interest rate is lower. For example, Savings Accounts and Certificates of Deposit (CD) have lower risk and lower rates.
3. "How does risk impact your future financial planning?"

Activity Instructions:

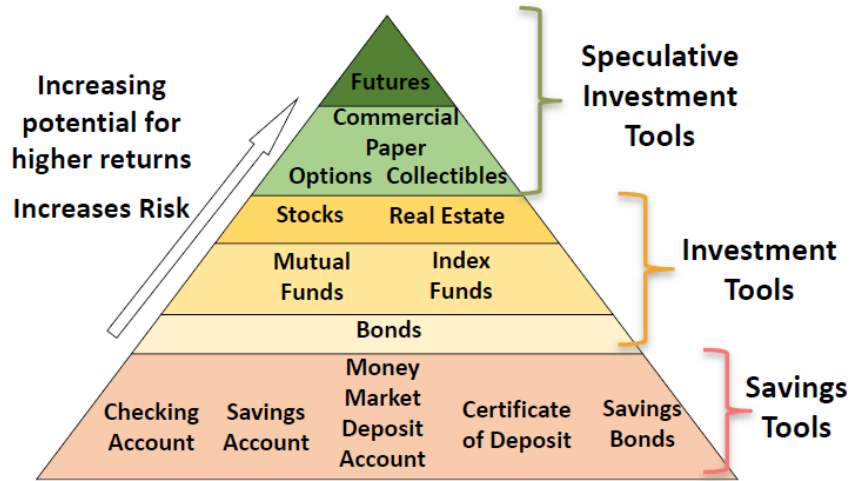
1. Have the students (individually, pairs, or in groups) use the Rule of 72 to calculate the years to double. Using the Activity Page (next), have the students complete the chart.

a. Certificate of Deposit (5 year)	2.25%
b. Certificate of Deposit (1 year)	1.05%
c. Certificate of Deposit (3 months)	.55%
d. Federal Bond (30 year)	4.25%
e. Regular Savings	.05%
f. Money Market Account	.5%
g. Mutual Fund (5 year)	13.69%
2. When students are finished, proceed to the discussion questions.

EXPLANATION – Reflection Questions:

"Although investments help you reach your long-term goals, they are not guaranteed. There is a risk involved with any investment choice we make – there is a risk of loss. We can lose money. In other words, our investments can decrease in value. They can also increase in value. Risk is an important concept because the greater the risk, the greater the possible reward and loss." Students should discuss the calculations using the Rule of 72 and compare the investments to the Financial Risk Pyramid.

Financial Risk Pyramid



Investment Tool	Terms	Interest Rate	Years to Double
Certificate of Deposit	5 years	2.25%	
Certificate of Deposit	1 year	1.05%	
Certificate of Deposit	3 months	.55%	
Federal Bond	30 years	4.25%	
Regular savings	1 year	.05%	
Money Market Account	1 year	.5%	
S&P 500 Index Fund	5 years	13.69%	

EVALUATION

Lesson 5: Create and Build Wealth

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I will plan to invest money, in addition to saving.				
I better understand the basics of investing.				

EVALUATION

Lesson 5: Create and Build Wealth

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I will plan to invest money, in addition to saving.				
I better understand the basics of investing.				

Lesson 6

Manage Risks and Preserve Wealth



Maryland Standard 6:

Students will develop financial planning skills to minimize financial setbacks.

Objectives

- Students will identify circumstances that impact income and wealth (6.8.A.1).
- Students will describe forms of financial risk and risk tolerance (6.8.A.2).
- Students will recognize forms of protection against financial loss (6.8.A.3).

Lesson Plan Overview

Time	Task
5 minutes	Welcome and introduction
10 minutes	Introduce the concept of managing risks and preserving wealth, and build group discussion to learn about different methods for protecting money and assets.
30 minutes	Activity A, or B – “Protecting Through Insurance,” or “Insurance Considerations.”
10 minutes	Reflection discussion

Vocabulary

- | | |
|--------------------|----------|
| Claim | Contract |
| Financial security | |
| Insurance | Invest |
| Liability | Policy |
| Premium | Preserve |
| Risk | Wealth |

(See Glossary for definitions)

ENGAGE - Instructor Key Concepts:

Manage Risks & Preserve Wealth

Below is a basic introduction to the content of this lesson along with sample discussion questions.

“What are your financial goals? Do you want to be a millionaire? (Give students time to think and respond.) Many students will set a goal to be a millionaire and with planning, that goal can be achieved. In fact, 1 in every 20 American households are millionaires. So, it is possible... very possible! However, once you make your first million, what must you do to protect and preserve it?”

*“Today we are going to learn what it means to manage risks and preserve wealth. Can you pick apart those key words? When we manage something, we are in charge or in control. To **preserve** means to protect and keep safe.*

*“What about risk and wealth? **Pure Risk** is beyond our control and the only outcome is loss. **Wealth** is the abundance of money and other possessions. Why do you think it is important to properly manage and preserve your wealth? In this class, we are going to discuss various ways to compare risk and strategies to protect wealth.”*

*“Saving and investing is important. At the same time, it is critical to protect financial security from risks. **Insurance** is a financial product purchased by many people facing a similar risk to protect against the risk of larger losses. When the group of people purchase together, it lowers the rates, similar to shopping in bulk at Costco's or Sam's Club.”*

“Insurance is one of the most common ways to protect your wealth against the loss from an event that you cannot totally control. Some events are small, like a car accident or tree falling on your home, while others are more significant such as death, hurricane, serious illness, and many others. Imagine that you are in a car accident and need to be hospitalized. The average cost for the hospital stay is \$22,000. Having health insurance will help cover this cost and help you when you have a major accident, problem or loss.”

*“When something bad happens, such as a hurricane, earthquake or a car accident, depending on your **insurance policy**, your insurance will cover some or all of the costs to fix the damage. There are many types of insurance – they are called lines of insurance. The four most common lines of insurance are auto,*

home, life and health insurance. You can also purchase insurance for a business, an apartment, boat, jewelry or your pet."

"An insurance policy is a **contract** between you and the insurance company. A contract is a legally enforceable promise. So, if you have an insurance policy and you follow the rules of the policy, the insurance company promises to pay any **claim**. A claim is a demand for payment based on a covered loss."

"In order to have coverage, you pay a **premium**. The premium is the amount of money you pay for your insurance coverage. Some people pay monthly, quarterly or annually. The level of risk for you determines the amount of the premium. For example, if you have many traffic tickets, the insurance company is likely to charge you a higher auto insurance premium. Your premium will likely be different than your friends or family members. The insurance company takes many factors into account before offering you coverage. In fact, the premium can change from policy year to policy year; it may go down if your behavior is not risky or up if your behaviors and actions are riskier."

"Everyone has some level of risk: high, medium, and low. And, it is likely that your risk varies based on the type of insurance coverage being sought. For example, insurance companies will look at the following factors before offering auto insurance:"

- Your vehicle (make, model, age, mileage)
- Your age
- Your driving record
- Your driving habits (driving frequency and distance)

Let's look more closely at the types of insurance policies available and the types of risks that insurance companies consider."

At this point, proceed to Activity A. It is recommended that you complete both Activity A & B.

Protecting Through Insurance

Lesson 6 – Activity A

Materials:

- Insurance Activity cards
- Insurance Event Activity cards

Helpful Teacher Hint

You may want to laminate or print the insurance event cards on heavy card stock to allow for reuse of materials.

Financial Fun Fact

1 in every 20 households are millionaires.

Source: 2013 tax year data released from the Internal Revenue Service

EXPLORE – Activity Directions:**Pre-activity notes and questions:**

1. *“We learned about auto, health, home, and life insurance. Let’s think of ways that these types of insurance policies could help us. If you break your leg while playing soccer and need to visit the hospital emergency room, which insurance policy would you use? Can you think of other examples?”* After a few examples offered by the students, proceed to the selected activity.

Activity Instructions:

Students should work in groups of 3-4 to complete this activity:

1. Distribute one set of insurance activity and event cards to each group.
2. Discuss the event cards and classify by the type of insurance.
3. Discuss the financial importance of having this each type of insurance: “As we discussed before, auto insurance will help protect you in case of an accident. Can you explain how the auto insurance helps and protects you?”

The event card details are listed below:

Auto (3): Fallen tree on car; car accident; vandalism

Home (3): Fallen tree on home; tornado damage; fire

Life (1): Unexpected family death

Health (3): Food poisoning; skateboarding accident; slip and fall

EXPLANATION – Reflection Questions:

Students should discuss the value and importance of having insurance. Encourage students to answer the following questions to promote discussion:

- How has insurance helped you personally? (Remind students not to overshare or share uncomfortable personal experiences.)
- What personal experiences do you have with insurance?
- Do you know the types of insurance policies that your family use (carries, holds)?
- Which type do you think is most important? Why?



Uh oh... a tree just fell on your car.



Food poisoning requires a visit to the hospital.



A tree fell on your home.

Skateboarding accident... now, you have a broken arm.



Someone runs into you. Your car needs to be repaired.



These sidewalks are slippery. You fell and have a broken leg.



Your car is vandalized.



There is an unexpected death in your family.



A hurricane damages your home.

A tornado destroys your home.



Insurance Considerations

Lesson 6 – Activity B

Materials:

- Career Cards (also used in Lesson 2)
- Pencils/Pens
- Calculators
- Maryland Insurance Administration brochure

Helpful Teacher Hint

You may want to laminate or print the Career Cards on heavy card stock to allow for reuse of materials.

Financial Fun Fact

1 in 6 young adults end up in the emergency room with an illness. Can you guess how much these “minor injuries” cost?:

Broken leg: \$10,000+

Knee repair: \$12,000

Burst appendix: \$15,000

These costs demonstrate the value of having health insurance.

Source:

The Urban Institute, “Health Insurance Coverage of Young Adults: Issues and Broader Considerations,” June 2008.

Healthcare Leadership Council,
www.getcoverednow.org

National Endowment for Financial Education

EXPLORE – Activity Directions:

Pre-activity notes and questions:

This activity will discuss the purpose of insurance and the selection/consideration process.

1. Begin by asking students the following questions: “Why is insurance important? What types of insurance exist? How do you know what type of insurance to purchase?”
2. Remind students that “insurance is a way to ensure you are protected from financial loss and that when something bad happens, you have a level of protection.”
3. “As you get older and enter the workforce, you will need to consider insurance to protect your assets and financial future. In this activity, we will revisit the career cards that we used earlier and we will make insurance decisions.”

Activity Instructions:

1. Distribute the career cards and corresponding budget cards (if possible, provide the same card to the students as in Lesson 2: Careers, Education & Income)
2. Facilitate discussion using the following questions based on the student's career card (post the questions on the board or a flip chart):
 - a. Do you have a car?
 - b. Do you have a home or apartment?
 - c. What type of insurance do you need?
3. Ask students to complete the budget including the new insurance line item. Students should use the information from Lesson 2 and from what you have written on the board/flip chart.
4. Ask students to share their choices/selections with a partner or group. Be sure to discuss if any of your costs (expenses) exceed your income? What did you do?

EXPLANATION – Reflection Questions:

Students should discuss the benefits of insurance. Ask the youth the following questions to promote discussion:

- What type of insurance policy or plan was selected?
- Why did you make the selection?
- Did you think of hazards that are particular to different parts of the country?

<p>Pediatrician (Children's Doctor)</p> <p>\$137,900</p> <p>12 Years of College and residency</p>	<p>School Bus Driver</p> <p>\$34,020</p> <p>High School Diploma Commercial Driver License</p>	<p>Baker at a Grocery Store</p> <p>\$25,420</p> <p>High School Diploma</p>
<p>Auto mechanic</p> <p>\$40,850</p> <p>High School Diploma 1-2 years Certification Program</p>	<p>Carpenter for Residential Building Construction</p> <p>\$41,310</p> <p>High School Diploma 3-4 years apprenticeship</p>	<p>Electrician for Non-Residential Building Construction</p> <p>\$52,910</p> <p>High School Diploma 4 years apprenticeship</p>
<p>Forest Ranger at a State Park</p> <p>\$23,950</p> <p>2 years of College</p>	<p>Accountant (CPA)</p> <p>\$47,630</p> <p>4 years of College Pass an Exam</p>	<p>Medical Secretary at a Dentist Office</p> <p>\$36,740</p> <p>2 years of college or certificate program</p>

<p>Cashier at Department Store</p> <p>\$19,220</p> <p>No minimum requirements</p>	<p>Hair Dresser/Stylist</p> <p>\$26,550</p> <p>1-2 years of college or certificate program</p>	<p>Fitness Trainer at a local gym</p> <p>\$37,220</p> <p>2 years of college</p>
<p>State Policeman</p> <p>\$60,650</p> <p>2 years of college and acceptance into training program</p>	<p>Prison Guard at a local county jail</p> <p>\$42,020</p> <p>2 years of college</p>	<p>Dentist</p> <p>\$164,780</p> <p>8 years of college and residency and pass an exam</p>
<p>Registered Nurse at a local hospital</p> <p>\$69,810</p> <p>4 years of college</p>	<p>Physical Therapist at a nursing home</p> <p>\$83,220</p> <p>5-7 years college and pass an exam</p>	<p>Dental Hygienist</p> <p>\$70,070</p> <p>2-6 years college and pass an exam</p>

<p>Veterinarian</p> <p>\$91,160</p> <p>8 years of college, clinical experience, and pass an exam</p>	<p>Librarian at a college</p> <p>\$61,590</p> <p>4-6 years of college</p>	<p>Mechanical Engineer</p> <p>\$89,500</p> <p>4 years of college</p>
<p>Computer Programmer</p> <p>\$76,800</p> <p>4 years of college</p>	<p>Lawyer</p> <p>\$81,960</p> <p>7 years of college and pass an exam</p>	<p>Child Care Teacher Aide</p> <p>\$23,250</p> <p>High School Diploma</p>
<p>Waitress</p> <p>\$20,660</p> <p>No minimum requirements</p>	<p>Real Estate Agent</p> <p>\$51,600</p> <p>High School Diploma and pass an exam</p>	<p>Paralegal/ Legal Assistant (Lawyer Assistant)</p> <p>\$47,790</p> <p>2-4 years of college and pass an exam</p>

Pediatrician (Children’s Doctor)		School Bus Driver		Baker at a Grocery Store	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	1439	Student Loan	n/a	Student Loan	n/a
House Payment	1300	House Payment	630	House Rent	250
Food	300	Food	150	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	730	Car Payment	220	Car Payment	150
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Auto mechanic		Carpenter		Electrician	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	100	Student Loan	n/a	Student Loan	100
House Payment	300	House Payment	300	House Payment	630
Food	225	Food	225	Food	225
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	150	Car Payment	150
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Forest Ranger at a State Park		Accountant (CPA)		Medical Secretary for Dentist	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	239	Student Loan	356	Student Loan	367
House Rent	500	House Payment	930	House Payment	630
Food	150	Food	150	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	300	Car Payment	300	Car Payment	300
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	

Cashier at Sears Dept. Store		Hair Dresser/Stylist		Fitness Trainer at a local gym	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	n/a	Student Loan	265	Student Loan	372
House Rent	300	House Payment	425	House Payment	425
Food	150	Food	150	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	150	Car Payment	220	Car Payment	220
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
State Policeman		Prison Guard at a Local Jail		Dentist	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	606	Student Loan	420	Student Loan	1647
House Payment	1050	House Payment	850	House Payment	1900
Food	225	Food	225	Food	300
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	220	Car Payment	590
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Registered Nurse at hospital		Physical Therapist at Nursing Home		Dental Hygienist	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	698	Student Loan	832	Student Loan	700
House Payment	1250	House Payment	1250	House Payment	1050
Food	25	Food	225	Food	225
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	440	Car Payment	590	Car Payment	590
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	

Veterinarian		Librarian at a college		Mechanical Engineer	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	911	Student Loan	615	Student Loan	895
House Payment	1050	House Payment	630	House Payment	1050
Food	300	Food	225	Food	300
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	440	Car Payment	300	Car Payment	300
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Computer Programmer		Lawyer		Child Care Teacher Aide	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	768	Student Loan	819	Student Loan	232
House Payment	1250	House Payment	1250	House Payment	630
Food	225	Food	300	Food	150
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	440	Car Payment	220
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	
Waitress		Real Estate Agent		Paralegal (Lawyer Assistant)	
Savings		Savings		Savings	
Monthly Income		Monthly Income		Monthly Income	
Student Loan	n/a	Student Loan	n/a	Student Loan	477
House Payment	300	House Payment	630	House Payment	630
Food	150	Food	225	Food	225
Clothing		Clothing		Clothing	
Utilities-heat,water,trash	278	Utilities-heat,water,trash	278	Utilities-heat,water,trash	278
Gasoline		Gasoline		Gasoline	
Car Payment	220	Car Payment	440	Car Payment	300
Car Insurance	128	Car Insurance	128	Car Insurance	128
Cable TV	75	Cable TV	75	Cable TV	75
Internet/Cell Phone	100	Internet/Cell Phone	100	Internet/Cell Phone	100
Insurance-home,health,life	200	Insurance-home,health,life	200	Insurance-home,health,life	200
Luxuries		Luxuries		Luxuries	

EVALUATION

Lesson 6: Manage Risks and Preserve Wealth

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I will plan to protect and preserve my money.				
I better understand the importance of insurance.				

EVALUATION

Lesson 6: Manage Risks and Preserve Wealth

Last Name: _____

Please complete the brief post-test by putting an "X" in the box of your choice.

Based on information learned:	Definitely	Maybe	Probably Not	Definitely Not
I will plan to protect and preserve my money.				
I better understand the importance of insurance.				

Appendix A

Extension Activities



***Many of these resources fall under more than one educational standard.**

Lesson 1: Financial Decisions

- <http://twens.feedthepig.org/twens/#>
- http://pbskids.org/itsmylife/games/mad_money_flash.html
- <http://financialentertainment.org/play/celebritycalamity.html>

Lesson 2: Careers, Education and Income

- www.sba.gov/content/youth-entrepreneurship
- www.frederickworks.com/youth
- www.famemaine.com/files/StaticPages/General/GetLife/GetALife.html

Lesson 3: Plan and Manage Money

- www.MyMoney.gov
- www.themint.org
- www.4h.msue.msu.edu/4h
- www.fdic.gov

Lesson 4: Manage Credit and Debt

- www.Mycreditunion.gov
- www.practicalmoneyskills.com
- www.tdbank.com
- <http://dfi.wa.gov/financial-education#.VOeATU10ypo>
- http://www.washingtonpublishers.com.Washingtonia/george_washington

Lesson 5: Create and Build Wealth

- Virtual NYSE tour: www.discoveryeducation.com/nyse/index.cfm
- Invest Write: www.investwrite.org
- FINRA (Financial Industry Regulatory Authority): www.finra.org

Lesson 6: Manage Risks and Preserve Wealth

- www.themint.org
- www.onguardonline.gov
- www.financeintheclassroom.org
- www.richkidsmartkid.com
- <http://dfi.wa.gov/financial-education#.VOeATU10ypo>
- <http://aspe.hhs.gov/health/reports/2011/valueofinsurance/rb.shtml#Putting>

Appendix B

Glossary



Lesson 1

Budget (Spending plan) – a plan for spending and saving money based on a person's goals during a given time period

Choice – to decide between two or more possibilities

Comparison Shop – to shop for bargains by comparing competing brands or stores

Decisions – to make a choice about something after thinking it through

Estimate – to form a general idea of the value, size, or cost of something

Needs – the essentials or basics of life

Opportunity Costs – the value of what is given up when a person chooses one option over another

Priorities – some things are more important than other things

Spend – to spend money to pay for something

Trade-off – situation where you must choose between two things, where both cannot be had

Wants – items, activities, or services that increase the quality of life

Lesson 2

Career – job or profession that someone does for a long time

Cost of Living – the cost of purchasing those goods and services which are included in an accepted standard level of consumption

Educational Level – the level of formal knowledge and training a person acquires in a lifetime

Entrepreneur - a person who starts a business and is willing to risk loss in order to make money

Marketable – in demand or wanted by others

Supply and Demand – the availability of goods and services in the market and the desire of consumers to buy them

Value – the beliefs and practice sin a person's life that are very important

Wages – amount of money a worker is paid based on number of hours/ days that are worked

Lesson 3

Dream – something that you have wanted very much to do, be or have for a long time

Financial Goal – objective or target driven by specific future financial need

Goal – a statement of something a person wants or needs to do

Long-term – a financial goal expected to be accomplished in five years or longer

Personal Values – the beliefs and practices in a person's life that are very important

Short-term – a financial goal expected to be accomplished in less than five years

SMART Goal – a financial goal that is specific, measurable, attainable, realistic, and contains a time frame

Lesson 4

Annual Percentage Rate (APR) – the yearly cost of a loan, including interest, insurance, and fees, expressed as a percentage

Bankruptcy – a legal process that allows someone deeply in debt to create a plan to get out of debt

- Credit** – an amount of money someone is willing to loan another person based on trust and the expectation that the money will be repaid with interest
- Credit report** – A report containing detailed financial information on a person's credit history including identifying information, credit accounts and loans, bankruptcies and late payments, and recent inquiries
- Credit score** – a representation of the historical account of how a person has used credit
- Debt** – the entire amount of money a person owes to lenders
- Interest** – payment for the use (borrowing) of money
- Interest Rate** – a rate which is charged or paid for the use of money, usually expressed as an annual percentage of the principal
- Late fee** – a fee charged when a payment is not received by the deadline
- Loan** – an amount of money that is given to someone for a period of time with a promise that it will be paid back
- Minimum payment** – The smallest amount which can be paid on a revolving charge account to avoid a penalty
- Principal** – amount of money borrowed or the amount still owed on a loan, separate from the interest

Lesson 5

- Aggressive** – investment style that seeks moderate- to high-risk investment options
- Compound Interest** – Interest that is calculated not only on the initial principal but also the accumulated interest of prior periods
- Conservative** – investment style that seeks low- to moderate-risk investment options
- Diversification** – spreading invested dollars among several different savings or investments to reduce risk
- Investment** – money set aside for future income, benefit, or profit to meet long-term goals
- Risk of Loss** - the possibility of losing money on an investment
- Wealth** – the value of all property, possessions, and money that someone has

Lesson 6:

- Claim** – Notification to an insurance company requesting payment of an amount due under the terms of the policy
- Contract** – A binding agreement between two or more parties for performing, or refraining from performing, some specified act(s) in exchange for lawful consideration
- Financial Security** – the condition of having the resources to support a standard of living now and in the foreseeable future
- Insurance** – A promise of compensation for specific potential future losses in exchange for a periodic payment
- Invest** – To engage in any activity in which money is put at risk for the purpose of making a profit
- Liability** – An obligation that legally binds an individual or company to settle a debt
- Premium** – A regular periodic payment for an insurance policy
- Policy** – A contract of insurance, describing the term, coverage, premiums and deductibles
- Preserve** – to protect or keep safe something of value
- Risks** – the possibility that something bad or unpleasant will happen
- Wealth** – The total value of the accumulated assets owned by an individual, household, community, or country