

# 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                      |
|-----------------------|---------------------------|-------------------------------|
| Getting Started Video | Course Overview           | Clay’s Candy Bar Madness      |
|                       |                           | Course Pre-Test               |
|                       |                           | Before You Begin              |
|                       |                           | Parent Interview              |
| Video 1.1: 13 minutes | What Is Personal Finance? | Fill-ins and journal question |
| Video 2.1: 15 minutes | Money, the American Way   | History of Credit in America  |
|                       |                           | Fill-ins and journal question |
| Video 3.1: 14 minutes | You and Money             | What Is Personal Finance?     |
|                       |                           | Fill-ins and journal question |

## Chapter Summary

### Student Text

- » 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

### 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 (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.*