

### National Standards Met in Chapter 1

**STANDARD Financial Responsibility and Decision Making:** Apply reliable information and systematic decision making to personal financial decisions.

- **Standard 1:** Take responsibility for personal financial decisions.
- **Standard 4:** Make financial decisions by systematically considering alternatives and consequences.
- **Standard 5:** Develop communication strategies for discussing financial issues.

**STANDARD Credit and Debt:** Maintain creditworthiness, borrow at favorable terms, and manage debt.

- **Standard 1:** Identify the costs and benefits of various types of credit.

🔍 Looking for your State Standards Crosswalk? Find it at [daveramsey.com/school](http://daveramsey.com/school).

# Lesson Plan (1/2)

## Chapter Overview

This chapter introduces the topic of personal finance, explores the evolution of the American credit industry, and highlights the importance of both knowledge and behavior when it comes to managing money.

## Getting Started

- » Administer pre-test.
- » Show Getting Started video located on the Unit 1 disc.
- » Complete **BEFORE YOU BEGIN** prior to watching the video.
- » Review **KEY TERMS**.
- » Complete the “Before” column of **MEASURE YOUR PROGRESS**.

Video	Topic	Activity
		Clay's Candy Bar Madness
		Course Pre-Test
		Workbook: Before You Begin
		Live From Financial Peace Plaza
		Parent Interview
Video 1.1: 13 minutes	What Is Personal Finance?	Game of Chance
Video 2.1: 15 minutes	Money, the American Way	History of Credit in America
Video 3.1: 14 minutes	You and Money	What Is Personal Finance?

## Chapter Summary

### Workbook

- » CHECK FOR UNDERSTANDING
- » BUILD ON WHAT YOU'VE LEARNED
- » BIG IDEAS
- » TAKE ACTION CHALLENGE
- » MONEY IN REVIEW

### foundationsU.com

- » Live From Financial Peace Plaza
- » Budget Builder
- » Your Money Personality Survey

### Summative Assessment

- » Test

# Lesson Plan (2/2)

## Key Terms

**Consumer:** A person or organization that uses a product or service

**Credit:** The granting of a loan and the creation of debt; any form of deferred payment

**Debt:** An obligation of repayment owed by one party (the debtor/borrower) to a second party (the creditor/lender); in most cases this includes repayment of the original loan amount plus interest

**Economy:** A system by which goods and services are produced and distributed

**Financial literacy:** The knowledge and skill-set necessary to be an informed consumer and manage finances effectively

**Interest:** A fee paid by a borrower to the lender for the use of borrowed money; typically interest is calculated as a percentage of the principal (original loan amount)

**Loan:** A debt evidenced by a "note," which specifies the principal amount, interest rate and date of repayment

**Personal finance:** All of the decisions and activities of an individual or a family regarding their money, including spending, saving, budgeting, etc.

## Learning Outcomes

### Section 1: What Is Personal Finance?

- Describe what personal finance is.
- Outline the components of effective financial planning.
- Identify focuses of study throughout this course.

### Section 2: Money, the American Way

- Understand the evolution of America's dependence on credit.
- Observe and analyze the "normal" American family as it relates to personal finance.

### Section 3: You and Money

- Develop communication strategies for managing money and discussing financial issues.
- Evaluate your own money personality; identify your money strengths and weaknesses.

## Discussion Questions

- 1 What would you most like to learn about managing money? *Answers will vary.*
- 2 What do you think is the biggest struggle when it comes to managing money? *Answers will vary.*
- 3 What is one thing you learned about the American credit industry? *Answers will vary.*
- 4 Why do you think Dave Ramsey is so passionate about teaching people how to manage money? *Answers will vary.*
- 5 What does winning with money look like? *Answers will vary.*

**Activity:** Individual with group discussion

🕒 PART 1: 20 MIN.

🕒 PART 2: 20 MIN.

**Materials:** One activity handout and one die per student

**Objectives:** The purpose of this activity is for students to understand the value of planning and meeting financial goals.

**STANDARD Financial Responsibility and Decision Making**

**Standard 4:** Make financial decisions by systematically considering alternatives and consequences.

- Set measurable short-, medium-, and long-term financial goals.

# Game of Chance

## Part 1

**Procedure:** Instruct students to complete the “Game of Chance” activity. Students will then answer the following discussion questions. *Answers will vary.*

- 1 What housing option would you have chosen? What could you be doing to achieve this standard of living?
- 2 Were you satisfied with your job outcome? What education level would you need to pursue to achieve your career of choice?
- 3 Is your family outcome what you envisioned for yourself? Explain.
- 4 What was your transportation outcome? Is having a car the best and only choice when it comes to transportation? Explain the cost-benefit considerations.
- 5 Do you believe the personal activity you ended up with reflects your values? Write down some activities not listed that you think would enhance your life.

Refer students back to the **KEY COMPONENTS OF FINANCIAL PLANNING** in Section 1 of Chapter 1. The second component is “set money goals.” Explain to students that without goals, life becomes a game of chance. Goal setting is part of the 80% behavior that Dave teaches about. Not only is it a necessary part of a healthy financial plan, but goal setting should also be a habit for every other area of a person’s life.

## Part 2

**Procedure:** Students will write a short essay in response to the following writing prompt:

- 1 How do you envision your life in five years? Write a letter to your future self detailing what you want your life to be like in the following categories: standard of living, career, education level, family and the types of activities in which you are involved. *Answers will vary.*

# Game of Chance <sup>(1/2)</sup>

## Part 1

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**Directions:** For each category, roll the die to determine what your final outcome would be and circle it.

### Housing

1. Apartment
2. Mobile home
3. House
4. Parents' house
5. Condominium
6. Mansion

### Financial

1. In debt
2. No job
3. Full-time job
4. Financially secure
5. Bankrupt
6. Career of choice

### GPA

1. 2.0
2. 3.5
3. 4.0
4. 3.0
5. 2.5
6. Less than 2.0

### Education Level

1. GED
2. Associate's degree
3. No high school diploma
4. High school graduate
5. Bachelor's degree
6. Master's/graduate degree

### Family

1. Single
2. Married
3. Living with roommates
4. Dating
5. Engaged
6. Living with parents

### Transportation

1. Car
2. Bike
3. Bus
4. Scooter
5. Parents
6. Walking

### Personal Activities

1. Fitness
2. Religious activities
3. Study groups
4. Volunteering
5. Book club
6. Video gaming

# Game of Chance (2/2)

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1 What housing option would you have chosen? What could you be doing to achieve this standard of living?

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2 Were you satisfied with your job outcome? What education level would you need to pursue to achieve your career of choice?

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3 Is your family outcome what you envisioned for yourself? Explain.

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4 What was your transportation outcome? Is having a car the best and only choice when it comes to transportation? Explain the cost-benefit considerations.

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5 Do you believe the personal activity you ended up with reflects your values? Write down some activities not listed that you think would enhance your life.

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## Part 2

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**Directions:** Write a short essay in response to the following writing prompt:

1 How do you envision your life in five years? Write a letter to your future self detailing what you want your life to be like in the following categories: standard of living, career, education level, family and the types of activities in which you are involved.

CHAPTER  
**1**

# Clay's Candy Bar Madness

By Clay Coleman (1/3)

**Activity:** Class

⌚ 20 MINUTES

**Objective:** The purpose of this activity is to provide students with a “reality check” of what the typical American family faces and the dangers of debt.

**Materials:** Five types of candy: Payday bars, Smarties, Dum Dums, Jaw Breakers, Milk Duds. Total candy servings should equal the size of the group. Refer to the chart at right for candy percentages.

**STANDARD Financial Responsibility and Decision Making**

**Standard 1:** Take responsibility for personal financial decisions.

- Explain how individuals demonstrate responsibility for financial well-being over a lifetime.

## Part 1: Dividing Up the Candy

**Procedure:** Before class, you’ll need to figure out how many pieces of each candy will be needed. Using the chart below, multiply the number of students by the percentage of each candy. For example, to find out how many Dum Dums you need for a class of 28 students, you would multiply 28 by the 70% on the chart, giving you 19.

Candy	Percentage	Example of 28 Students
Payday	2%	1
Smarties	10%	3
Dum Dums	70%	19
Jaw Breakers	16%	4
Milk Duds	2%	1

## Part 2: Handing Out Candy

Throw all of the candy into a bag and allow the kids to randomly grab one piece each. You may want to stand at the door and allow the kids to choose their candy as they enter the class. Instruct them to wait until everyone is seated or until you say it’s okay before eating any candy. **MAKE SURE THAT THEY HOLD ONTO THE WRAPPER.**

## Part 3: Reality Tastes Kind of Sour

Have the kids who picked a Payday bar stand up. Explain that according to statistics, they represent millionaires. Then sequentially go down the list of all the other groups. Use the following chart and explanations to expose which group they represent:

Candy	People Group
Payday	Millionaire’s Club
Smarties	Debt-Free and Living Large
Dum Dums	Normal: Broke, Busted and Disgusted
Jaw Breakers	Bankrupt: Zero, Zilch, Nada
Milk Duds	Death by Credit Card Debt

# Clay's Candy Bar Madness

By Clay Coleman (2/3)

- 1 Payday:** You did it! You're a Millionaire
- » Statistically speaking, you represent a portion of society that adheres to a financial game plan, avoids debt, invests early, and is wise with their resources.
- 2 Smarties:** Debt-Free and Living Large
- » You received a college scholarship, paid cash for your car, your house is paid off, and you have a fully funded emergency fund.
  - » You live within your means, save and pay for things with cash.
  - » You started saving for retirement a little late, but other than that you're looking good.
- 3 Dum Dums:** Normal: Broke, Busted and Disgusted
- » 23-year-old college graduate
  - » Total Debt = \$45,000 (car: \$21,000; school loan: \$20,000; credit card: \$4,000)
  - » Annual Income = \$40,000
  - » Monthly Take-Home Pay = \$2,500
  - » Total Monthly Expenses = \$2,125
  - » You'll have to save for three months to get \$1,000 in the emergency fund.
  - » It will take you 10 years to pay off your student loan and five years to pay off your car and credit card by making only minimum payments.
- 4 Jaw Breakers:** Bankrupt: Zero, Zilch, Nada
- » Married, 38 years old, two kids and a dog
  - » Total Debt = \$85,400 (car: \$42,000, two new cars); school loans: \$35,000; credit card: \$8,400)
  - » Annual Income = \$80,000
  - » Monthly Take-Home Pay = \$4,700
  - » Total Monthly Expenses = \$4,555
  - » You'll have to save for more than seven months to get \$1,000 in the emergency fund.
  - » It will take you a minimum of 10 years to pay off your credit card, 15 years to pay off your student loans, and you'll continue to have a car payment because you can't save up for one given your current expenses.
  - » You are almost 40 years old now! You have no money in the bank, and the kids need to go to college!
  - » You can't make it, file bankruptcy, and most likely divorce.
  - » 90% of divorces stem from financial disagreements.
- 5 Milk Duds:** Death by Credit Card Debt
- » Same as Bankrupt, however add another \$100,000 in debt (credit cards, mortgage, cars, boat, furniture).
  - » Under all the pressure, you lose hope and commit suicide.
  - » The number-one cause of male suicide is financial stress.

# Clay's Candy Bar Madness

By Clay Coleman (3/3)

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## Discussion Questions

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- ❓ Did you realize that 70% of Americans live paycheck to paycheck? *Answers will vary.*
- ❓ As the wealthiest nation in the world, why do you think so many Americans are struggling with money problems? *Answers will vary.*
- ❓ The majority of Americans fall into which category? Describe the average reality of this group. *Dum Dums; 23-year-old college graduate, total debt of \$45,000 (includes car loan, student loan and credit card), income around \$40,000, average monthly income \$2,500, total monthly expenses \$2,125*
- ❓ What is the leading cause of divorce? *Money-related problems*
- ❓ How do a person's financial decisions impact his or her financial well-being over a lifetime? *Answers will vary but should emphasize that financial decisions can have long-term consequences.*
- ❓ What did you learn from this lesson? *Answers will vary.*



**Activity:** Individual;  
Small group

🕒 20 MIN. (INDIVIDUAL)

**Objective:** The purpose of this activity is for students to hear real-life financial situations. This allows students to hear Dave apply the same principles they are learning to everyday situations and people.

**Materials:** Access to foundationsU.com. Students will need to click on the Ask Dave link and select a radio call by topic.

**CCSS STANDARD** CCSS.  
**ELA-Literacy.**  
**WHST.11-12.1e**

- Provide a concluding statement or section that follows from or supports the argument presented.

**STANDARD** Financial  
**Responsibility and  
Decision Making**

**Standard 1:** Take responsibility for personal financial decisions.

- Given a scenario, discuss ethical considerations of various personal finance decisions.
- Given a scenario, identify relevant financial information needed to make a decision.

**Note:** This activity can be used with any chapter or ongoing throughout the course.

# Live From Financial Peace Plaza

## Procedure

- 1 Students will select and listen to an Ask Dave radio call.
- 2 Students should summarize the caller's situation, including financial information needed to make a decision, followed by the advice that Dave gave the caller.
- 3 Have students write a brief reflection about the call. What is their opinion about the caller's situation? What was their initial reaction to the situation? What do they think of Dave's advice? Does it relate to anything they have learned in class?  
*Answers will vary.*
- 4 Allow students to share their radio call topics and what they learned from them in small groups.

This activity can be used in a variety of ways. Here are a few examples:

- » Have students keep an ongoing journal throughout the course.
- » Assign a particular topic for students to select from the Ask Dave radio calls.
- » Make this a class activity by playing *The Dave Ramsey Show* in class and having students write about one of the calls they hear.

**Activity:** Individual

⌚ 30 MINUTES

**Materials:** One interview question handout per student

**Objective:** The purpose of this activity is to allow students an opportunity to open communication about money management with their parents.

**STANDARD** Financial Responsibility and Decision Making

**Standard 5:** Develop communication strategies for discussing financial issues.

- Analyze the values and attitudes of members of previous generations from their personal stories about money.
- Explain how discussing important financial information with household members can help reduce conflict.

# Parent Interview

## Procedure

Tell students that they will be conducting an interview with their parents or guardian about their money habits, views and goals. Please be aware that this assignment will be more difficult for some students based on the current financial realities in their homes. You may want to offer an alternative assignment if a student expresses concern about completing this activity. Explain to students that it is important to learn both from the financial successes and the challenges their parents have faced.

**Note:** Students should be offered the opportunity, but not required, to share and process what they learned from their interviews.

# Parent Interview <sup>(1/2)</sup>

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## Talk to Your Parents

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Let your parents know that you are taking a class on personal finance and ask them the following questions. You will not be required to share this with the class, but it may help you think about some of the things we will be discussing during this unit.

- ❶ What has been the most important thing you've learned in your adult life about managing money? What might have been different if you had learned that skill/information earlier in life?

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- ❷ Do you regularly write a budget? If so, do you budget weekly? Bimonthly? Monthly?

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- ❸ Do you "allow" yourself "play/fun money"? Why or why not?

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- ❹ What is the most important thing that money can do for you?

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- ❺ Do you view money as more of a burden or a help?

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- ❻ What has been your most expensive purchase? How did it make you feel once you made the purchase?

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# Parent Interview (2/2)

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7 What is your most important “tip” or “hint” that you would like to share with me about managing money?

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8 What is your biggest financial goal? What financial goals would you most like to see me achieve?

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9 What would you most like for me to learn from this class?

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# The History of Credit in America <sup>(1/2)</sup>

**Activity:** Individual

⌚ 25 MIN., ADDITIONAL TIME NEEDED FOR RESEARCH

**Objective:** The purpose of this activity is to explore the history of the credit industry in America and evaluate the effects of that history on today's consumer credit industry.

**Materials:** Course materials and internet access

**Note:** You may also want to have students research recently enacted consumer credit laws with this activity.

**CCSS STANDARD** CCSS.ELA-Literacy.WHST.9-10.7

- Conduct short as well as more sustained research projects to answer a question (including a self-generated question) or solve a problem; synthesize multiple sources on the subject, demonstrating understanding of the subject under investigation

## Procedure

Have students follow the directions to complete each of the tasks.

## History

*Answers will vary but should effectively, accurately and concisely summarize the history conveyed in the workbook timeline.*

## Recall

*The New Deal; The New Deal policies were intended to help consumers regain their financial stability by establishing home mortgage loans and convincing commercial banks that consumer credit could be a profitable industry.*

## Explain

*Prior to 1917 it had never been legal for lenders to charge interest rates high enough to turn a profit and, therefore, credit was largely unavailable to consumers.*

## Draw Conclusions

*After 1970 consumers lacked the post-war period's high-paying jobs.*

## Cause and Effect

- A** *During the Great Depression, New Deal policies helped establish a profitable credit industry, thereby making credit available to all consumers.*
- B** *The affluence of the post-war era provided confidence among consumers. They felt comfortable financing large purchases with the assurance of secure employment and increasing salaries. Borrowing became more socially accepted.*

## Research

*The New Deal was a series of domestic economic responses enacted by the U.S. government (1933–36) during the first term of President Franklin D. Roosevelt. The programs were in response to the Great Depression. New Deal policies largely focused on expanding consumer credit. The intention was to put money in the hands of average, working-class people instead of wealthy institutions or individuals. As a result, consumer lending experienced a period of growth with the New Deal. These policies also established new practices and means of borrowing that continued long after the 1930s.*

# The History of Credit in America <sup>(2/2)</sup>

- » **Federal Deposit Insurance Corporation (FDIC):** *In 1933, the FDIC was created to restore public trust in banks and encourage stability in the financial system through the promotion of sound banking practices and insuring deposits of up to \$250,000 per institution as long as the bank is a member.*
- » **Home Owners' Loan Corporation (HOLC):** *Established in 1933, its purpose was to refinance home mortgages in default to prevent foreclosure.*
- » **Federal Housing Authority (FHA):** *U.S. government agency that insures loans made by banks and other private lenders for home building and home buying. It was created as part of the National Housing Act of 1934. The goal was to provide adequate home financing through insurance of mortgage loans.*
- » **Electric Home and Farm Authority (EHFA):** *As part of the TVA (Tennessee Valley Authority), the EHFA purchased inexpensive electrical appliances and then made them available to working people through installment loans with a typical repayment period of three to four years. In an attempt to reduce farm foreclosures, loans were made available to farmers under this agency. These loans were used to refinance farm mortgages or provide capital for agricultural production.*

**Note:** Other research results will vary based on student-produced research questions.

# The History of Credit in America (1/3)

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## Directions

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Follow the instructions for each section below.

## History

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Write a paragraph summary of the history of credit and consumerism.

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## Recall

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What legislative program, established during the Great Depression, helped shape consumer lending policies that convinced commercial banks that consumer credit could be a profitable industry? In what way was the program intended to help consumers?

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## Explain

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Explain why buying things on credit was not common prior to 1917.

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# The History of Credit in America (2/3)

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## Draw Conclusions

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What was the major financial change between post-World War II borrowers and borrowers after 1970?

## Cause and Effect

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**A** What effects did the Great Depression have on the credit industry?

**B** What effect did the post-war era have on consumer borrowing?

## Research

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Conduct research on the following New Deal policies:

- 1** Your research should utilize multiple sources.
- 2** The focus of your research is to summarize the purpose of each policy and evaluate the common focus of each agency.
- 3** Think about what you've learned regarding the history of credit in America. Write an additional, self-generated question on which to focus your research.

» **Federal Deposit Insurance Corporation (FDIC)**



# The History of Credit in America (3/3)

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## » Home Owners' Loan Corporation (HOLC)

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## » Federal Housing Authority (FHA)

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## » Electric Home and Farm Authority (EHFA)

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**Activity:** Individual

⌚ 25 MINUTES

**Objective:** The purpose of this activity is to examine the topic of personal finance.

**Materials:** Course materials

**STANDARD Financial Responsibility and Decision Making**

**Standard 4:** Make financial decisions by systematically considering alternatives and consequences.

- Give examples of how decisions made today can affect future opportunities.

**Note:** Upon individual completion of this activity, use these questions in either small groups or whole class discussion. Additionally, question six may be used as an essay writing prompt.

# What Is Personal Finance?

## Answer Key

### 1 What is personal finance?

*Personal finance refers to all of the decisions and activities of an individual or family regarding their money, including spending, saving, budgeting, etc..*

### 2 Identify: What were the four themes that emerged as a result of the StageofLife.com writing contest that asked teens to identify their “relationship with money”? Describe each theme. (Note: Refer to Chapter 1, Section 2)

- A Frustration:** *Many teens expressed negative emotions about money including anger, frustration, stress, distrust and even hatred.*
- B Role Models:** *Teens are watching how their parents treat money. Many even criticized how their parents handle money and vowed not to be like them.*
- C Pragmatic:** *There was a minority voice that did approach the topic with a more pragmatic, even positive, point of view.*
- D Money Isn't Everything:** *A good percentage of the essays addressed a more universal truth: that money isn't everything. It is needed to survive, but it is not a requirement for being happy.*

### 3 Reflect: Which of those four themes is most representative of your own relationship with money? Explain your answer.

*Answers will vary. Remember to be sensitive during class discussion since many students are facing the negative effects of money problems in their homes.*

### 4 Explain: Why do you need to learn about managing money while you're young?

*Learning how to manage money is one of the most important skills you can have. Because your financial decisions will have long-term consequences, having the knowledge and skills to make the right decisions while you're young will help you win with money now and in the future.*

### 5 Summarize: Write a brief (one paragraph) summary describing the financial reality of the American family.

*Most Americans are struggling with debt in the form of mortgages, car loans and credit cards. Based on statistics, Americans have very little savings and are not preparing financially for retirement. Many Americans do not have an emergency fund and do not keep a monthly budget.*

### 6 Predict: In what ways could studying personal finance now benefit you in the future?

*Answers will vary but may include the following predictions: I will learn how to manage, save and invest money; I will learn about taxes, insurance, retirement planning, how to pay off/stay out of debt, how to go to college without debt, how to build wealth, etc.*

# What Is Personal Finance?<sup>(1/2)</sup>

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## Directions

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Use your course materials to answer the following questions.

❶ What is personal finance?

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❷ **Identify:** What were the four themes that emerged as a result of the StageofLife.com writing contest that asked teens to identify their “relationship with money”? Describe each theme. (Note: Refer to Chapter 1, Section 2.)

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❸ **Reflect:** Which of those four themes is most representative of your own relationship with money? Explain your answer.

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❹ **Explain:** Why do you need to learn about managing money while you’re young?

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# What Is Personal Finance? (2/2)

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**5 Summarize:** Write a brief (one paragraph) summary describing the financial reality of the American family.

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**6 Predict:** In what ways could studying personal finance now benefit you in the future?

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**Answers:** Suggested answers follow each case study in italics; however, there are many ways students can answer the case studies and still be correct.

# Case Studies (1/2)

- 1 What was the most important piece of information or concept you learned from this lesson? How will you apply it to your life?

*Answers will vary.*

- 2 Candace and Mike just inherited \$25,000 from a relative and are really excited about investing it and watching it grow. However, they still have \$10,000 worth of credit card debt to pay off. If you were to give them financial advice, what would it be?

*First and foremost, you should advise them to get rid of their credit cards and cut them up. If they haven't changed their behavior, they will go into debt again. Your advice should be to use the inheritance money to pay off the debt, fully fund an emergency fund, and then open a Roth IRA with any remaining money.*

- 3 Laurel is a high school student who is taking a class in personal finance. She has learned about the dangers of debt and that debt should not be used as a financial tool. She recently went with her mom to open up her first checking account at the bank. The man at the bank told them that Laurel should consider getting a credit card to cover overdrafts and to help her build credit. Laurel has already decided that she does not want to use credit cards. Since she has seen her parents struggle with debt, she prefers to live debt free. Her mom somewhat agrees with the banker since the use of credit has been a normal part of her and Laurel's dad's finances. What can Laurel say that would politely convey to her mom that she is making the choice to remain debt-free?

*Laurel can simply tell her mom that she does not want to have any debt and that she also plans to live on a budget and manage her finances in a way that will ensure she does not overdraft her account.*

- 4 Brittany is a high school junior who worries about her money habits. Her parents have always worked hard, but they've never had enough money to buy her trendy clothes. Brittany recently landed a job at a clothing store in the mall. Now that she has her own money, all she wants to do is buy clothes. It's hard to resist spending her entire paycheck on all the latest styles she sees coming into the store. She's even begun setting aside the clothes she wants to buy prior to getting paid—in a sense, spending her paycheck before she even gets it. Brittany feels guilty about spending all of her money, but she definitely seems to be more comfortable with spending than saving. What advice would you give her to change her spending behavior?

*Brittany knows she should be saving some of her income, but she needs a plan to control her behavior. That plan is a monthly budget that includes both spending and saving. If she knows how much of her money is for spending before the month begins, it will stop slipping through her fingers. Brittany will then have the joy of spending without guilt because she will know the exact amount of money she has specifically set aside for that purpose. Being intentional about her spending and saving will help her win with money.*

# Case Studies (2/2)

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- 5 Derek is a high school student who is currently taking a course in personal finance. He knows that he should be managing his money from his part-time job better. He has learned about saving and budgeting, but he continues to spend all of his money on his car and going out with friends. He knows that someday he'll have to be more responsible, but right now he thinks he should just enjoy being a carefree teenager. Why is it important for Derek to manage his money well now instead of waiting until he's older?

*If Derek is just putting money in his pocket and spending without a plan, living paycheck to paycheck could become his normal. He needs to make decisions about what to do with his money and set goals right from the start. Learning to manage money at this stage can eliminate financial mistakes and promote huge financial benefits for the future.*

These answers are for the video sections of the Student Text.

# Fill-Ins Answer Key

## Video 1.1

- 1 Financial
- 2 Goals
- 3 Plan
- 4 Execute
- 5 Personality
- 6 Monitor
- 7 Myths

## Video 2.1

- 8 Money
- 9 Satisfaction
- 10 Behavior
- 11 Math
- 12 Normal
- 13 Stuff
- 14 Normal
- 15 Buy happiness
- 16 Wealth
- 17 Aware
- 18 Question

## Video 3.1

- 19 Language
- 20 Before
- 21 Bankers
- 22 Vocabulary
- 23 Expert
- 24 Basic math
- 25 Language
- 26 Behavior
- 27 Heart
- 28 Tool
- 29 You
- 30 Instincts
- 31 Personality
- 32 Opportunity

BASED ON 50-MINUTE CLASSES

## Chapter 1: Introduction to Personal Finance

Class	Video Segment	Activity
1	Getting Started (located on Disc 1)	<b>ACTIVITY:</b> Course Overview, Clay's Candy Bar Madness <b>TEST:</b> Course Pre-test <b>STUDENT TEXT:</b> Before You Begin <b>ACTIVITY:</b> Live From Financial Peace Plaza <b>HOMEWORK:</b> Parent Interview
2	Video 1.1: 13 minutes	<b>TOPIC:</b> What Is Personal Finance? <b>ACTIVITY:</b> Game of Chance
3	Video 2.1: 15 minutes	<b>TOPIC:</b> Money, the American Way <b>ACTIVITY:</b> The History of Credit in America
4	Video 3.1: 14 minutes	<b>TOPIC:</b> You and Money <b>ACTIVITY:</b> What is Personal Finance?
5	No Video	<b>STUDENT TEXT:</b> Chapter Summary, Money in Review
6	Summative Assessment	<b>TEST:</b> Introduction to Personal Finance <b>ACTIVITY:</b> Budget Builder—foundationsU.com