



9th - 12th Grade

Financial Literacy Activities



BuseyBANK[®]

**MONEY
SMART!
YOUTH**



Lesson 1: Working Hard for the Money

EXPLORING CAREERS

Job: work a person performs regularly in order to earn money

Career: a job or profession that a person holds for a long period of time

Profession: a type of job that requires special education, training, or skill

Job	Description	Training/Education	Average Income
Chemical Engineer	Chemical engineers combine knowledge of science and math to develop and design chemical manufacturing processes. Chemical engineers can work in a variety of areas to help facilitate manufacturing, from pharmaceuticals to food and environmental safety.	Bachelor's degree in chemical engineering	\$102,160 per year or \$49.12 per hour
Social Media Marketing Manager	A social media marketing manager plans social media campaigns to generate interest in products or services. Social media managers are responsible for overseeing a company's online presence, customer engagement, and online brand identity.	Bachelor's degree in marketing, advertising, or journalism	\$132,230* per year or \$63.50 per hour
Dental Hygienist	Dental hygienists clean teeth and help patients maintain oral health. Hygienists examine patients, take dental X-rays, and help to educate patients on good oral health.	Associate's degree in dental hygiene	\$74,070 per year or \$35.61 per hour
Registered Nurse	Nurses perform a variety of tasks to help care for patients. Nurses assess injuries and illnesses, create treatment plans for patients, and administer medicine, among other patient-care tasks.	Registered nurses are required to hold a nursing license, which is earned by graduating from a nursing program and passing a national exam. Nursing programs are available for both associate and bachelor degrees	\$70,000 per year or \$33.65 per hour
Masons	Using bricks and stones, masons build or repair a variety of structures, from walls, fences, and floors to fireplaces and chimneys.	A high school diploma or equivalent is required, and most masons complete a three- to four-year apprenticeship in order to learn the trade.	\$42,900 per year or \$20.62 per hour
High School Teacher	High school teachers help prepare students for life after graduation by teaching academic lessons and skills required for students to enter the job market.	Teachers must have a bachelor's degree and a state-issued certification or license.	\$59,170 per year or \$29.59 per hour
Multimedia Animator	Multimedia animators create two- and three-dimensional models, animations, and visual effects for various forms of media, including television, movies, and video games.	Most animators need a bachelor's degree in computer graphics, art, or a related field.	\$70,530 per year or \$35.27 per hour

Find more information about these and other careers in the *Occupational Outlook Handbook* at www.bls.gov/ooh.

* Salaries for Social Media Marketing Managers vary based on location, company size, and previous experience.



Lesson 1: Working Hard for the Money

CAREER RESEARCH

Name: _____

Select two different careers that interest you, or that you would like to learn more about, and write them in the spaces below. Using the research resources or an Internet search engine, investigate the job description, training and education required, and the average income for each career.

Not sure which career to start with? Take a moment to reflect on your interests and skills by answering the questions below or taking an interest survey to assess strengths and capabilities, such as <https://careertech.org/student-interest-survey> or www.careeronestop.org/Toolkit/Careers/interest-assessment.aspx.

- What do you like to do?
- What are you interested in?
- What excites you?
- What are you good at?
- What fields are you interested in learning more about?

Research Resources:

▪ Occupational Outlook Handbook.

www.bls.gov/ooh

▪ Career One Stop.

www.careeronestop.org

Check out the U.S. Bureau of Labor Statistics' A to Z guide for more career ideas!

www.bls.gov/ooh/a-z-index.htm

Career	1.	2.
Description		
Training/ Education		
Average Income		



Lesson 1: Working Hard for the Money

MAKING CHOICES

Name: _____

Based on your current interests, select three different paths to employment from the following: two-year college, four-year college, apprenticeship, military, direct to workforce (job), and entrepreneur. Next, write down career opportunities that interest you that can be achieved by following each path.





Lesson 2: Designing Dreams

SETTING & REACHING GOALS

Name: _____

MEET AISHA

For as long as Aisha can remember, she has always wanted to be a nurse.

“I enjoy helping people,” Aisha says. “When I was a little girl I would use up all of our band-aids pretending to fix anyone and everyone that crossed my path!”

Today, Aisha is 26 years old and working as a registered nurse. How did she do it?

“It took a lot of hard work, but really I think the key was to make a plan early on and to stick to my plan even when things got tough,” Aisha says.

CHALLENGES FOR AISHA

Needs vs. Wants

“When I was going to nursing school, my friends were always hanging out on Friday nights, grabbing food and maybe catching a movie. But I was tight on cash. It was really tempting, but I knew that if I spent my money going out every weekend, I would be in trouble when it came time to pay tuition next semester. I did go out and have fun with my friends...but I was careful not to overdo it.”

Budget Blues

“By far the biggest thing I’ve learned about reaching my goals is to spend my money on paper first by creating a budget. At the beginning of the month I write down all of the things I’m going to need to spend money on and how much each will cost. Some expenses are the same each month, like my rent. But other costs are harder to predict, like buying groceries. I give myself a set amount of money to spend in each area of my budget and then I stick to it. Trust me, the sticking-to-it part is the hardest! By the third month of following a budget though, it really became a natural part of my financial plan.”

AISHA’S GOALS

Short-term goal:

work part-time in high school to save up money for college

Intermediate goal:

go to college for nursing and balance working part-time

Long-term goal:

obtain a job as a registered nurse

DEFINING VALUES

“After high school I was working at a local grocery store as a cashier and one day my manager asked if I would ever want to become a manager. This made me really stop and think about what I wanted to accomplish in my life. Being a manager sounded fantastic. More money and benefits... who wouldn’t want that?! But I had this dream of becoming a nurse and I knew that what I was really good at was helping take care of people when they needed it the most. Thankfully, I was able to keep my job at the grocery store all during nursing school, but I knew for me the path I valued the most was getting my nursing license.”



Lesson 2: Designing Dreams

SETTING & REACHING GOALS *(continued)*

Name: _____

In thinking of Aisha's story, what dreams and goals do you have for your life? What do you want to accomplish, whether it is reaching a certain career, buying a home, or going to college?

Write three goals you have for your future:

- 1.
- 2.
- 3.

What will you need to do in order to reach your goals? Like Aisha, think through what you would need to do today, in a few months, and in the next few years to reach your goals. These are your short-term, intermediate, and long-term goals. Write your ideas in the table below for each of your future goals.

GOALS			
	1:	2:	3:
Short-Term (What actions can I take today to reach my goal?)			
Intermediate (What actions can I take over the next few months to reach my goal?)			
Long-Term (What actions can I take over the next few years to reach my goal?)			



Lesson 2: Designing Dreams

POOR OR POLISHED PLAN?

Name: _____

Read the scenarios about each person below and decide whether their financial plan is poor or polished. Circle the correct answer and then explain why.

Look for the following elements of a polished financial plan:

- Budgets income and expenses
- Weighs wants and needs
- Makes a plan for spending, saving, and investing
- Avoids peer pressure
- Limits expenses when necessary

Selena 17 years old, high school senior Poor Polished

“My friends are going to a concert in a few weeks and they’re begging me to come. It’s my favorite band and I really want to go. It’s \$100 for the ticket, plus I’ll probably need extra because I’ll want to buy a T-shirt and maybe food. I am trying to save up for a car so I can get to school and work easier, but if I don’t go to the concert, I’ll be the only one who misses it. I’ll never hear the end of it from my friends! I think I’m going to go and I’ll just borrow the money from my car savings to pay for it and then hopefully catch up on savings next month.”

Why?

Mike 21 years old, college junior Poor Polished

“My financial aid came through today and I’m excited for classes to start. The first thing I need to do is pay tuition and then I’m hoping to be able to buy a new computer. There are so many different types of computers, though, so I’m going to make a list of what I need first and then figure out how much each computer option will cost. I’ll do some web searches to compare different models and find one that fits within my budget. If I have to, I may need to use the computer lab on campus for one semester while I save up more money to buy a computer of my own.”

Why?

Kaelan 22 years old, part-time construction worker Poor Polished

“I just moved into a new condo and it’s pretty sweet. A little pricey at \$1,100 month, but I have lots of amenities...gym, pool, even a lounge and pool table in the main building. It works out perfectly because I started a new job and I’m making \$18 an hour. I can only get 20 hours a week right now, but my boss said in a few months I should be able to work full-time.”

Why?



Lesson 2: Designing Dreams

MY PLAN

Name: _____

Scenario #1

You've just graduated college and are living on your own for the first time with a couple of roommates. In addition to paying rent and utilities, you also have a cell phone bill and daily costs of living, like buying groceries. You work full time at a retail store, and on the weekend you pick up extra work by mowing lawns and pulling weeds for neighbors. Growing up, you always had pets in your home and loved taking care of them. Now that you're on your own you are thinking about buying a pet. You're hoping that your roommates will help you out from time to time, like if you go out of town or need to work extra hours. You haven't talked with them yet about it, but they all love pets and you're sure they won't mind having one in the house and helping when needed.

Scenario #2

Spring break is coming up and all of the seniors in your high school class are traveling to a tropical destination. You really want to go but you're saving for college and the trip is expensive between airfare, hotel, food, and the excursions planned. You work part time after school at a retail store. You're fairly confident that you can get more hours between now and the vacation, but the hours are never guaranteed, and with school work and sports activities you may not always be able to work extra hours on the weekend.

Scenario #3

Last year you moved to a metropolitan city to take a new job in a real estate firm. The job opportunity came at a great time because you were starting to incur debt (from paying for college and purchasing a vehicle) that you wanted to pay down. Not knowing the area very well, you decided to rent an apartment for at least one year and then consider buying a condo somewhere in the city after that. It's been one year now and through your job you've learned a lot about the real estate market so you think you're ready to invest by buying a property. While you've been able to pay extra on your vehicle loan in the last year, the student loan debt hasn't gone down much.

Scenario #4

You're starting a new business as an independent consultant in the information technology sector. The job involves significant travel time as you meet customers onsite to help solve their tech problems. In the past you've always lived in a walkable city with good public transportation, so you never needed a vehicle, but now your clients are spread out within a 300-mile radius and you need transportation to get to each site. Luckily, you've been steadily saving and are hoping you can purchase a used car without having to borrow too much money, assuming you can find something reliable.



Lesson 3: Can You Pay Your Bills?

SPENDING TRACKER

Name: _____

Caitlin is 18 years old and about to graduate high school. She works part-time at her mom's office after school. She earns approximately \$550 each month. Caitlin wants to move out of her parents' house and into her own apartment when she graduates, but she keeps coming up short on money and dipping into her savings account to pay for daily expenses. Over the years, Caitlin has built up her savings account by stashing away birthday gift money and any extra earnings from jobs like babysitting and walking her neighbor's dog. Now that she plans on living on her own, she wants to keep her savings account in place as an emergency fund, but she's worried about how to pay for new expenses like rent and utilities. Review her spending habits below and see if you can help her make a plan.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Lunch: \$6.99 Gas: \$21.50	Coffee: \$2.00 New pair of jeans & T-shirt: \$52.86	Coffee: \$2.00 Lunch: \$8.50 Manicure: \$25.00	Coffee: \$2.00	Coffee: \$2.00 Lunch: \$7.65	Coffee: \$2.00 Movie & Snacks: \$15.00	Gas: \$15.00 Concert: \$89.00

If Caitlin spends at this pace for an entire month, how much money will she spend by the end of the month?

Compare Caitlin's monthly expenses to her monthly income. Does Caitlin have positive cash flow (more money coming in than going out) or negative cash flow (more money going out than coming in)?

What patterns do you observe in Caitlin's spending habits? What does she spend money on most often?

What advice would you give Caitlin to help her reduce expenses so she can afford to move out on her own?



Lesson 3: Can You Pay Your Bills?

INCOME & EXPENSES

Name: _____

Let's Practice!

Jayden brings home \$425 each month. Help Jayden track his monthly income and expenses to determine how much money he has coming in, how much is going out, and whether or not he has enough income to pay his bills and expenses each month.

The chart below lists his income and expenses. Total his income and expense categories.

Does Jayden have enough money to pay all of his bills?

MY INCOME	
After-school job	\$300
Mowing neighbor's lawn	\$125
TOTAL INCOME	\$

FIXED EXPENSES	
Car payment	\$150
Car insurance	\$30
Loans/credit cards	\$10
Savings	\$25
TOTAL FIXED EXPENSES	\$

FLEXIBLE EXPENSES	
Gas/car maintenance	\$60
Cell phone	\$30
Entertainment	\$40
Personal expenses	\$25
TOTAL FLEXIBLE EXPENSES	\$

TOTAL EXPENSES	\$
----------------	----

Income is money that comes to you from:

- Various jobs or work, like cutting grass or babysitting wages
- Full- or part-time employment
- Allowances
- Odd jobs
- Interest and dividends
- Other sources, including tips

Expenses are the items you spend money on. They might be from:

- Bills (for example: cell phone or cable bill, rent)
- Transportation expenses (for example: car payment, gas, insurance, and bus or transit fares)
- Movies, music downloads, or other entertainment
- Clothes
- Eating out
- Personal items (for example: makeup, cologne)
- Savings for college or other future purchases. Even though you aren't "spending" the money you put aside in savings on goods or services, considering it an expense helps build short-term savings (such as for emergencies) and long-term savings (such as for college expenses, buying a home, or retirement).

Fixed expenses do not change from month to month.

Flexible expenses might change from month to month, like a heating bill that is lower in May than in December



Lesson 3: Can You Pay Your Bills? CASH FLOW CONUNDRUM

Name: _____

Help! Todd is in a real conundrum...he's overspending and needs a plan. Read his story below and help him put the pieces to a solid plan together before it's too late.

From Todd:

"I earn approximately \$100 each month from mowing lawns. My cell phone bill is \$50 a month. I use my phone for everything — texting, downloading movies, playing apps with my friends, you name it.

Let's see...the rest of my money goes toward hanging out with friends (\$30); buying clothes, new music, video games (\$45); and then into savings (\$10). I have \$70 in savings right now.

My problem is that I didn't realize how much I was using my phone last month until I went way, WAY over my allowable data. When I got my bill, I flipped! I really should have paid more attention. It was \$256! I don't have that kind of money. If I keep paying my regular \$50 a month, I'm going to continue to owe extra charges.

What else can I do? Do you have any ideas for how I can lower my expenses and increase my income so I can get rid of this debt?"





Lesson 3: Can You Pay Your Bills?

WHAT U=IF...

Name: _____

What happens if you remove a small, unnecessary item from a budget? How do you think one small act can lead to big savings?

Let's find out! Imagine that you buy a daily coffee for \$2. Calculate the true cost of those java jolts for each of the time periods below.

One week: _____ (Not so bad, right?)

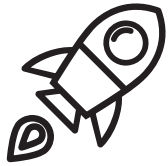
**One month
(30 days):** _____ (Not great, but still manageable.)

One year: _____ (Ouch! That's adding up.)

Five years: _____ (Whoa, slow down — Coffee costs that much?!)

Ten years: _____ (That's the cost of a car!)

Twenty years: _____ (OK...lesson learned: cutting small expenses can lead to big savings.)



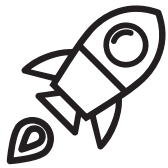
Lesson 4: Boost Your Savings

RAINY DAYS

Name: _____

What are different emergencies that can happen in life, and how much might they cost? Brainstorm a list of possible emergencies below, assess different cost implications, and then reflect on how a rainy day fund can help.

Emergency	What might be some of the unexpected costs?	How might a rainy day fund help?
Example: illness leading to hospitalization	<ul style="list-style-type: none">▪ Ambulance-ride fees▪ Hospital admittance fees▪ Surgery fees	If you don't have health insurance or your insurance doesn't cover all medical expenses, a rainy day fund can help you avoid having to take out loans or go into debt to pay for the unexpected fees.



Lesson 4: Boost Your Savings

COMPOUNDING INTEREST OVER TIME

Name: _____

What would happen if you saved \$1,000 under your mattress for a year? Assuming that it hasn't been lost or stolen, it will still be \$1,000 at the end of the year. Your mattress is not paying you interest to keep your money.

But banks and financial institutions do pay interest on your deposited money, helping a \$1,000 deposit grow over time. Compounding means calculating interest on both principal and previously earned interest.

Interest can be compounded daily, monthly, or annually. Review the chart below and determine which method of compounding yields the greatest return.

Complete the chart below by calculating how much savings grows with no interest versus 2% daily compounding interest.

To complete the calculations, use an online calculator (For example: <https://financialmentor.com/calculator/compound-interest-calculator>) or spreadsheet software using the following formula:
FV (rate, nper, pmt, [pv], [type])

	5 years	10 years
Mattress compounding — NO interest!	\$1,000.00 <i>(unless stolen or lost)</i>	\$1,000.00 <i>(unless stolen or lost)</i>
Annual compounding at 1%	\$1,051.01	\$1,104.62
Monthly compounding at 1%	\$1,051.25	\$1,105.12
Daily compounding at 1%	\$1,051.27	\$1,105.17

FV (rate, nper, pmt, [pv], [type])

Rate = interest rate per period

Nper = total number of payment periods

Pmt = payment made each period

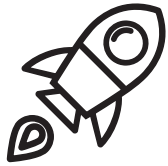
Pv = present value, or the lump-sum amount that a series of future payments is worth right now

Type = indicates when payments are made (0 means at the end of the period and 1 is at the beginning of the period)

Saving 50 cents a day:

Saving \$1 a day:

	Saving 50 cents a day:		Saving \$1 a day:	
	No interest	2% Daily Compounding	No interest	2% Daily Compounding
Year 1				
Year 5				
Year 10				
Year 30				



Lesson 4: Boost Your Savings

SAVINGS OPTIONS

Name: _____

Certificate of Deposit (CD): An account that typically offers a higher rate of interest than a regular savings account in exchange for you keeping the money on deposit for a set term (for example: 6 months or more).

Money Market Account: An account that usually pays a higher rate of interest, and it usually requires a higher minimum balance (for example: \$1,000) to earn interest than is earned on a regular savings account. You can make deposits and limited withdrawals.

Savings Account: An account that typically allows unlimited deposits, but limits the number of fee-free withdraws you can make during a month. You typically earn interest on the money you have on deposit and will receive a statement at least quarterly listing all transactions in the account.

Protection: FDIC insurance protects all deposit accounts, including checking and savings accounts, money market deposit accounts, and CDs. This means that money you have deposited in insured financial institutions is guaranteed up to the maximum amount allowed by law (\$250,000 per depositor, per insured bank, for each account ownership category) if the financial institution goes out of business and cannot pay you your money. Depositors may qualify for coverage over \$250,000 if they have funds in different ownership categories and all FDIC requirements are met. Likewise, the National Credit Union Administration (NCUA) insures your money up to \$250,000 per depositor at insured credit unions.

	Financial Institution	
	1:	2:
Minimum Deposits (How much money is needed to open the account?)		
Interest Rates (What interest rate, expressed as APY, does the account earn?)		
Protection (Is the account protected by the FDIC or NCUA?)		
Fees/Penalties (Are there withdrawal penalties or fees for maintaining the account?)		



Lesson 5: Bank Your Bucks

BANKING BASICS

Name: _____

Travel around the room to each different banking station and record what you learn about the following people and banking tools.

Job	What is my primary role at the bank?	How do I help customers?
Customer Service Representative		
Bank Teller		
Loan Officer		
Branch Manager		
ATM		
Website		



Lesson 5: Bank Your Bucks

BANKING BASICS SCRIPTS

Travel around the room to each different banking station and record what you learn about the following people and banking tools.

Hi, I am the Customer Service Representative. I can:

- Help you open your account
- Explain services we offer
- Answer general questions
- Refer you to a person who can help you
- Provide written information explaining the bank products

Hi, I am the bank teller. I will:

- Deposit and withdraw money from your account for you
- Cash your checks
- Answer questions about bank accounts
- Refer you to the person who can help you with other bank services
- Create a bank-certified check for you

Hi, I am the loan officer. If you need a loan, I can:

- Take applications for loans offered at the bank
- Answer questions about loans
- Provide written information explaining loan products
- Help you fill out a loan application
- Evaluate loan applications

Hi, I am the branch manager. I will:

- Supervise all the bank operations that take place at this branch
- Help fix the problems that other employees cannot solve

Hi, I am an Automated Teller Machine, or ATM for short. I will:

- Get you fast access to your money
- Be available 24 hours a day, 7 days a week
- Help you check your account balance and make deposits

Hi, I am the bank website. I can:

- Help you monitor your withdrawals and deposits, and even pay bills
- Be available 24 hours a day, 7 days a week for online banking
- Help you check your account balance
- Help you complete



Lesson 5: Bank Your Bucks

SECURITY

Name: _____

How Is Your Money Protected?

The Federal Deposit Insurance Corporation (FDIC) insures deposits up to the maximum amount allowed by law. This means that the FDIC will return customers' money up to \$250,000 per depositor, per insured bank the current Standard Maximum Deposit Insurance Amount (SMDIA) if a bank closes and cannot give its customers their money.

You can tell whether the FDIC insures a bank by the displayed FDIC logo. Most credit unions are insured by the National Credit Union Administration (NCUA). The deposit insurance rules are similar at NCUA-insured credit unions as they are at FDIC-insured banks.

The FDIC has an online tool called the Electronic Deposit Insurance Estimator (EDIE). You can calculate the insurance coverage of your accounts at each FDIC-insured institution online at <https://edie.fdic.gov>.

Challenge

Read the following descriptions and place a ✓ by the correct financial institution.

Stars & Stripes Financial Institution is insured by the FDIC. It must follow federal and state laws. You could get a loan, a credit card, or open a checking or savings account here. *Which one is it?*

Bank or Thrift Credit Union

Great Financial Institution requires account holders to be a faculty or staff member or student at Great University. The account holders are also the owners. *Which one is it?*

Bank or Thrift Credit Union



Lesson 5: Bank Your Bucks

CHECKING AND SAVINGS ACCOUNTS

Name: _____

Checking Accounts: A checking account allows you to pay bills and buy goods with the money you have deposited.

- When you write a check, use an ATM or debit card, or bank online, the financial institution takes the money from your account and pays it to the designated person or business.
- The financial institution makes a monthly record of the deposits and withdrawals made available to you either by mail or online. This is called a bank statement.

It is a good idea to compare the rules of the different accounts. For example: some banks might require you to have a certain balance to open an account, earn interest, or avoid fees. This is usually called a minimum balance.

Savings Accounts: A savings account is a safe place for you to save money. You generally will be paid interest on the money in your savings account, but you usually cannot write checks from this type of account.

- You can often open a savings account with a few dollars, but you might pay a monthly fee if the balance is below a certain amount.
- You can keep track of your account balance by reviewing the account statement.

Don't Forget About Interest: One of the advantages of having a bank account is the interest you earn. Interest is a percentage of your balance that the bank pays you for keeping your money at that bank (if the account pays interest). Most savings accounts pay interest. It is less common for checking accounts to pay interest, but some may.

How to Write a Check:

1. Know where the routing and bank account numbers are
2. Write in the date
3. Write the person or entity (for example: a business or organization name) that you are paying
4. Write the numerical amount of the payment
5. Spell out the amount of payment
6. Sign your name, but don't sign the back! The person receiving the check signs the check to endorse it for deposit

John Doe
55 Main Street
City, State 55555

101

2 DATE April 16, 2019

3 PAY TO THE ORDER OF ABC Car Rental \$ 160.50 4

5 One hundred sixty dollars and 50/100 DOLLARS

Main Street Bank
Anytown, USA 09876

FOR: car rental 6 John Doe

1 123400089 0987654321 0101



Lesson 5: Bank Your Bucks

CHECKING AND SAVINGS ACCOUNTS *(continued)*

Name: _____

Now it's your turn! Practice filling in the blank check below.

John Doe 55 Main Street City, State 55555	101
PAY TO THE ORDER OF _____	DATE _____
	\$ <input type="text"/>
	DOLLARS
Main Street Bank Anytown, USA 09876	
FOR: _____	_____
⑆123400089 ⑆0987654321 ⑈ 0101	



Lesson 5: Bank Your Bucks

BANK CHECKLIST

Name: _____

Using an Internet search engine, locate and review the offerings from three different financial institutions and complete the chart below.

Financial Institution Name and Account Type

1	
2	
3	

1. My Needs and Access	Financial Institution		
	1	2	3
Is the institution insured by FDIC (for banks and savings associations) or NCUA (for credit unions)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If the institution is a credit union, am I eligible to join?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Do I feel welcome and valued as a potential customer?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Does the institution offer products and services I might need? (Mobile app, personal loans, vehicle loans, mortgages, credit cards, savings products, other)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are the products and services described in terms and language I can understand?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is staff available to answer my questions at times that work for my schedule? (In person, by phone, through online chat, secure email, other)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Can I access my account information how and when I need it? (Phone, paper, online, mobile, other)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Can I access my money how and when I need it? (Convenient ATM, branches, other)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there special accounts for students or groups I'm part of? What benefits are there to these accounts?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other:			



Lesson 5: Bank Your Bucks

BANK CHECKLIST *(continued)*

Name: _____

2. Checking Accounts, Reloadable Prepaid Cards and other Transactional Accounts	Financial Institution		
	1	2	3
Minimum opening deposit?	\$	\$	\$
Minimum monthly balance?	\$	\$	\$
Will my money earn interest? If yes, what is the Annual Percentage Yield (APY)? What balance do I have to maintain to earn interest?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
How can I deposit money? (Branch, ATM, online, mobile app, other)			
If I plan to deposit checks, how soon will the funds generally be available to me?			
Is there an online or mobile bill payment feature? How does it work?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Can I set up alerts, such as for low balances? If yes, can I choose how they are sent? (Email, text, phone, other)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
What fees might I have to pay every month? What other fees are there? (Ask for a fee schedule)			
Other:			
3. Savings Accounts			
Minimum opening deposit?	\$	\$	\$
Minimum monthly balance?	\$	\$	\$
What is the Annual Percentage Yield (APY)? What balance do I have to maintain to earn interest?			



Lesson 5: Bank Your Bucks

BANK CHECKLIST *(continued)*

Name: _____

3. Savings Accounts	Financial Institution		
	1	2	3
What fees might I have to pay every month? What other fees are there? (Ask for a fee schedule)			
Other:			

4. Debit Cards and ATM (Automated Teller Machine) Cards			
Will I get a debit card or an ATM card? When?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there rebates, bonuses, or other rewards for using a debit card?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Can I set up alerts, such as for when the card is used? If yes, can I choose how to receive them? (Email, text, phone, other)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
What fees might the card have? (Ask for a fee schedule)			
Other:			

5. Overdrafts and Overdraft Fees <i>An overdraft occurs when a transaction goes through, but there is not enough money in your account to cover that transaction.</i>			
What are the overdraft practices that come with the account?			
Will the institution authorize and pay overdrafts caused by checks, other transactions using my account number, and automatic bill payments?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If I opt-in to an overdraft program, will the institution authorize and pay overdrafts caused by using ATMs and making everyday debit card transactions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No



Lesson 5: Bank Your Bucks

BANK CHECKLIST *(continued)*

Name: _____

5. Overdrafts and Overdraft Fees	Financial Institution		
	1	2	3
What fees does the institution charge related to overdrafts? (Ask for the overdraft disclosure and fee schedule)			
Can the institution link my savings account to my checking account to avoid an overdraft?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, are there fees?			
Other:			

6. Other Available Services			
<i>“Person-to-Person” (P2P) Payments</i> Can I transfer money directly to another person? How does the service work and how quickly would the recipient receive my payment? (Ask for a fee schedule)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Money Orders</i> Can I purchase money orders? (Ask for a fee schedule)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Remittance Transfers</i> Can I send money to a person or business in another country? (Ask about a specific country if one is important to you, and ask for a fee schedule)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Safe Deposit Boxes</i> Can I rent a safe deposit box? What size? (Ask for a fee schedule)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>Third Party Access</i> If someone helps manage my banking relationship, what information can they receive on my behalf? How would I authorize them to receive this information?			
Other:			

Overall Comparison			
Based on the above information, which one do you think will work better for you?	This one <input type="checkbox"/>	This one <input type="checkbox"/>	This one <input type="checkbox"/>



Lesson 6: Bread-and-Butter PAYCHECK PROS

Name: _____

PART 1: GROSS VERSUS NET INCOME

Gross income is your total income before deductions.

Net income is your total income after deductions (for example: federal and state income taxes, Social Security taxes, retirement savings contributions, and premiums for medical insurance).

$$\text{Gross income} - \text{deductions} = \text{Net income}$$

MEET ISAAC

Isaac earns \$10 an hour. During his last pay period, he worked a total of 16 hours. Below is the list of his deductions. Help Isaac calculate his net pay.

Gross pay: \$160.00

Deductions:

Federal Income Tax: \$20.00

State Income Tax: \$7.50

Social Security: \$9.00

Medicare: \$2.40

Show your math

What is Isaac's net pay?

PART 2: YOU HAVE A PAYCHECK...NOW WHAT?

What are your choices once you receive a paycheck? Read each scenario and answer the questions to compare costs and determine who saves more money once they receive his or her paycheck.

Scenario 1: Tony

Tony does not have a bank account so he pays a fee to cash his weekly paycheck. The place he cashes his check charges Tony \$5 to cash every check.

How much does Tony pay each month to cash his paychecks?

How much does Tony pay each year?



Lesson 6: Bread-and-Butter PAYCHECK PROS *(continued)*

Name: _____

Scenario 2: Lamar

Stored-value cards, or prepaid cards, generally allow you to spend only the money deposited on the card. Payroll cards are one of four main types of stored-value card. They are used by an employer to pay wages instead of giving you a paper paycheck. Payroll cards are different from other types of stored-value cards because you do not need to purchase them or pay activation fees, since your employer provides the card.

Lamar opts to have his paycheck deposited onto a stored-value card that he purchased for \$5 because his employer does not offer payroll cards. Money can be “loaded” onto the card via direct deposit or by going to certain stores. It has a major credit card issuer logo on it, so he can use it anywhere, just as with a credit or debit card. Lamar can use his stored-value card at an ATM, but the card issuer charges \$2 for every ATM transaction. Lamar mostly uses his card at stores, where he slides his card through the point-of-sale (POS) terminal, but this month he used the ATM four times.

1. How much did Lamar pay this month in fees when using his stored-value card at an ATM?
2. How much would Lamar pay each year in fees if he used his stored-value card at an ATM an average of four times each month?

Scenario 3: Sylvia

Sylvia has a checking account. The bank charges a monthly fee of \$6 unless she uses direct deposit or her debit card more than five times per month.

1. If Sylvia uses direct deposit or her debit card frequently and she uses no more than one box of checks every year, which cost her \$18, how much does she pay to maintain her checking account? (Show your math.)

Comparing Scenarios:

1. How much can Tony save each year if he opens a checking account and pays what Sylvia does?
2. Even if Tony pays a \$6 monthly fee for a total of \$72 a year, plus the cost of the checks (\$18), how much could he save each year?
3. How much can Lamar save each year if he opens a checking account and pays what Sylvia does?



Lesson 6: Bread-and-Butter PAYCHECK PUZZLE

Name: _____

Hi! I'm Sakina. I'm 21 years old and I just graduated from cosmetology school. I recently started my first job and it's so exciting to be earning a paycheck! I work in a salon about 15 hours a week answering phones and cleaning up. Sometimes I get to help shampoo customers, and I love that! My goal is to have my own stylist chair someday, so I love it when I can help with customers every day. I make \$12.50 an hour, but it seems like my paycheck doesn't go very far. I'm just not sure where all my money goes and why I don't get to keep the full \$12.50 an hour.

Can you help?

Review Sakina's paycheck and paystub below and help answer her questions.

- I thought I was earning \$12.50 an hour, but my paycheck is less than that.
Why is my net pay different from my gross pay?
- I'm not sure how my net pay is determined.
Can you explain to me how my net pay is calculated?
- What do each of the different deductions on my paycheck mean?
Can you explain them to me?
- Do I have any control over the amount of deductions on my paycheck?

Employee No.		Employee Name		Social Security No.		Period Beg.		Period End		Check Date	
543210		Sakina Bhat		xxx-xx-4321		09/01/2019		09/07/2019		09/07/2019	
Earnings		Hours	Rate	Current Amount	Withholdings/Deductions			Current Amount	Year to Date		
Regular pay		15.00	12.50	187.50	Federal Income Tax: State			\$14.42	\$14.42		
					Income Tax: Medicare			\$5.00	\$5.00		
					Tax: Social Security Tax:			\$2.72	\$2.72		
					Savings:			\$11.63	\$11.63		
								\$0.00	\$0.00		
Gross Pay	Current Deductions	Net Pay		YTD Earnings	YTD Deductions	YTD Net Pay		Check No.			
187.50	33.77	153.73		187.50	33.70	153.73		2756			



Lesson 7: Capacity, Character, Collateral, Capital

THE FOUR CS OF CREDIT

Name: _____

CAPACITY

Capacity refers to your present and future ability to meet your payments. A lender wants to see that you have a job and you have held the same job or the same type of job for at least a year.

Lenders may ask:

- Do you have a job?
- How much money do you make each month?
- What are your monthly expenses?

COLLATERAL

Collateral refers to property or assets you can offer to secure the loan.

Collateral is security you provide the lender. Giving the lender collateral means that you pledge an asset that you own (for example: a car) to the lender with the agreement that it will be the repayment source in case you cannot repay the loan.

Lenders may ask:

- Do you have assets to secure the loan beyond your capacity to pay it off?

CREDIT SCORE

A credit score is used to predict how likely an individual is to repay a new loan based on information in his or her credit report. Your credit score is a number that is developed by a computer model based on the information in your credit report. It is intended to predict, for example, how likely you are to repay your debts. Keep in mind that credit scores may vary depending on which scoring services prepared them and which of the many different credit scoring models is being used. As an example, the factors that determine your credit score in one commonly used model include:

CHARACTER

Character refers to how you have paid your bills or debts in the past.

Lenders may ask:

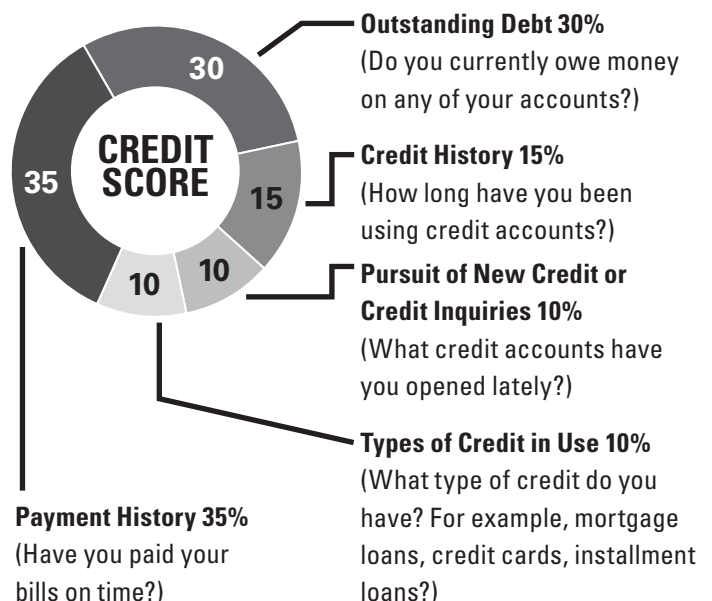
- Have you had credit in the past?
- How many credit accounts do you have?
- Have you ever filed for bankruptcy, had property repossessed, or made late payments?

CAPITAL

Capital refers to the value of your assets and your net worth. Lenders want to determine the value of your assets (things you own that have financial value). Lenders will also compare the value of your assets and the amount of debt you have. This is called *net worth*. A positive net worth demonstrates your ability to manage your money.

Lenders may ask:

- How much money do you have in your checking and savings accounts?
- Do you have investments (for example: stocks, bonds) or other assets (for example: a car)?





Lesson 7: Capacity, Character, Collateral, Capital

THE FOUR CS CHALLENGE

Name: _____

Lenders often determine an applicant’s Four Cs during the loan application process. The following information is taken from the Uniform Residential Loan Application, which is the standard form used for mortgage loan applications. The questions are similar to applications for other types of loans.

Review each section and match the required information with the appropriate C: Capital, Collateral, Character, or Capacity. There may be more than one correct answer.

1. Employment Information: _____

Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from – to)
		Monthly Income
Position/Title/Type of Business		Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from – to)
		Monthly Income
Position/Title/Type of Business		Business Phone (incl. area code)

2. Monthly Income and Combined Housing Expense Information: _____

Gross Monthly	Borrower	Co-Borrower	Total
Base Empl. Income*	\$	\$	\$
Overtime			
Bonuses			
Commissions			
Dividends/Interest			
Net Rental Income			
Other) before completing, see the notice in “describe other income,” below”			
Total	\$	\$	\$

Combined Monthly Housing Expense	Borrower	Co-Borrower
Rent	\$	\$
First Mortgage (P&I)		
Other Financing (P&I)		
Hazard Insurance		
Real Estate Taxes		
Mortgage Insurance		
Homeowner Assn.		
Dues Other		
Total	\$	\$



Lesson 7: Capacity, Character, Collateral, Capital

THE FOUR CS CHALLENGE *(continued)*

Name: _____

3. Declarations: _____

DECLARATIONS		Borrower		Co-Borrower	
If you answer "Yes" to any questions a through e, please use continuation sheet for explanation.		Yes	No	Yes	No
a) Are there any outstanding judgments against you?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have you been declared bankrupt within the past 7 years?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Are you a party to a lawsuit?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)</p>					

4. Assets (for example: checking and savings account, investment products, and vehicle) and Liabilities (for example: automobile or other loans, charge accounts, and other forms of debt): _____

Assets	Cash or Market Value	Liabilities and Pledged Assets. List the creditor's name, address, and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities, which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.		
Description				
Cash deposit toward purchase held by:	\$			
List checking and savings accounts below		LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Name and address of Bank, S&L, or Credit Union		Name and address of	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		
Name and address of Bank, S&L, or Credit Union		Name and address of	\$ Payment/Months	\$
Acct. no.	\$	Acct. no.		



Lesson 7: Capacity, Character, Collateral, Capital MANAGE OR DAMAGE?

Name: _____

Sample credit report:

Example Credit Report						
<Date>	<Time>					
9/20/17	12:15 p.m. CT					
		<SSN>		<Birthdate>		
<Subject>		123-45-6789		7/27/72		
Davis, Rashawn E.				<Telephone>		
<Also known as>				(555) 222 -3333		
Davis, Ray E.						
<Current Address>						
123 24 th Street NW						
Western, NE 12345						
<Former Address>			<Current Employer and Address>			
3728 Maple Street			First Rate Supplies, LLC			
Eastern, NE 54321			47 First Street, Western, NE 12345			

SPECIAL MESSAGES						
None at this time.						

PUBLIC RECORDS						
Source	Date	Liab	EOCA	Assets	Paid	Docket#
Z 409581	10/12R	\$18930	Court			Attorney
Chapter 7 Bankruptcy			C	\$4000		012-1930
						A. Finch

COLLECTIONS						
Subname	Subcode	EOCA	Opened	Closed	\$Placed	Creditor
Account#			Verified		Balance	Remarks
ABC Collections	Y	I	6/12		\$2780	First Bank
09247501			7/15		\$0	

TRADES						
Subname	Subcode	Opened	High Cred	Terms	PayPat	
Account#		Verified	CredLimit	PastDue		
	Collateral/					
EOCA	Loan Type	Clsd/PD	Balance	Remarks		



Lesson 7: Capacity, Character, Collateral, Capital MANAGE OR DAMAGE? *(continued)*

Name: _____

Example Credit Report					
ABC Bank 123478901234	N 46871	7/16 5/17	\$3500 K \$4000 K	MIN 200	11111111111 11111121111
I	/Credit Card		\$2580		
Your Bank 16-82093475	B 687111	1/17 8/17	\$220 K \$218,021	360M1141	1111111
C	/Mortgage				
Department Store 676518276152	D 7483111 /Credit Card	4/15 6/17	\$500 \$1500 \$150	MIN25	11113211111 1111111121
I					
First Credit Union	Q 9863522	12/14 7/17	\$20 K \$10203	60M396	11111111111 11111111111
I	/Automobile				

INQUIRIES					
Date	Subcode	Subname	Date	Subcode	Subname
12/16	Q8398233	Best Mortgage Co.			
12/16	B0383726	City Bank			
12/16	B0090923	Eastern Bank			



Lesson 7: Capacity, Character, Collateral, Capital **MANAGE OR DAMAGE?** *(continued)*

Name: _____

Read the scenarios below and decide if each person's actions are managing or damaging credit.

Select the correct answer and explain your reasons.

Eli, 22 years old "I researched three different credit card options before I decided to get one about a year ago. I use it mostly to buy bigger items. Like last week I bought a new microwave for my apartment and put it on my credit card. I get a bill at the end of every month and then I'll go online and pay it in full. I don't want to have to worry about the credit card adding up to more than I have so I just think it's easier to pay it off every month."

**Manage
or
Damage**

Why?

Imani, 18 years old "I bought a new cell phone after getting a job at the movie theater on the weekends. At first, I made all of my payments on time. But I ended up having to quit my job because I was having trouble in school and needed more time to study and get my homework done. I haven't been able to pay my phone bill on time for the last three months. I signed a two-year contract for my phone because the phone company gave me a discount if I did, but now I don't know if I can make it the full two years."

**Manage
or
Damage**

Why?

Ethan, 19 years old "When I started college last year, I couldn't believe how many credit card applications were offered to me. I thought, hey, why not? I'm going to need money for books and food and probably a football game or two, so I went ahead and applied for them all...and got approved! Now, all my cards are maxed out and I can't use them anymore because I've hit my credit limit. I let a few of the payments slip last month because I didn't have the money, but I'm thinking if I can get a new card then I can get more money to pay off my other ones."

**Manage
or
Damage**

Why?



Lesson 7: Capacity, Character, Collateral, Capital **MANAGE OR DAMAGE?** *(continued)*

Name: _____

Think of an instance, action, or behavior that represents being creditworthy, such as successfully paying off a vehicle loan or making monthly payments on time, and illustrate a story about your creditworthy idea in the comic strip below.

Box 1: Use this space to illustrate the beginning of your story, such as who is demonstrating the creditworthy act (your main character) and where the story takes place (at home, at a bank, at a store).

Box 2: Use this box to illustrate the middle of your story, or where all the action takes place.

Box 3: Draw the end, or resolution, of your story here and how your main character displayed creditworthiness.



Lesson 8: The Almighty Dollar?

CREDIT VERSUS DEBIT

Name: _____

Although they look similar, credit and ATM/debit cards allow you to use money differently. Review the chart to see the differences.

	ATM/Debit Cards	Credit Cards
Payments	<ul style="list-style-type: none"> Buy now, pay now. 	<ul style="list-style-type: none"> Buy now, pay later.
Interest Charges	<ul style="list-style-type: none"> No charges apply as funds are automatically debited from your checking account. 	<ul style="list-style-type: none"> Charges will apply if you carry a balance or if your card offers no grace period and you incur interest charges.
Fees	<ul style="list-style-type: none"> Fees on certain transactions (for example: an ATM fee charged for withdrawing funds from an ATM not operated by the bank that issued your debit card). Potentially costly fees if you try to spend more money than is available in your account. 	<ul style="list-style-type: none"> Fees and penalties can be imposed if payments are not timely. Some cards have annual fees. Not all cards offer grace periods (time to repay without incurring interest charges).
Other Potential Benefits	<ul style="list-style-type: none"> Easier and faster than writing a check. No risk of losing cash that you cannot replace. Some cards may offer freebies or rebates. As long as you do not overdraw your account, debit cards are a good way to pay for purchases without borrowing money and paying interest. 	<ul style="list-style-type: none"> Freebies sometimes offered (for example: cash rebates, bonus points, or travel deals). You can withhold payment on charges in dispute. If you manage your credit card carefully, your credit score may go up and you may qualify for lower interest rates on loans.
Other Potential Concerns	<ul style="list-style-type: none"> Usually there are no protections against faulty goods and services. You need another way to pay for unexpected emergencies (for example: vehicle repairs) if you do not have enough money in your bank accounts. 	<ul style="list-style-type: none"> Overspending can occur, since the credit limit may be higher than you can afford. If you do not pay your card balance in full each month, or your card does not have an interest-free grace period, you will pay interest. This can be costly, especially if you only pay at or near the minimum amount due each month.

CREDIT CARD RESPONSIBILITY TIPS

- Keep track of what you are charging. It can be easy to spend more than you realize.
- Read your monthly statements carefully and make sure all of the charges are accurate.
- Pay off your full balance every month.
- Always pay your balance on time to avoid late fees and build a positive credit history.



Lesson 8: The Almighty Dollar?

CREDIT RESPONSIBILITY

Name: _____

Sometimes people who use credit cards do not follow the tips and guidelines for responsible credit card use. Read each scenario and determine whether the credit card user is **responsible** or **irresponsible** with his or her credit card use. Briefly explain your answer.

SITUATION 1

Jason receives a credit card bill. He gets a cash advance on another credit card to pay part of the bill. What do you think about Jason's use of a credit card?

SITUATION 2

The balance on Collin's credit card is \$3,000, which is his credit limit. He makes only the minimum monthly payment of \$50 and is always close to the limit on his credit card. What do you think about Collin's use of a credit card?

SITUATION 3

Lynda uses her credit card for convenience and only for larger purchases of more than \$100. She pays cash for most small purchases under \$100. She pays her credit card bill in full each month. What do you think about Lynda's use of a credit card?

SITUATION 4

Becca was excited to get a credit card offer in the mail. She applied for the credit card without reading the terms. When the card came, she bought several items. When the bill came, she was surprised to find additional fees charged to her account and that the APR was 21%. What do you think about Becca's use of a credit card?



Lesson 8: The Almighty Dollar?

COMPARING CARDS

Name: _____

Using an Internet search engine, research three different credit card offers and complete the chart with your findings.

	Credit Card 1	Credit Card 2	Credit Card 3
Name of credit card issuer/card			
What is the APR? <ul style="list-style-type: none">▪ Introductory APR?▪ Rate for purchases?▪ Rate for cash advances?▪ Penalty APR?			
What are the fees? <ul style="list-style-type: none">▪ Annual fee?▪ Late fee?▪ Over-the-limit fee?▪ Cash advance fee?▪ Other fees?			
Are there any benefits? (For example: reward points earned, rebates)			
Other? (For example: customer service hours, online access, access to a real person)			

If you were going to get a credit card, which of the three cards from your research would you select, and why?



Lesson 8: The Almighty Dollar? CREDIT TRAP

Name: _____

Taking on a credit card can be full of challenges, from managing your balance to understanding APRs. Use what you have learned in this lesson to write five tips for how to avoid credit traps and irresponsible credit card use.

Tip 1

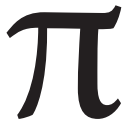


Tip 2

Tip 3

Tip 4

Tip 5



Lesson 9: Easy as Pi

FINANCIAL RATIOS

Name: _____

Read each scenario and apply the appropriate financial ratio.

1. Debt-to-Income: monthly debt divided by monthly gross income

Ishaan has a monthly mortgage payment of \$800, one credit card at \$200 a month, a second credit card at \$80 a month, and a vehicle loan for \$250 a month. His income is \$2,500 each month before taxes.

What is Ishaan's total debt?

What is his income?

What is his Debt-to-Income ratio?

2. Debt-to-Assets: liabilities divided by assets

Stephanie recently took out a loan for \$5,500 to help pay for a new-used vehicle. The vehicle is worth \$9,500.

How much are Stephanie's total liabilities?

How much are her assets?

What is her Debt-to-Assets ratio?

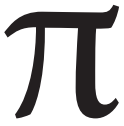
3. Debt-to-Limits: credit debt divided by credit limit

Avni has a credit card with a \$5,000 credit limit. She currently has a balance of \$2,000 on the card.

What is Avni's credit limit?

What is her debt?

What is her Debt-to-Limits ratio?



Lesson 9: Easy as Pi RATIOS RACE

Name: _____

Working with your small group, be the first team to correctly solve the financial ratio problems below. Remember — the financial ratios to choose from are debt-to-income, debt-to-assets, and debt-to-limits. Ready, set, race!

1. James, 18 years old:

"I bought my first truck last year and it's great. It's so much easier to get to school and work now. I did have to borrow money, though, because I only had \$3,000 saved up and the truck cost \$5,000. I just checked online to see how much my truck is worth today, and it's dropped a little in value. If I sold it right now, it's worth \$4,500. I still have \$1,500 left on my loan, though. I'm wondering how I can measure my loan to the value of my truck. What do you think...which ratio should I calculate?"

What ratio should James use?

What is James's ratio percentage?

2. Elizabeth, 28 years old

"I haven't been very good about managing my debt, and I'm trying to figure out how my debt relates to my income. I have four different credit cards right now but I really want to pay them all off soon. For now, though, I'm making monthly payments of \$50 on one, \$200 on another, \$25 on a third, and \$175 on the fourth. I also own a home, and my mortgage is another \$900 a month. I earn \$3,200 each month before taxes. Can you help me figure out what financial ratio to use?"

What ratio should Elizabeth use?

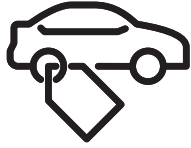
What is Elizabeth's ratio percentage?

3. Michael, 23 years old

"I want to purchase a home someday, so I'm making sure my credit score is in good shape. I have a credit card that I can spend up to \$1,000 on but I only have a balance of \$100. What financial ratio would help me? Do the math...what's my percentage?"

What ratio should Michael use?

What is Michael's ratio percentage?



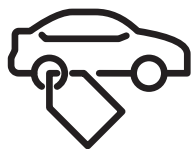
Lesson 10: Convertible or Clunker? CASH, LOANS, AND LEASES

Factors	Vehicle Loans	Vehicle Leases	Paying All Cash
Ownership potential	<p>The vehicle belongs to you and the bank that gave you the loan until you have paid off the loan.</p> <p>Then, the vehicle becomes yours.</p>	<p>You are essentially renting the vehicle from the dealership. The lease is like a rental agreement. You make monthly payments to the dealership for a set number of months. The vehicle does not belong to you. When the lease ends, you have to return the vehicle to the dealership.</p> <p>You may decide to purchase the vehicle at the end of the lease. The total cost, however, generally ends up being more than it would have been if you had bought the vehicle.</p>	<p>The vehicle belongs to you because you paid for it in full at the time of purchase.</p>
Cost	<p>Purchasing a vehicle is usually more cost effective if you plan to keep the vehicle long-term.</p> <p>In the short term, however, the costs will generally be greater than a vehicle lease, because your total loan amount and monthly payments are likely to be higher.</p>	<p>A lease will probably cost less than a vehicle loan in the short term, because your total lease amount and monthly payments are likely to be lower.</p> <p>On the other hand, if you exceed the mileage on a leased vehicle or decide to buy it outright once your lease has expired, it will end up costing you more.</p>	<p>Paying in cash can be cost effective because you won't need to acquire any debt to own the car. But, saving up enough money to buy a vehicle outright requires planning ahead and saving diligently.</p>
Monthly payments	<p>Payments are higher, but you only pay them for a set term. Then, you own the vehicle.</p>	<p>Payments are lower because you are not purchasing the vehicle; the dealership still owns it.</p> <p>As long as you lease a vehicle, you will continue to make monthly payments.</p>	<p>No monthly payments, but you would have had to save up a large sum of money ahead of time in order to purchase the vehicle in full. This requires setting and sticking to savings goals.</p>



Lesson 10: Convertible or Clunker? CASH, LOANS, AND LEASES *(continued)*

Factors	Vehicle Loans	Vehicle Leases	Paying All Cash
Auto insurance	<p>It is usually less expensive than auto insurance for leased cars.</p> <p>Insurance may cost more during the loan than it will after the loan is repaid because the lender may require more coverage.</p>	<p>It usually costs more if you lease a car than it does if you buy.</p> <p>Most vehicle leases require you to carry higher levels of coverage than purchase agreements do.</p> <p>Some insurance carriers may also consider leasing to be higher risk than purchasing.</p>	<p>Insurance may cost less than if you carried a loan because a lender may require more coverage.</p>
Mileage limitations	<p>There are no mileage restrictions.</p>	<p>Leases restrict the number of miles you can drive the vehicle each year.</p> <p>If you exceed the mileage allowed, you have to pay the dealer for each mile over the limit according to your lease.</p> <p>For example: a dealer may charge you \$.15 for every mile that you drive over 24,000 miles in two years. If you drive the vehicle an additional 3,000 miles, you would owe the dealer \$450 for those miles.</p>	<p>There are no mileage restrictions.</p>
Wear and tear	<p>No additional costs for wear and tear are included in your loan agreement.</p>	<p>Most leases charge you extra money for any damage found at the end of the lease that goes beyond normal wear and tear.</p>	<p>No additional costs for wear and tear are included in your purchase price.</p>



Lesson 10: Convertible or Clunker? IT'S TIME TO FINANCE!

Narrator: *Jasmine and Rick are walking around Al's Super Used Cars lot and Al approaches them as they are looking at a blue sports car.*

Al: Hello there, folks! How can I help you this beautiful afternoon?

Rick: Well, my daughter is looking to buy her first car.

Al: *(looking at Jasmine)* Well, alright. What type of car are you looking for?

Jasmine: I'd like a car with satellite radio, a navigation system, air conditioning, sun roof....

Rick: *(cutting off Jasmine)* She wants the best deal you have on the lot...she's paying for this car herself!

Jasmine: Yeah, I know I have to pay for it myself, Dad! I really like this blue one! How much is it?

Al: The sticker here says \$10,000...*(Jasmine sighs and frowns.)*...but I think I could drop that down to \$9,250.

Jasmine: Well, how much would that be per month?

Al: That depends on the financing. It could be \$200 a month for five years with no down payment. Do you have money for a down payment?

Jasmine: Uh, no. I did not realize I would need money for a down payment.

Al: Do you have a job?

Jasmine: Yes, I usually make about \$200 a month from babysitting. I do not really have any other expenses, but I do not want to spend everything I make on a car!

Al: I have this nice red car over here. *(Al, Jasmine, and Rick walk toward another car.)* You can finance this one for \$125 a month, and then it is yours to own after six years.

Jasmine: I can afford that!!

Rick: Remember, you'll need to pay for insurance, maintenance, gas, and everything else that comes along with owning a car...

Jasmine: I really want this one, Dad, and I can afford it!

Al: Step into my office and we can discuss paperwork for the car. *(Al, Jasmine, and Rick walk into Al's office and all sit down.)* OK, now will you be cosigning this loan for your daughter?

Characters

- Al, the car salesman
- Jasmine
- Rick, Jasmine's father
- Narrator



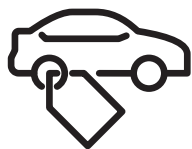
Lesson 10: Convertible or Clunker?

IT'S TIME TO FINANCE! *(continued)*

Rick: Yes, she's only 17, so I will be cosigning. *(Turning to his daughter.)* Now, you know I expect you to pay the bill on time every month, right? I expect you to be responsible.

Jasmine: Yes, Dad, I know. I'll make sure I have the money to pay for everything.

Narrator: *Jasmine ends up financing the car for \$125 per month for six years. She does not realize that one reason the payment was lower per month was that the term of the loan was extended — meaning she will pay the loan back over a longer time period. This means that she will pay more in interest than if the term of the loan were shorter. After driving the car for two years, Jasmine went to start the car to go to work one morning and it made a funny noise and would not start. It ended up costing \$2,000 in repairs! Jasmine was disappointed to find out that the \$500 in insurance she paid every year did not cover the repair. Was financing this car the right idea for Jasmine? What should she have looked out for when shopping for a car?*



Lesson 10: Convertible or Clunker? IT'S TIME TO LEASE!

Narrator: *Todd and Sharon are walking around Al's Super Used Cars lot and Al approaches them as they are looking at a green truck.*

Al: Hello there, folks! How can I help you this beautiful afternoon?

Todd: I want a truck!!

Sharon: *(giving her son a stern look)* Yes, my son is looking for a truck he can purchase.

Todd: No, Mom, I want to lease a truck. I am going to college in two years and I will not be able to take my truck on campus. I am just looking for a truck for work and to drive to school and stuff until I graduate.

Al: Sounds like you know what you want!

Todd: Yes, sir. It will cost me less in the end and I do not want the long-term loan right now. I only plan on driving around town and I will return the truck when the lease expires. So how much does this cool truck cost? *(Points to a nearby truck he has been looking at.)*

Al: I can lease that to you for \$200 a month. Is that in your price range?

Todd: Wow, that's a lot more than I thought! I do not have a job right now, so coming up with \$200 a month may be difficult. What if I promise that I will get a job, Mom?

Sharon: You cannot just promise to get a job, Todd! I thought you said you had saved some money from working at the restaurant this summer?

Todd: Yeah, I have money for a down payment and the first few payments, but I will need to find a job so I can continue to make the monthly payments.

Al: Maybe you need to come back when you have a job and you know that you can afford this nice truck?

Todd: No! I want it now. I told my friends that I could drive them to a concert next weekend. I know I can find a job in the next few weeks, and I have the money for the down payment and the first month. *(Turns to Sharon.)* Mom, can I please get this truck??

Sharon: It is your decision, but don't forget that your father and I do not want to cover the payments if you cannot make them.

Todd: I know, I know! OK, I want to get it!!

Characters

- Al, the car salesman
- Todd
- Sharon, Todd's mother
- Narrator



Lesson 10: Convertible or Clunker? IT'S TIME TO LEASE! *(continued)*

AI: Alright, just step into my office and we will see what we can do!

Narrator: *Sharon leases the truck on Todd's behalf. Sharon and Todd agree that Todd is responsible for the payment and all expenses. Todd finds a part-time job; however, he did not realize that gas would be so expensive, because he is the one always driving his friends around. Every month he struggles to make the payment. He has to give up buying items like music and clothing just so he can make the lease payment. After two years, Todd turns the leased truck back in to the dealership and realizes that he has paid \$4,800 for the truck, and now he has nothing to show for it! Was this the right choice for Todd? What could he have done differently?*



Lesson 10: Convertible or Clunker? CASH, LOANS, AND LEASES

Name: _____

There are many different elements to consider when contemplating a vehicle purchase. Research three different types of vehicles that interest you and find out what the total cost of the vehicles will be in your area by investigating local vehicle prices, sales tax, and license and registration fees. Use an Internet search engine or the web links below to get started.

FDIC Consumer News
<https://fdic.gov/consumers/consumer/news/cnspr12/autoloans.html>

FTC Consumer Information
www.consumer.ftc.gov/articles/0209-buying-new-car

U.S. Department of Energy Fuel Economy
www.fueleconomy.gov

	Vehicle 1	Vehicle 2	Vehicle 3
Make/Model			
Price			
Sales Tax			
License and Registration Fees			
Misc.			
Total			

What research was surprising to you? Did the vehicles cost more or less than what you expected? Why?



Lesson 11: Risky Business

NAME THAT INSURANCE

Name: _____

Read each of the scenarios below and decide which insurance would help minimize financial risk.

Scenario	What kind of insurance is needed?
1. Ani's vehicle skids off the road and into a telephone pole after she hits a patch of ice	
2. Jon's appendix bursts and he needs immediate medical attention	
3. Dylan rear-ends the vehicle in front of him after the driver slams on his brakes	
4. Rionna's husband recently passed away and she needs help covering the cost of the funeral	
5. Genevieve is 85 years old and requires a daily nurse to help her	
6. Vincent breaks his leg and is unable to work for six months	
7. A hurricane breaks windows and floods Catherine's home and everything needs to be replaced	
8. Mason breaks his leg playing soccer and needs to have surgery and a cast	



Lesson 11: Risky Business

INSURANCE INVESTIGATOR

Name: _____

Derek lives in Chicago, Illinois, and earns \$40,000 a year working at a hotel. He is not married and has no children. He has been covered by his parents' health insurance plan, but now he is about to celebrate his 26th birthday and needs help figuring out what insurance options are available to him. Using Internet search engines or www.HealthCare.gov research, offer Derek three different insurance policies to choose from.

	Policy 1	Policy 2	Policy 3
Name of Provider			
Premium			
Co-pay			
Deductible			

What are the pros and cons for each of the three options you researched?

Based on your research, which insurance policy do you think would work for Derek? Why? Write a brief paragraph evaluating your position.



Lesson 11: Risky Business

LIFE MAP

Name: _____

WHEN I'M 26 YEARS OLD...



WHEN I'M 56 YEARS OLD...



WHEN I'M 86 YEARS OLD...

Student Handout 3:**Comparing Choices**

	University of Michigan	Indiana State University	Butler University
Location	Ann Arbor, MI	Terre Haute, IN	Indianapolis, IN
Type	Public	Public	Private Nonprofit
Number of Students	29,821	11,591	4,229
Admissions	Very Selective	Less Selective	Somewhat Selective
Tuition Costs	In-state: \$15,262; Out-of-state: \$49,350	In-state: \$9,090; Out-of-state: \$19,836	In-state: \$41,120; Out-of-state: \$41,120
Room and Board Costs	\$11,534	\$10,590	\$13,830

1. Which university will be the most expensive for Mariel to attend?
Why do you think this is?
University of Michigan, because Mariel will pay much more for out-of-state tuition.
2. If you were Mariel, which school would you pick, and why?
Answers will vary.
3. Based on your research, which college do you think you would like to attend, and why?
Answers will vary. Use handout to assess student ability to compare data and make an informed choice.
4. What other factors go into deciding which college to attend?
Answers will vary, but encourage students to think about other benefits and drawbacks of different college choices, such as location and size, marketability to employers, and internship opportunities.

Student Handout 4:**College ROI (Return on Investment).**

Answers will vary. Use handout to assess student ability to compare data and make an informed choice.



Lesson 12: Halls of Knowledge

POSTSECONDARY PLANNING PREP

Name: _____

Directions: Choose one postsecondary option (e.g., vocational, two-year college, four-year college or university, apprenticeship) to research and become an expert on. Record your research in the table below and be prepared to present your findings to the class.

Helpful websites to guide you in research include the following:

www.careeronestop.org
www.bls.gov/ooh/
www.apprenticeship.gov

Research Questions

Postsecondary Option:

Overview

- Provide a brief definition of the postsecondary option.
- Why does this option interest you?
- Why do people choose this option?

Education and Training

- What qualifications, skills, and abilities are needed to pursue this postsecondary option?
- What does the education or training look like (e.g., traditional classroom, on-the-job training, etc.)?
- How long is the education or training and what type of credentials are earned (e.g., certification, academic degree)?

Careers

- What career opportunities are available as a result of this postsecondary choice? Describe at least three career options.
- What does a typical workday look like for the three careers you researched?
- What are the average salaries available for the careers?
- What is the employment outlook for the careers (e.g., how many people are employed in the sector, is the career expected to grow, etc.)?

Learn More

What resources provide more information about the postsecondary option? Include at least three relevant websites beyond those provided on this handout where people can learn more about how to pursue the postsecondary option.



Lesson 12: Halls of Knowledge

FEDERAL STUDENT AID OPTIONS

Name: _____

Directions: Working with your group, research the student aid option assigned by your teacher and record your findings in the chart below. Be prepared to present your research to the class and explain where we can find more information about your assigned aid.

PELL GRANT

- How does it work?
- How much money is it for?
- Who is eligible to receive it?
- Where can we learn more about it?

DIRECT LOAN (SUBSIDIZED AND UNSUBSIDIZED)

- How does it work?
- How much may be borrowed?
- What are the terms of the loan?
- Who is eligible to receive it?
- Where can we learn more about it?

COLLEGE WORK-STUDY PROGRAMS

- How do they work?
- How much do you earn?
- What kinds of jobs are available?
- Who is eligible for these programs?
- Where can we learn more about them?



Lesson 12: Halls of Knowledge

COMPARING CHOICES

Name: _____

Meet Mariel

Mariel is 18 years old and from Indiana. She is heading to college soon and can't wait for dorm life! She loves meeting new people. She plans on majoring in biology and hopes to earn her bachelor's degree.

The Problem?

While Mariel is so excited to start college, she is really torn on which college to attend. She has been accepted to University of Michigan, Indiana State University, and Butler University. To help her make a decision, research the costs associated with each category in the chart below and compare and contrast her three choices.

Research Tip

Use a comparing college costs tool at <https://bigfuture.collegeboard.org/compare-colleges>.

	University of Michigan	Indiana State University	Butler University
Location			
Type			
Number of Students			
Admissions			
Tuition Costs	\$	\$	\$
Room and Board Costs	\$	\$	\$

Which university will be the most expensive for Mariel to attend?

Why do you think this is?

If you were Mariel, which school would you pick, and why?

What other factors go into deciding which college to attend?



Lesson 12: Halls of Knowledge

COMPARING CHOICES *(continued)*

Your Turn!

Now that you have helped Mariel research her college choices, pick three new colleges of your own to research, and complete the chart below. Remember to consider in-state versus out-of-state tuition costs and the cost of living in one geographical area versus another.

Use a comparing college costs tool at <https://bigfuture.collegeboard.org/compare-colleges>.

	1:	2:	3:
Location			
Type			
Number of Students			
Admissions			
Tuition Costs	\$	\$	\$
Room and Board Costs	\$	\$	\$

Which college was the most expensive?

Which was the least expensive?

Based on your research, which college do you think you would like to attend, and why?



Lesson 12: Halls of Knowledge

COLLEGE ROI (RETURN ON INVESTMENT)

Name: _____

Directions: Deciding on a college involves a number of factors, including location, cost, and academic programs. Learn more about how to measure your potential return on investment by following the steps below.

STEP 1: Write down the names of three colleges or universities that you are interested in attending.

1.

2.

3.

STEP 2: Write down three different majors you are interested in pursuing.

1.

2.

3.

STEP 3: Using the college names and majors you wrote above, visit the College ROI Report at www.payscale.com/college-roi/. Review your 20-year net ROI for each academic area and school and then answer the following questions.

Which major and degree had the greatest ROI?

Which had the lowest?

What was surprising to you about the different ROIs?

What did you learn that you didn't know before?



Lesson 13: The Policy of Personal Choice

YOU'RE IN CHARGE!

Name: _____

What would you do if you were in charge of monetary policy? Would you know how to balance recession and inflation? Visit the Fed Chairman Game at <http://sffed-education.org/chairman> and try your hand at managing monetary policy. When you are finished, analyze your results and answer the questions below.

How successful were you in keeping inflation low and stable while balancing unemployment rates?

What headlines did you get? What did the headlines tell you about your management strategies?

Under what circumstances did inflation rise and fall?

Under what circumstances did unemployment rise and fall?



Lesson 13: The Policy of Personal Choice

ECONOMIC FUTURE

Name: _____

Directions: Write a brief, one-page reflection answering the following questions.

- *What prices have you witnessed rise or fall in your life so far?*
- *Are there items you used to buy at lower prices that are now more expensive? Why do you think the cost has gone up?*
- *How do you think prices will change in the future?*
- *How will economic conditions affect your financial decisions, such as whether to borrow money or make a large purchase?*



Lesson 14: Increasing the Value of Your Money

BUCKET LIST

Name: _____

What are the experiences, adventures, and accomplishments you want to achieve in your life? If you had unlimited money and time, what would you do?

Write your top ten bucket list items below!

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.



Lesson 14: Increasing the Value of Your Money

INVESTMENT PRODUCTS

Name: _____

Read the scenarios below and then identify the type of investment in each story.

1. Olivia received an electronic investment gift from her grandmother through **www.TreasuryDirect.gov** that was purchased for \$25. Her grandmother told her the investment was a loan to the government and that she could collect her repayment and interest at the end of the term.

What type of investment does Olivia have?

2. Ian bought a share in his favorite company last year, and he periodically receives dividends or a portion of the company's profits.

What type of investment does Ian have?

3. Anna's new employer offers her the opportunity to set aside a percentage of pay to invest for retirement.

What type of investment does Anna have?

4. Rujul works for a company that combines money from many different investors in order to purchase numerous separate investments.

What type of investments does Rujul work with?



Lesson 14: Increasing the Value of Your Money

WHAT TYPE OF INVESTOR ARE YOU

Name: _____

You're 18 years old and you have just inherited \$5,000! What will you do with it? First, decide your risk tolerance. Select Aggressive if you can handle the ups and downs of the market or Conservative if you prefer less volatility. Use the formula for compounding interest annually and follow the prompts for your path to see what happens to your \$5,000 from age 18 to 65.

Compound Interest Formula $FV = P (1 + r/n)^{nt}$

	AGGRESSIVE	CONSERVATIVE
Risk Tolerance ↓	Go big, or go home! I'll invest all \$5,000 .	I'll invest some and save some. Here's how much I will invest:
Asset Allocation ↓	Put it all in stocks and let's see what happens!	Diversify me, please! Give me a mix of stocks and bonds.
Steady Growth ↓	You're 25 now, and your money is growing fast. For the past eight years, you have been earning an annual return of 8% on your investments. How much is your investment worth today?	You're 25 now, and your money is growing steadily. For the past eight years, you have been earning an annual return of 4% on your investments. How much is your investment worth today?
Holding Steady ↓	From age 25 to 30 the market holds steady and your investment is still bringing in an 8% return.	From age 25 to 30 the market holds steady and your investment is still bringing in a 4% return.
Down It Falls ↓	When you're 50, the market drops slightly and you're earning a 2% return. The market lasts five years. How much money do you have after the five years?	When you're 50, the market drops, and now you're earning 3%. The market low lasts five years. How much money do you have after the five years?
STOP AND THINK... You'll be nearing retirement soon and you just weathered a down market. Should you adjust your risk level? Why or why not?		
How Did You Do?	From age 55 to 65 you're earning a steady 8% return. How much is your balance at age 65?	From age 55 to 65 you're earning a steady 4% return. How much is your balance at age 65?



Lesson 14: Increasing the Value of Your Money

ACTION PLAN

Name: _____

Review your bucket list created in the first activity and pick your top three favorite choices. Next, consider at what age you want to achieve your bucket list item and then what investment actions you can take today to start financially planning to make your dream a reality.

WE SAVE AND INVEST TO...

- › Achieve goals
- › Have feelings of security (be prepared for financial emergencies)
- › Maintain self-esteem
- › Have control over our financial future

Bucket List Goal	Age You Want to Accomplish This Goal?	What Investment Strategies Can You Use to Reach the Goal?
1.		
2.		
3.		



Lesson 15: Road to Retirement

RETIREMENT TRIVIA

Name: _____

Read the scenarios below and determine the appropriate retirement account for each.

1. MEET LINDSEY

"I'm a teacher, and my retirement strategy is to have a mix of after-tax and pretax contributions, so I save my money in two different accounts. One account is offered by my employer and I started the other account on my own. Which accounts do I have?"

2. MEET KUSHAL

"I'm a manufacturing engineer, and when I first started my job I set up my retirement account so it would automatically put 7% of my income away each pay period. Plus, my company gives me 4% on top of that. What type of account do I have?"

3. MEET ALISHA

"I'm a freelance graphic designer, and I love what I do! I try to max out my retirement savings at 25% of my net earnings each year. I don't have the benefits of an employer match like I would if I worked for someone else, so I work hard to max out my contributions whenever I can. What type of account do I have?"



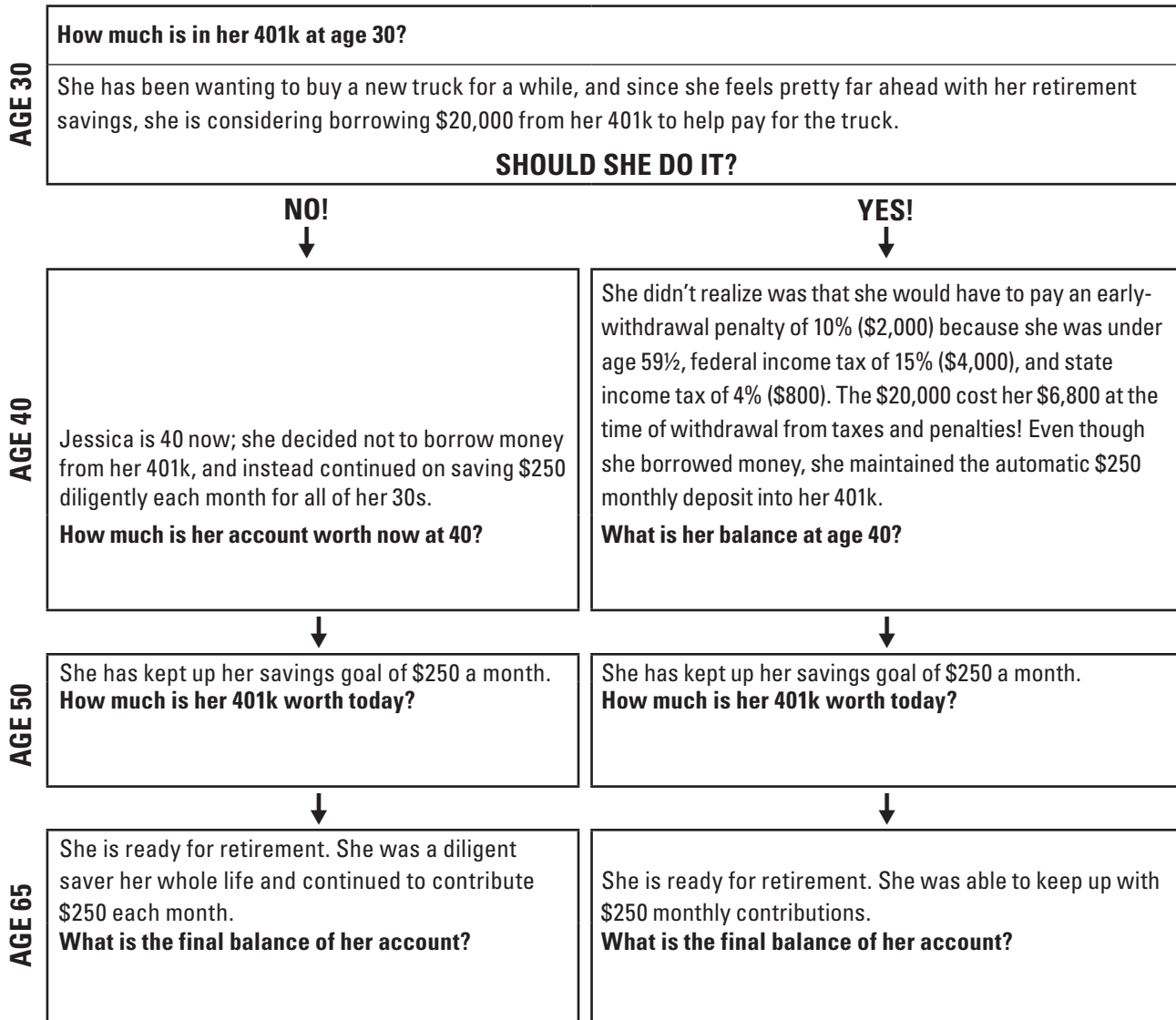
Lesson 15: Road to Retirement

ON THE ROAD TO RETIREMENT

Name: _____

Help Jessica see her account change through compounding interest annually at a rate of 8%.

Meet Jessica, a 23-year-old college graduate who just got her first job as a marketing assistant. While her employer offers a 401k, her company doesn't offer matches. But she heard that you should start saving early for later in life, so she's decided to set up her account so \$250 is automatically deposited into her 401k each month. She's already started contributing with a **\$5,000 principal**.



Which path yielded Jessica a higher return? **NO!** or **YES!**

Why is this?

What amount did Jessica miss out on by withdrawing money at age 30? _____



Lesson 16: Crash Pad RENTER'S REVIEW

Name: _____

Review the rental costs at Pine Woods Apartments outlined below. Compare these costs with your estimated income and rental and living expenses, and then answer the following questions.

THE CHALLENGE

You have \$500 in savings and \$125 in cash. You start a full-time job and your take-home pay is \$1,400 a month.

You are currently living with your parents and only have to pay a monthly vehicle payment of \$195 and a cell phone bill of \$56. You also spend about \$100 on gas and have been saving \$50 a month. That leaves you with about \$800 each month for entertainment, food/eating out, personal expenses, and additional savings toward an apartment.

You are anxious to move out on your own. You begin to look at one- or two-bedroom apartments at the Pine Woods Apartments to determine whether you can afford it yet.

Pine Woods Apartments:

Rental Expenses	Bedroom	
	1	2
Security Deposit:	\$500	\$650
Application Fee:	\$10	\$10
First Month's Rent:	\$400	\$550
Total to Move In:	\$910	\$1,210

Income

Savings:	\$500
Available Cash:	\$125
Total Initial Funds:	\$625
Total Monthly Funds:	\$1,400

Estimated Living Expenses if Renting

Utilities (for example: water, electric/gas, cable, Internet, and phone):	\$200
Food:	\$200
Vehicle payment:	\$195
Vehicle insurance:	\$75
Gas:	\$100
Cell phone:	\$56
Savings:	\$50
Estimated Total:	\$876

1. Based on your total initial funds, can you afford to move into a one-bedroom apartment at the Pine Woods Apartments today?
2. How much more money would you need to save to move into a one-bedroom apartment?
3. How long will it take you to save that amount if you continue to save \$50 a month?
4. Could you afford the monthly rent (for a one-bedroom apartment) and your estimated expenses, based on your income?
5. You and your best friend decide to rent a two-bedroom apartment together. If you split the costs to move in (security deposit, application fee, and first month's rent), what would it cost each of you to move in, and could you afford it?
6. Could you afford the monthly rent and your expenses if you shared a two-bedroom apartment?



Lesson 16: Crash Pad BUYER'S REVIEW

Name: _____

Review the scenario and then answer the questions.

THE CHALLENGE

Ramón has graduated from college and started his career as an engineer. Now he thinks he may be ready to buy a condo or townhouse.

Ramón's gross pay is \$4,100 a month, and his net, or take-home pay, is \$3,075. He has been saving for a down payment and closing costs and has \$4,200 saved so far. Ramón contacted his state's Housing Finance Authority and learned about a program that helps first-time home buyers with their down payment and closing costs. The program matches the amount the buyer has saved to buy a home. That means he would have \$8,400 he could put toward a down payment and closing costs. He enrolls in the program and completes several homeownership classes that are part of the program's requirements.

In the middle of his homeownership training, a banker works with Ramón and pre-qualifies him for a maximum mortgage amount of \$165,000. (Pre-qualification is an informal way to find out how much money you can borrow.) Ramón is also eligible to pay only a 3% down payment because he is a first-time home buyer.

As a rule of thumb, many people estimate they are able to afford a mortgage of two to three times their household income. Ramón's annual income is \$49,200, so he might be able to afford a mortgage of \$98,400 to \$147,600.

Ramón's Funds

Down payment and closing costs:	\$4,200
Matched savings:	\$4,200
Total funds available:	\$8,400

Purchase Cost

Cost of house:	\$140,000
Down payment:	\$4,200
Closing costs:	\$7,000
Total funds to purchase:	\$11,200

$$\begin{aligned} \$49,200 \times 2 &= \$98,400 \\ \$49,200 \times 2.5 &= \$123,000 \\ \$49,200 \times 3 &= \$147,600 \end{aligned}$$

Keep in mind that, if you qualify for a higher amount, that does not mean you can afford or will be comfortable with those monthly payments. Consider your own circumstances and your future financial needs and goals.

Ramón has found a townhouse that he likes. It is listed for \$140,000. The lender estimates that Ramón would need \$4,200 for a 3% down payment and \$7,000 (5% of house cost) for closing costs.

1. Does Ramón have enough money for the down payment and closing costs?
2. If not, how much more does he need?
3. Do you think Ramón is ready to buy a home? If not, what does he need to do to be better prepared?



Lesson 16: Crash Pad HOUSING NEEDS

Name: _____

While we can't predict the future, we can think ahead and make a plan! Think about what your housing needs are today (for example: number of bedrooms, square footage, location, amenities, security, comfort, view) and how those might change over the course of your life. Answer the questions below.

SHORT-TERM

What are my housing needs now? How much space do I need? What location do I need to live in? How important are amenities and security to me? What actions can I take today to meet those needs?

MEDIUM-TERM

What do I think my housing needs will be five years from now? How will my needs change if I have children or relocate to a new area? How much space will I need then? How important will location, security, and amenities be to me? What financial choices can I make today that will help support my future housing needs?

LONG-TERM

What do I think my housing needs will be 15 years from now? 30 years? How will my needs change if my family grows? How will my housing needs change as I grow older? Will I need more or less space? What financial choices can I make today that will help support my future housing needs?



Lesson 17: Pocket Giving

CHARITY RESEARCH CHALLENGE

Name: _____

Using an Internet search engine, research three organizations or charities in your local community that would benefit from philanthropy. These may include religious programs, animal shelters, health programs, environmental preservation programs, or performing arts organizations. Think about what your interests are and how they would best align with an organization in need.

RESEARCH TIPS

Use the websites below to start your charity search.

- **CharityNavigator.org**
- **GuideStar.org**
- **CharityWatch.org**

	1:	2:	3:
Website			
Type of charity or organization			
What is their central purpose or goal in helping others?			
What type of donation could they benefit from? Money, time, talent?			
How can I help?			
What ways could I donate to this cause?			

If you decide to donate to any of the charities you have researched, be sure to follow the Federal Trade Commission's Charity Checklist at www.consumer.ftc.gov/articles/0074-giving-charity.



Lesson 17: Pocket Giving

GIVING TREE

Name: _____

Using your research from the Charity Research Challenge activity, select one organization and fill in the giving tree below based on ways that you could share your time, talents, resources, money, and skills.

REMEMBER TO ASK YOURSELF...

What am I good at? What talents do I have that I could use to benefit others?

What are ways in which I could use my time to help a cause?

Am I able to donate money? If so, how much money could I donate?

What are skills that I have that could benefit others?



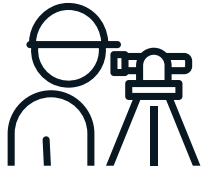
Lesson 17: Pocket Giving

PAY IT FORWARD

Name: _____

Part of a strong financial plan is thinking through our actions today, tomorrow, and well into the future. To help you think through your charitable goals, write a list of ways you will “pay it forward” in your life both now and later.

Now	In 5 Years	In 20 Years
1.		
2.		
3.		
4.		
5.		



Lesson 18: Paving the Future

ESTATE PLANNING IN ACTION

Name: _____

Kendall is 25 years old and a single mother of one-year-old daughter Skylar. Kendall is young and she knows that death seems like a far-off distant future, but she also realizes that unexpected accidents can happen. While she doesn't want to dwell on death, she does want to make a plan for the "what ifs" of life. She wants to make sure Skylar is well cared for if something should happen to her. Kendall is meeting with a lawyer next week to draw up a will. Before her meeting, Kendall decides to write down her ideas for what should be included in her will. Read her notes below and then answer the questions.

What assets do I have?

I own a vehicle, I have about \$10,000 in a savings account and \$5,400 in a 401k. I also inherited a necklace from my grandmother that I think is worth a few thousand dollars.

Who should be my executor?

My mom. She is good with tough situations and I think she would know how to handle my requests.

Who would be the guardian of Skylar?

I would want my sister and her husband to take care of Skylar if something happened to me. They already have a child and are great parents! I think they would be the best people to care for Skylar and give her a happy home if I am unable to.

Who are my beneficiaries?

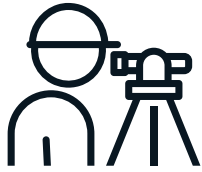
Skylar should definitely inherit my money, 401k, and grandma's necklace. But I think my sister should have my vehicle. She may need it in order to care for Skylar, or she could sell it and use the money to help support Skylar.

Who would be my power of attorney?

My dad would probably be best to be my power of attorney. He always has my best interests at heart and if I became too ill to care for Skylar, he would know what to do.

DISCUSSION QUESTIONS

Why does Kendall feel compelled to create a will even though she is only 25?



Lesson 18: Paving the Future

PREPARE YOUR PLAN

Name: _____

Making a plan for your future involves thinking through what you own and how you would like those items to be distributed. Answer each question below to help get you started in preparing a long-term plan.

What assets do I have? *List all of your valuable items that you wish to distribute.*

Who should be my executor? *This is the person in charge of executing your plan.*

If you have children, or plan to have children someday, whom would you designate as their guardians? *This is the person(s) who would take care of your children.*

Who are my beneficiaries? *These are the individuals you want to receive your assets.*

Who would be my power of attorney? *This is the person who would make decisions for you if you became unable to yourself.*



Lesson 19: Financial Sleuth

SOLID OR SCAM?

Name: _____

Read each scenario below and decide whether the situation is a solid, credible resource or a deceitful scam. Be prepared to explain your answers.

Scenario 1: Larry gets a text from his credit card provider saying there is a problem with his account and action is required in order to keep the card open. The text instructs him to reply with his account number and the most recent purchase amount made on the card in question. **SOLID or SCAM?**

Why?

Scenario 2: Jillian has been researching new laptops but the brand she wants costs \$500 and she has been reluctant to spend that much. While she's scrolling through her social media accounts, Jillian sees an ad from an online store selling the same computer she wants plus a bonus set of headphones, a laptop case, and a software package for only \$50. She's so excited she clicks through and starts to place an order. **SOLID or SCAM?**

Why?



Lesson 19: Financial Sleuth

BUILD YOUR TEAM

Name: _____

Knowing how to find trusted experts for different financial needs is an important part of managing your personal finances. Using an Internet search engine, research the roles that each of the following individuals play in assisting with your finances, and answer the questions below.

Financial Team Member: YOU! Remember that you are the *first* person on your financial team. You are in the driver's seat of your financial car, so it is important to teach yourself how to find the answers that you need!

Financial Team Member: Financial Advisor

1. What is a financial advisor? .

2. What role or function does a financial advisor play in helping you with your finances?

3. Where can we find more information about financial advisors? A

Financial Team Member: Certified Public Accountant (CPA)

4. What is a CPA?

5. What role or function does a CPA play in helping you with your finances?

6. Where can we find more information about CPAs?



Lesson 19: Financial Sleuth

BUILD YOUR TEAM *(continued)*

Financial Team Member: Lawyer

7. What is a lawyer?

8. What role or function does a lawyer play in helping you with your finances?

9. Where can we find more information about lawyers?

Financial Team Member: Insurance Agent

10. What is an insurance agent?

11. What role or function does an insurance agent play in helping you with your finances?

12. Where can we find more information about insurance agents?



Lesson 19: Financial Sleuth

FINANCIAL LIFEBOAT

Name: _____

THE PROBLEM...

You are the captain of a large boat in charge of carrying financial resources from one island to another. The boat is filled to the brim with financial resources — financial advisors, accountants, and lawyers, oh my! The boat is in the middle of the Pacific Ocean and begins to sink. There is one lifeboat, but it can only hold four financial resources. Since you are the captain of your financial boat, you must be one of the four resources in the lifeboat. Therefore, only three other financial resources can be saved.

THE TASK...

As captain, decide which financial resources you will save and the three resources most able to help you in your financial journey. You must be able to justify your choices for choosing or not choosing each resource.

SURVIVING RESOURCES...

1. You! Remember...you are your best financial resource because you have the power to control your personal finances. You are first on the lifeboat!

2.

3.

4.



Lesson 20: Protect Yourself

SPOT IDENTITY THEFT

Name: _____

Read each scenario and answer the questions. Check the box of the correct answer.

1. You answer the phone one evening at home. The voice on the other end is offering a free weekend trip to a ski resort, but to get your coupon you must give a credit card number. It sounds like a great idea. Do you give the number?
 Yes! I need a vacation!
 No way! They could use the number to commit fraud.
2. You receive a text message from someone who says he is in your math class, but you do not know him. He says that he needs to get on the school network to check homework, but he lost his password. He wants to “borrow” yours. Should you give it to him?
 We had homework tonight, so it must be someone from class.
 No way! It could be anybody trying to do damage to your login account.
3. You want to open a savings account at an online-only bank. But when you start filling in the information to open the account, it asks you for your Social Security Number to verify your identity. Do you provide it or consider another bank?
 Provide it. If you researched the institution, you know it is legitimate and OK to give information to receive the service you need.
 Consider another bank. You should never give out your Social Security Number.
4. Your dad just paid all the family bills for the month. He hands you a stack of bill stubs and asks you to throw them away. You should:
 Trash them. You do not want to disobey your dad.
 Ask him to borrow a pair of scissors to cut them up before you throw them away, so no one else can get his information from them.
5. You receive a letter in the mail from a well-known credit card company. It says they are “concerned about recent activity on your account” and they want to protect their customers. But you have never had a credit card with that particular company. There is a 1-800 number to call to speak with a fraud service representative. Should you call it?
 Yes, you should make sure that the number you are instructed to call is really the credit card company’s phone number, and then call the phone number to find out whether it is true or not.
 No, they will ask for private information from you and you know not to give it out.



Lesson 20: Protect Yourself THIS JOB, NOT THAT JOB

Read the job advertisements below and decide which job may be a scam and which one is the real deal. Be prepared to support your reasons.

JOB 1

Title: Customer Service Rep. (looking for HIGH-ENERGY, SMILING FACES!)

Description: Do you want to get paid now and work from home? Do you want the freedom and flexibility to spend your day the way YOU want to and earn up to \$600/week? If that sounds like you, then this is the opportunity of a LIFETIME. We are hiring work-from-home customer service reps...and ALL you have to do is call our customers with a friendly and helpful style.

We PAY well — up to \$600/week — and if you are the right person, you may even be able to grow into a full-time position!

What are you waiting for? E-mail us at trainingseminarpros49@tsp.com to enroll in our low-cost \$49 training today! All trainings lead to BIG work...all while staying in the comfort of your own home.

JOB 2

Title: Care for Customers, Inc. hiring Customer Service Representative

Description: Care For Customers, Inc., is a full-service customer sales organization with over 50 years in business. Visit our website at www.CareForCustomersInc.com and learn about our many satisfied customers.

We are currently hiring one Customer Service Representative that has at least five years of experience in the customer service industry. A high school diploma is required, and an associate's or bachelor's degree in business, communications, or related field is a plus.

The position is part-time (20–28 hours each week) for \$14.00/hour. Please send your resume and three references to jobs@CareforCustomersInc.com.



Lesson 20: Protect Yourself

STEPS TO TAKE

Name: _____

What do you do if you think your identity may have been compromised? Find out now by putting your research skills to the test. Visit the Federal Trade Commission's website at www.consumer.ftc.gov and locate information to complete the chart below. Be prepared to present your answers to the class.

QUESTIONS	YOUR ANSWERS
How soon should you act if you suspect identity theft?	
What are immediate steps you should take if you suspect identity theft?	
What is involved in each step? Describe how each step works.	
What's next? After immediate action, what else can you do to ensure your identity is safe?	



Lesson 21: Launching Your Dream ENGAGING ENTREPRENEURS

Name: _____

Using an Internet search engine or the websites provided, select an entrepreneur to research, and answer the questions below. Be prepared to present your entrepreneur to the class and explain how he or she fits the model of an entrepreneur.

*"An entrepreneur sees an opportunity. Makes a plan.
Starts the business. Manages the business." (SBA.gov)*

1. What is the name of the entrepreneur you researched?
2. What product or service did your entrepreneur develop?
3. What opportunities do you think your entrepreneur observed? What need was he or she trying to fill or what problems was he or she trying to solve?
4. How did your entrepreneur make a plan for the business? How did he or she turn ideas into action?
5. What steps did your entrepreneur take to start the business? What business structure did your entrepreneur select? How was the start-up funded?
6. How did your entrepreneur manage the business after its launch? What challenges did the business have to overcome? What risks did the business experience?



Lesson 21: Launching Your Dream ENTREPRENEURIAL ADVENTURES

Name: _____

Before an entrepreneur can launch a business, he or she must first think carefully through each phase of development. Think back to the ideas you brainstormed for your dream business and select one idea to answer the questions below.

1. What is my business idea?
2. What is the opportunity I see for this idea?
3. Who would benefit from my idea, and why?
4. What problem does my idea solve?
5. How much money would I need to launch this idea?
6. Where would I get that money?
7. What type of business structure would I use, and why?
8. What risks and challenges might I experience with this idea?

