

YOUR FINANCIAL ROAD MAP: WHERE DO YOU WANT TO GO?

DAY: 1

TITLE: YOUR FINANCIAL ROAD MAP: WHERE DO YOU WANT TO GO?

TARGET COMPETENCY: Know the importance of developing financial management skills to ensure short- and long-term financial security.

OBJECTIVES:

- Provide an overview of the three-week financial literacy curriculum, in which the students will gain the skills necessary to:
 - Develop financial responsibility
 - Manage personal finances through goal setting, budgeting and savings
 - Understand credit and the burden of debt
 - Identify the tools of long-term savings and investing
- Complete pre-unit assessment test
- Establish a tone of active, fun and real-life learning

HANDOUTS/MATERIALS

- Internet connection
- Screen/projector
- PBS Video: *Your Life, Your Money* before class
<http://video.pbs.org/video/1245775469>

LESSON SUMMARY:

This lesson eases students into the topic of financial literacy through a series of “case studies” of real life young adults learning to manage their finances and their futures. The PBS video provides an overview of some of the issues your students will be covering later in the course, which include: goal-setting, distinguishing needs from wants, budgeting, tracking savings, identifying different savings tools, among others.

Americans don’t talk much about money. That may be one of the reasons some many households have struggled in our current financial crisis. A primary goal of this lesson is to create a “safe” and fun environment for discussing issues that can be troublesome and/or deeply personal to many of your students.

LESSON OUTLINE:

MINUTES	CONTENT
	Optional Lesson: If you prefer not to show the video, use the Lesson Plan “Life Scenarios and Consequences” to provide an overview of a financial choices/challenges over a lifetime.

5	Introduce the unit: Your Financial Roadmap: Where do you want to go in life? Include background on SB317, importance of life-long learning, current economic crisis, planning for your future (which is just a few months away)!
10	Distribute the pre-assessment test. Assure students this test will not be graded, but is being used as a tool to help the district and NV State Legislature determine an increase in knowledge, skills and confidence in personal financial management.
2	<p>Preview the PBS video: <i>Your Life, Your Money</i>. Explain that you'll be watching four "chapters" of the video today that will introduce lessons and concepts they'll be exposed to in the coming week.</p> <p>Summary: Personal financial literacy is not just about opening a bank account or learning to use a checkbook, it compasses critical thinking, discipline, seeing "the big picture," and planning for the future. "Your Money, Your Money" uses dynamic, culturally aware stories of real young people in a variety of circumstances. As their stories unfold, viewers learn how and why these young adults faced financial literacy challenges and what they did to overcome them.</p> <p>Compelling and relevant, the stories in this video not only guide the viewer to a deeper understanding of the issues, but also include immediate, positive actions that young people can take to improve their own financial literacy skills. Bolstered by the wisdom and experience of experts in the field, the people featured take control of their lives and provide powerful examples of what it means to "manage your money and not be managed by your money."</p> <p>Discussion Question: Discuss this phrase "manage your money and not be managed by your money." What does it meant to you?</p>
10	<p>Pre-viewing discussion:</p> <ul style="list-style-type: none"> • How did you learn to handle money? • What are some strategies that you or the people you know use to manage their money? <p>Watch Chapter 1: <i>Making It & Keeping It</i> (4:34). Russell Simmons offers guidance about his seminar on personal finance.</p>

	<p>Post-viewing discussion:</p> <ul style="list-style-type: none"> • What do you think Russell Simmons means when he says, “They have no idea what to do...they get into big trouble.” Why do we need to learn about money and finances? • How likely is it that a typical person will have wealth like Russell Simmons to manage? Should that be an excuse not to manage your own money wisely
13	<p>Watch Chapter 2: <i>Make Your Money Work for You</i> (8:07). A young engineer learns how to financially responsible despite major temptations.</p> <p>Post-viewing discussion:</p> <ul style="list-style-type: none"> • Identify one wise financial decision Min made in getting established on his own. Identify one mistake. • What’s your thought process when making a purchase? Have you ever regretted a large purchase after you made it? Explain. • A quote from this chapter stated: “the trick is to make your money work for you, and not the other way around.” What is meant by this? • The host, Donald Faison, said to “Keep track of everything you spend money on for at least two weeks.” Have you ever tried keeping track of your expense? If yes – what did you discover? If no – you have something to look forward to....It’s part of our unit!
15	<p>Watch Chapters 4 & 5: <i>Start Saving: Ways to Save</i> (5:35) and <i>Plan for Your Retirement</i> (4.44). Two young professional discuss the importance of savings.</p> <p>Post-viewing discussion:</p> <ul style="list-style-type: none"> • What is the purpose of saving? • In the story about D. Woods, why was it important for her to have a savings cushion? • How much savings cushions did the expert recommend? • It is often said that you can never start saving early enough. What is that? • When did Maria Cortez start saving for her retirement? • There are a variety of ways to save money. Besides a tradition savings account, what are some others?

5	Distribute NEFE High School Financial Planning Program Student Guide Homework: Read: Introduction and Unit One pages 1-4 Exercise: 1A and 1B
5	Assessment Briefly respond to the following questions on a sheet of paper: 1. Russell Simmons is referred to as an entrepreneur? Provide a definition or example of an entrepreneur. 2. Identify one wise economic decision that Min made in getting established on his own. 3. Name at least one suggestion that financial expert Beth Kobliner gives to D. Woods regarding controlling spending and increasing savings? 4. Besides a bank savings account, what are some other savings accounts mentioned? 5. One of the financial experts recommended creating a savings cushion (or emergency fund) of about three months of living expenses. Why is this important?

HOMEWORK:

Read Introduction (pgs i-iii) in the NEFE Student Guide for tomorrow.

ADDITIONAL RESOURCES:

PBS Video, *Your Life, Your Money*

<http://www.pbs.org/your-life-your-money/index.php>

Website contains a link to the full video, along with each individual chapter. It also includes a Facilitator’s Guide, which includes lesson plans and activities for each video “chapter.” The questions in this lesson plan were drawn directly from this guide.

“Life Scenarios and Consequences”

See ttached lesson plan that introduces the concept of managing finances over a lifetime.