

Bring on the Budget



Grades: **High School**



DISCOVER

Lesson Objective:

In this lesson, students will come to understand the basic components of a budget.

Common Core State Standards:

Mathematics

- Statistics and Probability
- Number and Quantity
- Modeling

English Language Arts

- Speaking and Listening: Comprehension and Collaboration
- Speaking and Listening: Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 1: Take responsibility for personal financial decisions
- Standard 4: Make financial decisions by systematically considering alternatives and consequences

Income and Careers

- Standard 2: Identify sources of personal income

Planning and Money Management

- Standard 1: Develop a plan for spending and saving
- Standard 2: Develop a system for keeping and using financial records
- Standard 6: Develop a personal financial plan

Saving and Investing

- Standard 1: Discuss how saving contributes to financial well-being

Subjects:

- English Language Arts
- Math
- Technology

Lesson Materials:

- Computers
- Access to Microsoft Excel or an alternative software program
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- Students will need pencils and paper or access to word-processing software



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Step-by-Step Instructions:

1. To introduce the topic of budgeting, begin by asking students to make a list of what they have spent money on in the past month. Provide students with several prompts to encourage them to think about all the ways you can spend money on a daily basis. For example: Have you used money to purchase your lunch this month or other types of food? Have you bought any personal items such as clothing or video games? Have you had to pay back any money you may have borrowed from a friend or relative? Give students at least five minutes to develop their lists and then ask students to share their purchases with the rest of the class. Record responses on the board.
2. Next, ask students to think about any money they may have earned in the past month, such as through an after-school job, an allowance, or a monetary gift. Give students five minutes to record their ideas. Ask volunteers to share and record a new list of income sources on the board next to the expenses list.
3. After cataloging all of the items on the board, use the lists as a springboard to discuss and define the two main components of a budget: income and expenses. Help students understand that income means all of the money coming in, while expenses are items that cost money. Explain that the movement of money coming in and out is called cash flow.
4. Ask students to share their reasons for why one would want to keep track of cash flow. What benefits are there to knowing what you earn and spend? Explain that the reason for creating a budget is to see how much money is earned and spent over a given amount of time (such as on a weekly, monthly, or yearly basis), and that understanding cash flow can help you save for large expenses in the future.
5. During your discussion, ask students how a budget might change throughout the year and talk about how budgets are fluid, meaning they change as income and expenses change. Provide examples of fixed and variable expenses to show students how a budget may evolve. For instance, a monthly cell phone bill could represent a fixed expense, while a variable expense could be holiday presents purchased once each year.
6. Ask students to articulate what they believe are the goals of a budget and help them understand that budgeting ensures you are not spending more than you are making, which increases your ability to save money for short- and long-term goals. For instance, if you currently spend \$100 on entertainment each month by going to the movies, eating at restaurants, and buying personal items, you could make changes by reducing the amount spent in this category.

At-Home Extension:

1. Have students share the budgets they created with their families. Do family members have any advice or suggestions? Are students missing any categories? Have students revised their budgets based on family suggestions.
2. Also have students ask family members for a budgeting tip or secret. Compile the tips into a class book or blog according to category (e.g., food, entertainment, transportation).

Additional Resources:

Printables:

- [Student Budget Worksheet](#)

Books:

- [The Complete Guide to Personal Finance for Teenagers](#)

Videos:

- [Budgeting Basics](#)

Interactive Activities/Games:

- [Bank It or Bust](#)
- [Budget Odyssey](#)



7. After the classroom discussion, have students create a budget using Microsoft Excel, or another software program, based on their personal income and expenses. Students can use the list items on the board and add more income sources and expenses as needed to fit their personal spending habits. If possible, provide students with a visual example of a budget before asking them to create their own by displaying and discussing a budget spreadsheet template from [Microsoft Office](#).
8. Once students have completed their budgets, ask them to experiment with modifications to different categories, while analyzing the changes in income and expenses. For example, could they reduce any of their variable expenses? Ask students to think about what items in their expense list are extras, or variable, that could be reduced or eliminated. Ask students to think about how they might increase their income to cover all of their expenses, such as working two extra hours each week at an after-school job. Help students understand that while it may be difficult to modify a fixed expense such as a car payment, it is very possible to modify variable, or non-essential, expenses to maximize savings.

Wrap-Up & Reflection:

1. Ask students to think about their long-term goals over the next few years and how money will play a part in achieving their goals. For instance, do they want to attend college and will need to save money for tuition, books, and living expenses? Do they have a goal to buy a car or a computer? Ask students to reflect on their goals and how they could adjust their budget to meet their goals. Have students either write or type their answers in three well-developed paragraphs.



Parts of a Paystub

Grades: **High School**



DISCOVER

Lesson Objective:

In this lesson, students will discover the parts of a paystub and how take-home pay is calculated.

Common Core State Standards:

Mathematics

- Statistics and Probability
- Number and Quantity
- Modeling

English Language Arts

- Speaking and Listening: Comprehension and Collaboration
- Speaking and Listening: Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use

Jump\$tart Standards for Financial Literacy:

Income and Careers:

- Identify sources of personal income
- Describe factors affecting take-home pay

Step-by-Step Instructions:

1. Introduce the topic of paystubs with a discussion about how money is earned. Ask students if anyone has a job or has ever received a paycheck. Use student responses to transition the discussion into what their reaction was to their first paycheck. Were they surprised to learn that money is removed from their paychecks for taxes? What do they know about income taxes? Explain that there are several components that make up a paystub and income taxes, including key terms such as gross and net pay, social security tax, federal/state/city taxes, and Medicare tax. Write the key terms on



Subjects:

- English Language Arts
- Math
- Financial Literacy
- Social Studies
- Technology
- STEM

Lesson Materials:

- Computers with Internet access
- Sample paystub (you can create your own or use the online samples found in the resources section)
- Overhead projector or alternative overhead display
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- Microsoft PowerPoint or another presentation software
- Notebooks and writing utensils



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the board and explain that today's lesson will explore each of the terms and how they relate to a paycheck.

2. Divide students into groups of four and assign each group a component of a paystub to research (gross pay, net pay, social security tax, federal/state/city taxes, Medicare tax). Tell students they will be responsible for teaching the rest of the class about their assigned topic and each group will create a five-slide presentation to share their research discoveries. Give students at least forty-five minutes to research and prepare their presentation. Have each group present their discoveries to the class. After each presentation, encourage students to ask questions and continue to discuss the differences between gross and net pay and each of the taxes found on a paystub: social security, federal/state/city taxes, and Medicare.
3. After each group has shared their research, display a sample paystub on the overhead projector (you can create your own or use the online samples found in the resources section). Ask students to work in their groups to identify on the paystub the key terms presented in Step 2. Bring the class back together and ask each group to share where you can locate the different components on a paystub. Close the discussion by asking students to reflect on why understanding parts of a paystub is important in developing a personal financial plan.

Wrap-Up & Reflection:

1. Ask students to write a brief one-page reflection in their notebook answering the following questions: What type of job do you want to have in the future? How much income do you want to earn? How will taxes affect your income?

At-Home Activities:

1. Have students bring home [a sample paystub](#) and explain the various deductions to their family members. Encourage students to talk with their family members about the differences between gross and net pay. What does it mean for real-life financial planning and budgeting?
2. You might ask parents or guardians to share an actual paystub with their children and to discuss the various deductions. Alternatively, parents can discuss their gross and net pay in terms of percentages (e.g., "My net pay is 60% of my gross after 20% to federal and state taxes, 10% to Social Security and Medicare, and 10% to retirement.")

Additional Resources:

Printables:

- [Sample Paystub](#)

Videos:

- [How to Understand Your Paycheck](#)



Credit Counts

Grades: **High School**



DISCOVER

Lesson Objective:

In this lesson, students will understand concepts associated with credit and becoming a smart credit consumer.

Common Core State Standards:

English Language Arts

- Reading: Key Ideas and Details
- Writing: Research to Build and Present Knowledge
- Speaking and Listening: Comprehension and Collaboration
- Speaking and Listening: Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 2: Find and evaluate financial information from a variety of sources.

Credit and Debt

- Standard 1: Identify the costs and benefits of various types of credit.
- Standard 2: Explain the purpose of a credit record and identify borrowers' credit report rights.
- Standard 3: Describe ways to avoid or correct debt problems.

Step-by-Step Instructions:

1. Ask students to define the term "credit." What does it mean and how does it apply to finances? Have students discuss their definitions in small groups of four and then ask each group to share their ideas with the class. Explain that credit is the ability to buy something now, but pay for it later. Discuss the different types of credit and payment methods, such as loans and credit cards.

Subjects:

- English Language Arts
- Technology
- Art

Lesson Materials:

- Computers with Internet Access
- Access to Microsoft Word or an alternative software program
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- Students will need a notebook and writing utensil or access to word-processing software



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2. Explain that in order to earn credit there are several key factors lenders consider. Tell students that working in their small groups they will research and discover the factors lenders consider in order to grant credit and how credit is calculated. During their research time, students should use Internet search engines (or the websites listed below) to research the following questions: What does creditworthiness mean? How do lenders determine if someone is eligible for credit? What is a credit score? How is a credit score calculated? How does one build credit? Resources that articulate credit reports and what it means to be creditworthy:
 - a. Investopedia's Five C's of Credit
 - b. Federal Reserve Bank of San Francisco
 - c. Score's Six C's of Business Credit
 - d. Equifax
 - e. TransUnion
 - f. Experian
3. Ask each group to share their answers and discuss what it means to be creditworthy, the consequences of poor credit, and how to build good credit. Record student answers on the board.
4. Next, challenge students to work in their groups to create a brochure using a word-processing program that answers the following question: What does it mean to be a smart credit consumer? Explain that the audience for their brochure will be high school students and that the design, layout, and information should articulate how students can become smart credit consumers. Encourage artistic expression and use of visual images on the brochures to convey their messages of being a smart credit consumer. Students can use the ideas generated from the classroom discussion and conduct additional research if necessary.
5. Ask groups to share their brochures with the class and discuss similarities and differences among each group's consumer credit advice. Emphasize that being a smart credit consumer means always paying bills on time, following a budget, maintaining a positive credit score, and deciphering wants from needs to make smart financial choices.

Wrap-Up & Reflection:

1. Ask students to think about their immediate future and how credit may play a role in it. For instance, ask if they intend to seek a loan for a car or college tuition and how credit may influence their ability to receive a loan. Have students write or type their answers in a one-page reflection.

At-Home Activities:

1. Invite students to talk with their families about credit guidelines for their own lives. What do students and their parents or guardians believe is the right age for getting a first credit card? When is it a good idea to use a credit card, and when is it not? Should a young person just have one credit card, or is it ever a good idea to open several different lines of credit?
2. Have students summarize their conversations with their families in a short paragraph to share with the class.

Additional Resources:

Books:

- ["First Credit Cards and Credit Smarts"](#) by Ann Byers

Videos:

- [Getting Your First Credit Card](#)
- [Credit Card Debt: A Student's Story](#)

Interactive Activities/Games:

- [It Costs What?](#)
- [Celebrity Calamity](#)



Paying For College



Grades: **High School**



DISCOVER

Lesson Objective:

In this lesson, students will research the cost of college and analyze different ways of paying for higher education.

Common Core State Standards:

Mathematics

- Statistics and Probability
- Number and Quantity
- Modeling

English Language Arts

- Writing: Research to Build and Present Knowledge
- Reading: Key Ideas and Details
- Speaking and Listening: Comprehension and Collaboration
- Speaking and Listening: Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 2: Find and evaluate financial information from a variety of sources

Planning and Money Management

- Standard 1: Develop a plan for spending and saving
- Standard 6: Develop a personal financial plan

Saving and Investing

- Standard 1: Discuss how saving contributes to financial well-being

Subjects:

- English Language Arts
- Math
- Financial Literacy
- STEM

Lesson Materials:

- Computers with Internet access
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- Notebooks and writing utensil



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Step-by-Step Instructions:

1. Begin the lesson by asking students to work with a partner to research the average cost of college using Internet search engines and websites such as the [College Board](#). Give students fifteen minutes to research and then ask each pair to report their findings to the rest of the class. Record each group's average cost of college on the board in addition to the sources the information came from. This is a great opportunity to discuss the quality of research sources to find credible and accurate information. For instance, weave into the discussion why a website such as the College Board is more credible than a site such as LotsOCashForCollege.com.
2. Next, review the different costs of college researched by students and discuss the price difference between the various types of colleges available. For instance, ask students to compare the cost of a two-year college to that of a four-year college and the price diversity between a public and private university. Ask students to share different facets that make up the total cost of college, such as rent and housing expenses, tuition, books, and other living expenses. If necessary, students may take a few additional minutes to further their research.
3. Ask students to reconvene with their partner and discuss how one pays for the cost of college. Tell each pair to brainstorm at least three ways that college costs can be paid for and then have each group share with the whole class. Record student responses on the board and discuss the different types of payment options such as student loans, financial aid, help from family, savings, part-time jobs and scholarships.
4. Next, ask students to reflect on what they envision for themselves in terms of college. Are they interested in going to a two-year or four-year school? What about an in-state or out-of-state college? Do they prefer a public or private university? Ask students to record their answers in their notebooks and tell them they will use this as a base for calculating their own college budget.
5. Have students access the [College Savings Calculator](#) found on the College Board's website. Ask students to fill in the information on the calculator based on their reflection from Step 5 and then carefully read their results.

Wrap-Up & Reflection:

1. To bring the lesson to a close, ask students to spend at least ten minutes writing a reflection on the results of the College Savings Calculator. Ask students to contemplate the following questions in their reflection: Were the results what you expected? Why/why not? In what ways did the results surprise you? Are you on track to meet your savings goals to pay for college? What can you do differently to ensure you save enough for your college goals?

At-Home Activities:

1. Ask students to share the college reflections they completed in class with their families. What advice or input do their families have to offer? Invite students to revise their reflections based on their conversations and their family's ideas about paying for college.

Additional Resources:

Printables:

- [Federal Loan Comparison](#)
- [Scholarship Information Sheet](#)

Books:

- [Paying for College Without Going Broke](#)
- [The Financial Aid Handbook](#)

Videos:

- [Top 5 FAFSA Filing Tips](#)
- [How to Pay For College](#)
- [You Can Go](#)

Interactive Activities/Games:

- [Show Me the Future](#)



The Right Job for You



Grades: **High School**



Pathway to
Financial Success

DISCOVER

Lesson Objective:

Students will explore career options and research different directions they can pursue after high school.

Common Core State Standards:

English Language Arts

- Reading: Informational Texts: Key Ideas and Details
- Writing: Research to Build and Present Knowledge; Range of Writing
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas

Jump\$tart Standards for Financial Literacy:

Income and Career

- Standard 1: Explore career options
- Standard 2: Identify sources of personal income

Step-by-Step Instructions:

1. Open the lesson by having students make a list of possible careers they are interested in and share them with the class. Write their ideas on the board so students have a list of potential careers to choose from in the next step.
2. Explain that finding the right career path starts by researching what jobs are available and how they align with your interests and income goals. Ask students to select three careers from the board and challenge them to learn everything they can about each career. Provide students with web resources such as Careers.org and [the Occupational Outlook Handbook](#). Have students organize their research by [completing this career research worksheet](#) for each job.

Subjects:

- English Language Arts

Lesson Materials:

- Computers with Internet access
- Notebooks and writing utensils, or access to word-processing software
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- [Resume and cover letter Microsoft Office templates](#)



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3. After students finish their research, ask them to reflect on which of the three career choices best fits their long-term goals for the type of income and job satisfaction they envision for themselves. Discuss how career choices can have an impact on your financial situation, both in terms of money spent on education and training and on earning potential. Ask students why it is important to evaluate the cost and benefit of each career, and how the cost-benefit relationship can impact their financial futures.
4. Next, ask students to reflect on what they will need to do to reach their career destinations and share with the class three different steps they can take to prepare for each job. For example, discuss volunteer opportunities, internships, and job shadowing as possible tools to gain valuable insights on career tracks.
5. Bring the lesson to a close by asking students to pick one of their three careers and write a resume and cover letter to demonstrate their understanding of the skills required to perform that job. Students can use [Microsoft Office templates](#) to produce their resume and cover letter.

Wrap-Up & Reflection:

1. Based on their career objectives, ask students which track they think they will take after high school and why. Tell students to defend their answer using well-developed reasons, evidential support from their research, and analysis for why that decision makes the most sense for meeting their financial and career goals.

At-Home Activities:

1. Invite students to interview a family member about his or her profession and career path. How did the family member choose the job? What kind of training and education was involved? Would the family member recommend the job? Why or why not?
2. Have students write up their family interviews. Compile them into a class book to use as a further resource for career exploration.

Additional Resources:

Videos:

- [How to Pursue Your Dream Job video](#)

Interactive Activities/Games:

- [Get a Life Game](#)
- [Web Adventures \(Exploring Science Careers\)](#)

Books:

- [Teens' Guide to College & Career Planning edited by Peterson's](#)
- [Now What? The Young Person's Guide to Choosing the Perfect Career by Nicholas Lore](#)



Planning for the Future

Grades: **High School**



DISCOVER

Lesson Objective:

Students will explore how to plan for their financial futures through different investment and savings vehicles.

Common Core State Standards:

English Language Arts

- Reading: Informational Texts: Key Ideas and Details
- Writing: Research to Build and Present Knowledge, Range of Writing
- Speaking and Listening: Comprehension and Collaboration, Presentation of Knowledge and Ideas

Mathematics

- Statistics and Probability: Interpreting Categorical and Quantitative Data, Using Probability to Make Decisions

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 1: Take responsibility for personal financial decisions
- Standard 2: Find and evaluate financial information from a variety of sources

Planning and Money Management

- Standard 6: Develop a personal financial plan

Risk Management and Insurance

- Standard 1: Identify common types of risks and basic risk management methods

Subjects:

- English Language Arts
- Math

Lesson Materials:

- [The Truth About Millionaires quiz](#)
- [Online goal checklist](#) (optional)
- [Road Map to Saving and Investing activity](#)
- Notebooks and writing utensils, or access to word-processing software
- Computers with Internet access
- [Table of Investment Vehicles](#) (optional)
- [Rate of Return Pyramid](#) (optional)



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Saving and Investing

- Standard 1: Discuss how saving contributes to financial well-being
- Standard 2: Explain how investing builds wealth and helps meet financial goals
- Standard 3: Evaluate investment alternatives
- Standard 4: Describe how to buy and sell investments

Step-by-Step Instructions:

1. Open the lesson by asking students: “How do you become a millionaire?” Some students may say that you have to be a famous musician or actor, or win the lottery. Next, have students complete the [Truth About Millionaires quiz](#) and reflect on their answers.
2. Discuss their reflections and make the connection that you don’t have to be famous or win the lottery to become a millionaire; regular people become millionaires all the time. Ask students: “How do they do it?”
3. Explain that in addition to hard work and education, planning for the future and investing is one way to grow your money exponentially, even into the millions. Ask students what they know about investing money. Encourage students to share their ideas and discuss that saving money through investments can help you reach long-term goals like buying a house or a car, enjoying retirement, and preparing for unplanned healthcare costs or emergencies.
4. Provide an overview of different investment options by writing them on the board, or displaying a table of investment vehicles such as [this one provided by usa.gov](#). Address investment vehicles students should consider when planning their future, including the stock market, 401(K)s through future employment, money market accounts, mutual funds, CDs, bonds, and retirement accounts such as Roth IRAs.
5. Using the investment vehicle list, discuss risks associated with each type of investment. For further visualization of risk versus reward, share with students [this rate of return pyramid](#).
6. Beyond assessing risk and reward, ask students under what circumstances they might use each vehicle for investing and why. For instance, if you are saving up for a new car, does it make sense to invest your car fund money in a Roth IRA? Why or why not? Help students see that different vehicles may be more appropriate depending on savings goals, time, and other personal factors. In the car example, money will be needed much sooner than what a Roth IRA will permit, so investing in an option like a short-term CD would be a more appropriate choice.

At-Home Activities:

1. Invite students to talk with family members about their strategies for saving for the future. What are some of their long-term goals? How do they plan to get there?
2. Ask students to summarize their conversations in a one or two sentence “family philosophy” about saving for the future. These family philosophies shouldn’t detail specific savings vehicles, but rather attitudes and/or goals. For example:
 - a. The Garcia family’s goal is to enjoy now, enjoy later. That’s why we save for the future but also have “fun money” for now
 - b. My family’s biggest priority is travel, so that’s where we save extra money.
3. Have students share their family philosophies with the class.

Lesson Materials:

Videos:

- [14-Year-Old Investor video](#)
- [Investment video \(click on video tab\)](#)

Articles:

- [Mutual Fund article](#)
- [How Teens Can Become Millionaires article](#)
- [True Teen Stories on Saving and Investing](#)





7. Next, ask students to brainstorm a long-term goal they have for their future, such as owning their own home someday or being able to travel around the world. Alternatively, have students define their goals using an [online goal checklist](#).
8. After students visualize a long-term goal, challenge them to create a plan for how they can reach their goals. How much money will they need to earn to reach their goals? What type of career will enable them to reach their income goals and what will they need to do in order to get that career? What kind of investments will help them to reach their goals? Have students review [this Roadmap to Saving and Investing activity](#) to guide them through each step of creating their future plans.
9. Have students present their final plan in a creative way, such as a written portfolio detailing each step, a visual road-map highlighting their navigation to the future, or a pyramid listing all of the investments and savings they will need to do to reach their goal.

Wrap-Up & Reflection:

1. Ask students to reflect back to the opening question of how do people become millionaires. Based on what they learned about investment and savings vehicles, do they think it is possible to become a millionaire themselves? Why or why not?



Borrowing Bucks

Grades: **High School**



DISCOVER

Lesson Objective:

Students will identify common scenarios in which people take out loans and understand the positive and negative ramifications of borrowing money.

Common Core State Standards:

English Language Arts:

- Reading: Informational Texts: Key Ideas and Details, Craft and Structure, Integration of Knowledge and Ideas
- Writing: Research to Build and Present Knowledge; Range of Writing
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas
- History/Social Studies: Integration of Knowledge and Ideas

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 1: Take responsibility for personal financial decisions
- Standard 2: Find and evaluate financial information from a variety of sources
- Standard 4: Make financial decisions by systematically considering alternatives and consequences
- Standard 5: Develop communication strategies for discussing financial issues

Planning and Money Management

- Standard 6: Develop a personal financial plan

Credit and Debt

- Standard 1: Identify the costs and benefits of various types of credit
- Standard 3: Describe ways to avoid or correct debt problems

Subjects:

- English Language Arts
- Math
- Social Studies

Lesson Materials:

- [Credit and Debt video](#)
- [Microfinance Loans video](#)
- [\\$110,000 in Debt article](#)
- [Pinterest template](#) (optional)
- [Twitter feed template](#) (optional)
- Notebooks and writing utensils, or access to word-processing software
- Computers with Internet access



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Step-by-Step Instructions:

1. Ask students to brainstorm situations when they might need to take out a loan, such as purchasing a home, buying a car, or money for college tuition. Record students' ideas on the board, differentiating between borrowing money that will help fulfill needs versus borrowing money for wants.
2. Discuss the concepts of **principle** and **interest** and explain that principle is the original amount borrowed while interest is what the borrower owes in addition to the principle. Ask students if they know how interest is determined and explain that lenders establish interest rates, also known as an annual percentage rate, which indicates how much interest is paid on the loan.
3. [Share this video](#) with students about microfinance loans that help build small businesses in Uganda. Then, have students [read this article](#), which highlights a negative experience with student loans.
4. Compare and contrast the loan outcomes of each story and discuss why loans can sometimes be a good tool, but can also have negative consequences if not thoroughly researched.
5. Make a list on the board of the positive and negative consequences of loans, using the individual cases as references during the discussion. For example, borrowers like Grace from Uganda found better interest rates through microloans than she would through a bank or local lender. In contrast, Jenna Levine is crippled by high interest rates that she did not fully investigate, research, and understand before committing to the loans.
6. Discuss the differences in the lender/borrower relationship in each story. In the microloan story, the borrowers generally have a positive relationship with the lenders, while Jenna Levine describes her lending scenario as a "bait and switch," where Sallie Mae was helpful when she initially signed up for the loans, but less accommodating once the loans became due.
7. Ask students why it is important to educate yourself when it comes to loans. Why should you research interest rates? Why should you consider the credibility of the lender? Why should you make a plan for paying back borrowed money before actually borrowing it?
8. Challenge students to imagine they are in Jenna Levine's shoes and to help her come up with a better borrowing plan. Working in small groups, ask students to debate whether Jenna should consider alternative school options to lower the money she would need to borrow and how she could find better interest rates. What kind of questions should Jenna ask before signing up for a loan? How many loans should she research before making a decision?
9. Have students collect and share their ideas for Jenna's plan in a visual way, such as by creating a [Pinterest board using this template](#) or a [Twitter feed using this template](#).

At-Home Activities:

1. Invite students to share their plans for Jenna Levine with their families. Do their family members have any other loan advice to offer? Have students incorporate their family members' suggestions into their work.
2. Encourage students to have an honest conversation with their parents about paying for college. How will students cover the cost of tuition, books, and living expenses? Will students need to take out loans? Invite students to make a table with their family members showing some of their college choices, the cost of tuition at each school, and the availability of loans and/or scholarships at each institution.

Additional Resources:

Books:

- [Cash, Credit, and Your Finances: The Teen Years](#)

Interactive Activities/Games:

- [Car Loan activity](#)

Printables:

- [Can't Pay Your Debts hand-out](#)

Videos:

- [The Student Loan Crisis: Don't Major in Debt](#)





Wrap-Up & Reflection:

1. Share [this credit and debt video](#) with students, and discuss why debt may feel like a restricting shackle. What is it about debt that is so binding? What is the key to breaking free of debt chains? Help students understand that debt becomes constricting when you don't have a plan, don't research all of your options, and don't have a clearly articulated budget for paying back borrowed money. A well-calculated plan and market research can help you tackle and manage debt for things you may need.
2. Challenge students to write about a moment in their future where they may want or need to borrow money. Ask students to include a plan for researching their borrowing options and as well as a plan for repayment.



Protecting Yourself From Risk

Grades: **High School**



DISCOVER

Lesson Objective:

Students will research different insurance options and learn how to manage risk.

Common Core State Standards:

English Language Arts

- Reading: Informational Texts: Key Ideas and Details, Craft and Structure, Integration of Knowledge and Ideas
- Writing: Research to Build and Present Knowledge; Range of Writing
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 2: Find and evaluate financial information from a variety of sources

Risk Management and Insurance

- Standard 1: Identify common types of risks and basic risk management methods
- Standard 2: Explain the purpose and importance of property and liability insurance protection
- Standard 3: Explain the purpose and importance of health, disability, and life insurance protection

Subjects:

- English Language Arts
- Technology

Lesson Materials:

- Notebooks and writing utensils, or access to word-processing software
- Computers with Internet access
- Video cameras
- Video editing software



WE are TEACHERS

Step-by-Step Instructions:

1. Ask students to pretend they are planning a vacation. What type of research will they need to do ahead of time? Will they investigate the weather, things to do, how much money it will cost, etc.? Ask students why it is important to plan ahead. Explain that all of the planning that goes into a vacation is to minimize risk and maximize enjoyment.
2. Next, ask students how they think risk can be managed and minimized in our day-to-day lives. Explain that just like you would make a plan for vacation, you can minimize risk in your life by making a plan with **insurance**.
3. Ask students what they know about insurance and discuss how insurance is a way to protect yourself from unexpected situations, like a car accident or flood. Rather than being financially drained from this kind of situation, insurance companies carry the risk.
4. Ask students if they know how insurance works and explain that when you buy insurance, you agree to pay a set amount of money, also known as a **premium**, with the understanding that if a catastrophe occurs, the insurance company will compensate you according to your agreement. When you file a **claim**, you provide a detailed account of your financial loss, whether it is your home damaged in a fire or repairs after a car accident. After filing a claim, your **deductible** is the amount of money you are responsible for paying before your insurance policy is applicable.
5. Explain that there are different types of insurance for different situations. For example: property, travel, liability, auto, health, disability, and life. Divide students into small groups and assign each group a different type of insurance to research.
6. Have students research their type of insurance by gathering information from a local insurance agent or using resources such as HelpInsure.com, Progressive.com, and Healthcare.gov.
7. Challenge each group to formulate a definition for its type of insurance, as well as research premiums and deductibles for that type and how to make a claim. In addition, groups should brainstorm examples for when and why someone would want to purchase each type, what risks the insurance protects you from, and the average costs associated with their insurance.
8. To present their findings to the class, have students create an educational video explaining their research. Students can get creative and write a song to share their ideas, conduct a Q&A, or report their findings like a news show.

At-Home Activities:

1. Invite students to talk with their family members about auto insurance policies in particular. First, what are the auto insurance laws in your state? If family members have an auto insurance policy, are they happy with it? Why or why not? If they aren't happy with their current policies, challenge students to find a new policy with better terms for the family.
2. If family members are happy with their current policies, invite students to research the costs of adding a teen driver and discuss what they find with their family. Why does it cost more to add a teen rather than an adult driver?
3. If students' families do not have a car and/or auto insurance, you might switch the focus to health insurance.

Additional Resources:

Interactive Activities/Games:

- [Assessing Risk quiz](#)

Printables:

- [What's the Risk worksheet](#)





Wrap-Up & Reflection:

1. Challenge students to research and find examples of unusual insurance options, such as a singer insuring his voice or a model insuring her skin. Have students share their discoveries and discuss why these types of insurance are available and how people may benefit from them. Would they ever consider buying specialty insurance? Why or why not?
2. Have students write a persuasive piece illustrating when in their lives they might need insurance and why. Ask students to reference items from student presentations as evidential support to articulate the type of insurance necessary, and under what circumstances that insurance would be beneficial in their lives.



It's Your Right



Grades: **High School**



DISCOVER

Lesson Objective:

Students will explore consumer protection laws and understand the risk of identity theft.

Common Core State Standards:

English Language Arts

- Reading: Informational Texts: Key Ideas and Details, Craft and Structure, Integration of Knowledge and Ideas
- Writing: Research to Build and Present Knowledge; Range of Writing
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas
- History/Social Studies: Integration of Knowledge and Ideas

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 3: Summarize major consumer protection laws
- Standard 6: Control personal information

Financial Responsibility and Decision Making

- Standard 2: Explain the purpose of a credit record and identify borrowers' credit report rights.
- Standard 4: Summarize major consumer credit laws.

Step-by-Step Instructions:

1. Open the lesson by watching the video [What Is Identity Theft?](#) Ask students why we need to worry about protecting our identity. Can students think of scenarios when their identity might be comprised? Discuss different situations when our personal information might be vulnerable, such as shopping online, or if our mail or online passwords get stolen.

Subjects:

- English Language Arts
- Technology
- Art

Lesson Materials:

- [What is Identity Theft?](#) video
- Computers with Internet access
- Art supplies or [infographic templates](#)
- Notebooks and writing utensils, or access to word-processing software



WE are TEACHERS



2. Explain that even though we have to worry about protecting our identities, there are consumer laws in place to help protect us, too. For example, we have the right to fair and honest information and to not get scammed or fall victim to false advertising. And if you do become a victim of scams or identity theft, there are laws that protect you as a consumer.
3. Tell students that while there are many different consumer protection laws, today they will research and learn about four:
 - a. Federal Trade Commission Act
 - b. Fair Credit Reporting Act and Fair and Accurate Credit Transactions Act
 - c. Truth in Lending Act
 - d. US National Do Not Call Registry
4. Divide students into small groups and assign each group a consumer law to research. Have students use credible sources such as the [Federal Trade Commission website](#) and [USA.gov](#). Allow students time to research the purpose of their acts and how consumers benefit from the protection.
5. Have each group report their findings and share an example of a real-life scenario when their act might be beneficial (such as getting scammed by a telemarketer or being deceived during a loan application).
6. Bring the discussion back to personal responsibility and ask students why, even with all of the laws in place, it is still important to pay attention to our credit scores, watch our bank accounts, and be mindful of personal information.
7. Next, working in their small groups, have students draw an infographic ([or use a PowerPoint template](#) or web tool such as Easel.ly) explaining what steps consumers can take if they think their identity has been compromised. (Examples of identity theft infographics can be found [on this Pinterest board](#).) Post the infographics in the classroom as a reminder of smart consumer practices.

Wrap-Up & Reflection:

1. Ask students to write their own definition of identity theft. Ask them to articulate at least three different examples of how their identity could be compromised, and what actions they would take to resolve it.

At-Home Activities:

1. Have students ask friends and family members if they have ever been victims of identity theft. For example, have they ever had a fraudulent charge on a credit card or had their email or social media accounts hacked?
2. Invite students to write about what happened and what the family member did to correct the action, and then share the story or stories with the class.

Additional Resources:

Printables:

- [Identity Smart guide](#)
- [Identity Theft Teen FAQs](#)

Videos:

- [Identity Theft news video](#)



What Goes Up Must Come Down

Grades: **High School**



DISCOVER

Lesson Objective:

Students will explore how the stock market works and analyze different stock investments.

Common Core State Standards

English Language Arts:

- Reading: Informational Texts: Key Ideas and Details
- Writing: Research to Build and Present Knowledge; Range of Writing
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas

Mathematics:

- Algebra: Reasoning with Equations and Inequalities
- Statistics and Probability: Interpreting Categorical and Quantitative Data; Using Probability to Make Decisions

Jump\$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making

- Standard 2: Find and evaluate financial information from a variety of sources

Saving and Investing

- Standard 2: Explain how investing builds wealth and helps meet financial goals
- Standard 3: Evaluate investment alternatives
- Standard 4: Describe how to buy and sell investments

Subjects:

- Math
- English Language Arts
- Technology

Lesson Materials:

- [Stock Market Crash video](#)
- [Calculating Your ROI worksheet](#) (optional)
- [Excel stock market performance template](#) (optional)
- Notebooks and writing utensils, or access to word-processing software
- Computers with access to Excel or another spreadsheet software



WE are TEACHERS



Step-by-Step Instructions:

1. Begin by writing the phrase “What goes up, must come down” on the board. Ask students to reflect on what this phrase means, and to brainstorm examples of how it might apply to their life.
2. Next, ask students what they know about the stock market. Have they heard of it before? What stocks are they familiar with? Have they or anyone they know ever bought stocks? Form small groups and have students investigate how the stock market works through web and print sources such as:
 - a. [The Mint](#)
 - b. [ETrade](#)
 - c. [Investopedia](#)
3. Ask students to formulate their own definitions for how the stock market works based on their research and share their ideas with the class. Discuss how companies sell shares of their business to the public and how investing in a stock turns you into a shareholder.
4. Next, share [this video about the stock market crash of 1929](#). Ask students why people still invest in the stock market if there is a risk of losing your money. Guide the discussion to show that with risk also comes reward; and that while investing in the stock market is never a sure thing, there are strategies we can employ to make smart stock-buying decisions.
5. Ask students what risks they think might be involved in putting your money into the stock market. Is it the same as putting your money in the bank? Why or why not? Bring the discussion back to the opening phrase of “What goes up, must come down” and discuss how it relates to the stock market.
6. Explain that one way to assess risk is to think about your return on investment or ROI. Just like we earn interest on savings, we can also earn money on our money when we invest it in the stock market. Ask students what they know about ROI and share [this definition](#) with them.
7. Next, work through a sample problem together on the board and demonstrate how to calculate ROI. For example, tell students that you invested \$1,000 in Apple stock and after one year, you now have \$1,060. Ask students what your rate of return is on the investment and write out the solution on the board: $1060 - 1000 = 60$ $60 / 1000 = .06$ $.06 \times 100 = 6\%$. Pose additional ROI problems for students to solve or distribute a [Calculating Your ROI worksheet](#).
8. Next, tell students that they have \$5,000 to invest in three stocks of their choice. Challenge students to research and select companies they are familiar with, such as stores they buy from or products they own (e.g., Google, Coca-Cola, etc.). Have students keep track of their stocks over a period of time, such as seven to ten days, by creating an Excel spreadsheet or using an [Excel stock market performance template](#).

At-Home Activities:

1. Encourage students to challenge their parents to an informal stock competition. Each family member can pretend to invest \$1,000 in whatever stock he or she chooses. Whoever gets the highest rate of return after a period of three or four weeks is the winner.
2. Families can use [this virtual stock market game](#) to keep track of their stocks or a spreadsheet program.

Additional Resources:

Interactive Activities/Games:

- [Suitable Investments Game](#)
- [The Stock Market Game](#)

Videos:

- [Teen Stock Wizard series](#)

Printables:

- [To Market, To Market Worksheet](#)

Books:

- [The Motley Fool Investment Guide for Teens by David and Tom Gardner](#)
- [Six Days in October: The Stock Market Crash of 1929 by Karen Blumenthal](#)





9. After an assigned period of time, have students assess the success of their three stocks and compare the outcome of each. Did they make money? Did they lose money? Why do they think their stock went up, down, or stayed the same? What do they know about the company history that might influence the stock prices? Why did they allocate their funds the way that they did? What was their strategy behind buying shares? Have students write a final report on if they made or lost money and why, and identify the probability of earning potential for each stock in the future.

Wrap-Up & Reflection:

1. Ask students to think back to the video about the stock market crash of 1929 and reflect on what they would do if they lost their money in the stock market. Would they ever invest their money again? Why or why not? Would they change their investment strategies? Why or why not?

