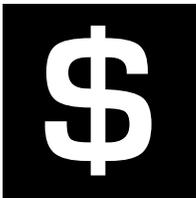


Teacher's Guide



Introduction

Overview

Practical Money Skills

teacher's guide

introduction	overview, instructional strategies
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lesson one	making decisions
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lesson two	making money
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lesson three	the art of budgeting
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lesson four	living on your own
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lesson five	buying a home
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lesson six	banking services
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lesson seven	credit
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lesson eight	credit cards
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lesson nine	cars and loans
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lesson ten	the influence of advertising
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lesson eleven	consumer awareness
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lesson twelve	saving and investing
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lesson thirteen	in trouble
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lesson fourteen	consumer privacy
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appendix	supplementary materials
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introduction an overview of the instructional package

an overview of the instructional package

Throughout life we face numerous personal finance choices and decisions. For some of us, the process of making decisions is at best haphazard. Yet analyzing a situation, identifying our choices, and making informed decisions are processes that can be learned and practiced.

Practical Money Skills is a multimedia instructional package designed to provide an interesting, entertaining, and challenging way to learn and apply decision-making skills. The information is divided into three age groups: teenagers, young adults, and adults. *Practical Money Skills* is designed to teach all three groups how to set long- and short-term personal and financial goals; create and work with a personal budget; identify how and when to use credit; save and invest; and understand the basics of banking services.

Additionally, *Practical Money Skills* offers adults insights on behaviors and situations that can lead to a financial downswing; clues to recognize when a budget is in trouble; and the options available with a failing budget.

The *Practical Money Skills* curriculum contains a Teacher's Guide that provides educators with an outline of goals, lesson objectives, suggested resources, teaching notes, and a chart indicating the appropriate age groups for the key learnings offered in each lesson. The Teacher's Guide corresponds with student materials found on a CD-ROM, including presentation slides, lesson quizzes, and student activities.

using Practical Money Skills in your classes and in your community

Learning does not take place only in the classroom. "The world is your classroom" is true not only for traditional-age students but also for students of every age. Each day we have the opportunity to expand our awareness and knowledge of personal financial decision making. *Practical Money Skills* can easily be adapted for use in a wide variety of instructional settings.

in-school use

The materials in this package may be used in high schools, colleges, and adult-education programs. The instructional activities can be easily adapted to consumer education, personal finance, social studies, economics, business education, and family-living courses. These resources may be used for one or all of the following approaches:

- class assignments in existing courses
- units of study in existing courses
- self-contained courses to enhance student knowledge of money management and personal financial decision-making

community use

In our dynamic world, learning is a life-long process. *Practical Money Skills* can also be easily adapted to community seminars and workshops. Libraries, park districts, community centers, churches, and other organizations may use these materials to offer programs related to personal financial decision-making.

introduction an overview of the instructional package

the teacher's guide and student activities

The teaching curriculum consists of fourteen lessons designed to augment a semester course in life skills, consumer awareness, and financial management. The Teacher's Guide, compiled in a separate, easy-to-use notebook, includes an outline of the curriculum:

- goals
- lesson objectives
- suggested resources
- teaching notes
- chart indicating appropriate age groups for the key learnings offered in each lesson
- presentation slides
- paper-based activities
- answer keys to paper-based activities (when necessary)

To make the Teacher's Guide a quick, easy-to-use guide, we've developed icons that will give you visual reference as to which activities appear in each lesson.



discussion



slide



quiz



oral presentation



survey/interview



student activity



field activity



web activity



pmsfl web link

instructional tracks

The instructional activities in each lesson are “tracked” to the needs of specific audiences. These items are indicated in a matrix based on the following suggested age groups:



Teenagers
(ages 14-18)



Young Adults
(ages 19-25)



Adults
(over age 26)

As you will note, many of the resources and activities may be used to meet the needs of all learning groups.

introduction an overview of the instructional package

lessons and goals

Each lesson in the teaching package has a different goal:

- 1 Making Decisions**
Provide an understanding and an awareness of the factors that can influence decisions, introduce basic decision-making methodologies, and provide structured practice in analyzing a problem, identifying options, and making a decision.
- 2 Making Money**
Show how to recognize and identify some of the real and hidden costs and benefits of working, offer tips for starting a new career, and provide practice reading and interpreting pay stubs.
- 3 The Art of Budgeting**
Assist in identifying and prioritizing personal and financial goals, create a plan to achieve those goals, and provide practice setting up and maintaining a personal budget.
- 4 Living on Your Own**
Help students understand the costs of living on one's own, provide practice in setting up budgets that include such costs, and develop the skills and knowledge necessary to interpret and evaluate lease and rental agreements.
- 5 Buying a Home**
Give students a basic understanding of the process and costs involved with buying a home.
- 6 Banking Services**
Provide practice in comparing and evaluating various banking services including checking and savings accounts, ATM and debit cards, and online banking. Perform the tasks associated with maintaining checking and savings accounts.
- 7 Credit**
Provide an awareness and understanding of what credit is and of the rights and responsibilities of using credit.
- 8 Credit Cards**
Develop skills to compare and evaluate the terms and conditions of various credit cards, and understand the legal and financial responsibilities involved.
- 9 Cars and Loans**
Investigate the legal and financial responsibilities of buying, maintaining, insuring, and operating a car, and translate those responsibilities into a monthly budget.
- 10 The Influence of Advertising**
Recognize how and when advertising techniques can influence buying decisions.
- 11 Consumer Awareness**
Combine decision-making methods with comparative-shopping techniques, recognize common consumer scams, and provide the knowledge and skills necessary to effectively handle consumer complaints.
- 12 Savings and Investing**
Introduce the advantages and disadvantages of common savings and investment vehicles, and show the short- and long-term effects of various savings and investment choices.
- 13 In Trouble**
Analyze the behaviors and circumstances that can lead to financial trouble, and identify some of the options available to a person in financial trouble.
- 14 Consumer Privacy**
Provide students with a general overview and awareness of privacy issues that impact their lives.

introduction using Practical Money Skills

developing a financial plan

Each day we make many personal and financial decisions. One way to organize these activities is with the use of a personal financial plan. The following list of steps can be used to create and implement a personal financial plan. Various lessons from *Practical Money Skills* are suggested for use in each phase of the personal financial planning process.

- **Phase 1: Determine your current financial position.**
Awareness of your current financial status is the starting point of personal financial planning. The process starts with developing a list of items owned (assets) and amounts owed (liabilities). In addition, list your income and spending habits for several months. Lessons 1-4 in *Practical Money Skills* can be helpful in this phase.
- **Phase 2: Set financial goals.**
In this stage of financial planning, short-term, intermediate, and long-term financial goals are formulated based on your current financial position and household situation. Lessons 1, 3, and 4 in *Practical Money Skills* can be helpful.
- **Phase 3: Identify and evaluate courses of action.**
Decide what actions need to be taken regarding spending, saving, using credit, buying insurance, making investments, and planning for retirement. Lessons 5-11 in *Practical Money Skills* can be helpful.
- **Phase 4: Implement plans of action.**
At this point, you put your decisions into action. Start using your budget, purchase needed insurance, reduce your credit card debt, start an investment program, and get a will. These are some of the examples of financial planning activities that you may believe to be appropriate for your life situation. Lessons 5-11 in *Practical Money Skills* can be helpful.
- **Phase 5: Review your financial progress.**
Check the current status of your assets and liabilities. Determine if your spending and saving habits have met the expectations that were set. Revise your financial goals for the future. Lessons 1, 3, 4, 12, and 13 in *Practical Money Skills* can be helpful.
- **CD-ROM**
This *Practical Money Skills* CD-ROM includes the teaching curriculum as well as lesson presentations and student activity worksheets. The presentations are available in two formats: each presentation is available in a portrait orientation as a .pdf file, and as a landscape orientation as .ppt file. In addition, the CD-ROM contains all the games and calculators from practicalmoneyskills.com which can be used to supplement your teaching activities. You will also find a custom link in the Teacher's Guide for each lesson that will lead you to related websites and online materials available as supplemental materials.
- **Appendix: Supplementary Materials**
Includes additional resources that may be used to enhance the lessons of *Practical Money Skills*.

introduction using Practical Money Skills



The Internet makes it possible to access more information from your home or office than most libraries. You may use the Internet for a variety of decision-making and personal financial planning activities, including: 1) researching current financial information; 2) obtaining programs to do financial planning calculations; 3) monitoring current stock and investment values; and 4) asking questions of experts and others through help lines, blogs, bulletin board services, and discussion forums.

There are many interesting and useful websites that offer current information on various personal finance topics.

For related links and resources on this lesson, visit:
practicalmoneyskills.com/teens/2

Practical Money Skills

introduction



instructional strategies

instructional strategies for Practical Money Skills

In addition to the teaching materials provided with *Practical Money Skills*, the following outlines activities that can enhance your curriculum and stimulate student interaction and learning.

1. Visually Enhanced Lectures

The use of visual materials (multimedia presentations, DVDs or videos, advertisements, etc.) related to various personal financial topics can increase student awareness and understanding of major concepts. Use flowcharts or other illustrations to show the relationship of new topics to other components. In addition, students should be encouraged to ask questions, provide examples, and discuss various personal finance topics.

2. Effective Questioning

To improve instructional interaction, students should be encouraged to think and formulate questions. Guidelines for asking better questions include:

- **AVOID** questions that can be answered “yes,” “no,” or with a short answer
- Start questions with “What?,” “Why?,” and “How?,” and ask about relationships among various topics
- **AVOID** questions aimed at only one portion of the class
- Use sequential questions; vary question length and difficulty
- **AVOID** double-barreled and multiple questions that can confuse the major issues being considered
- Use tugging questions such as “What else?” or “Who else?” to encourage and expand thought
- **AVOID** questions that seek one “correct” answer

3. Collaborative Learning

Small group activities, with three to five students, can encourage students who might not interact in a large class. Small groups can be useful for solving case problems, doing field research, and presenting oral reports. Some suggestions for using small groups include:

- Have students analyze current personal finance articles, advertisements, or other information.
- Have students create a short presentation (oral report, written report, newsletter for the school, poster, or bulletin board display) that informs other class members about some aspect of money management decisions.
- Have students develop lists, examples, sample survey questions, or interview questions related to personal finance topics.

4. Posters and Bulletin Boards

Have students prepare a visual presentation related to some aspect of personal finance such as: using credit wisely, selecting an investment, planning a budget, comparing insurance policies, or planning a career.

5. Community Resource Speakers

In-class guest speakers and student interviews with community members can effectively enhance the learning environment. Some suggestions for community resource speakers include:

- financial planner, credit counselor, or investment advisor to talk about money management and financial planning
- human resource manager, employment agency representative, career planning director, or former students to talk about career planning
- tax preparers, accountants, or local tax assessor/office representative to talk about taxes
- banker, credit union representative, credit manager, or credit counselor to talk about financial services and consumer credit
- apartment manager, real estate agent, or mortgage loan officer to talk about housing
- insurance agent or claims adjuster to talk about insurance
- stock broker, investment counselor, or investment company representative to talk about investments
- Social Security Administration representative, employee benefits administrator, investment advisor, or attorney to talk about retirement and estate planning

6. Case Situations and Presentations

Case situations can be an effective method for expanding student interest and knowledge. Cases based on current articles or real-life situations can be used for class discussions, in-class presentations, or small group exercises.

A framework for the analysis of cases might include:

- an overview of the current situation
- listing of concerns, problems, and related issues
- identifying alternate courses of action
- evaluating alternatives based on short-term and long-term consequences
- selection and implementation of a course of action
- discussion of future concerns resulting from actions taken

Students should be encouraged to go beyond the obvious (surface-level) information from a case situation in an attempt to understand long-term consequences and societal implications.

7. Audio-Visual and Multimedia Materials

DVDs or videos and multimedia presentations can provide examples as well as stimulate discussion on various personal finance topics.

8. Role Playing

Have students dramatize what might occur as a result of various financial decision-making situations such as impulse buying, applying for credit, selecting a cell phone and contract, or driving without auto insurance.

9. Article Summary and Analysis

Have students prepare a short summary (three to five sentences) of an article along with an analysis of how the information will affect business, consumers, workers, and others in various countries. A suggested format might include:

- Title, author, source, date, pages
- Topic area such as: taxes, money management, consumer credit, insurance, investments, retirement planning, career planning
- Summary: three to five sentences presenting the main facts of the article
- Analysis: discuss possible effects of the information for (a) individuals, (b) the economy, (c) workers, and (d) others
- Other questions related to this topic area

10. Current Personal Finance Topic Research Paper

Have students research a current topic related to money management and personal financial decision-making, and prepare a written report. Topics may include:

- Using a financial planner vs. doing your own financial planning
- How do economic conditions affect financial planning?
- What are the tax benefits of owning your own business?
- Does advertising influence the overuse of consumer credit?
- Electronic banking services
- Selling your own home
- Types of mortgages
- The cost of automobile insurance for young drivers
- Do all tenants need renters' insurance?
- Methods to reduce medical and health care costs
- Types of lines of credit
- Investing in stocks and bonds
- The future of Social Security
- Where are the best places to retire?
- Who needs a will?
- Is an individual retirement account a good investment?

11. Scrapbook Journal of Key Concepts

Have students collect news articles, advertisements, websites, brochures, and other information that provide examples of money management and personal financial decision-making concepts. Prepare a list of key terms (such as annual percentage rate, individual retirement account, stock exchange, excise tax, liquid assets, certificate of deposit, trust, collectibles, municipal bond, bodily injury liability) and have students find examples of these concepts.

12. Interview

Have students interview a person familiar with some aspect of money management or personal financial decision-making. Students might videotape the interviews for presentation in class.

13. Student-Created Videos

Have students create a video presentation (with a story, music, and other special effects) demonstrating one of the following topics:

- Problems of poor money management
- Selecting a job
- Poor job interviewing techniques
- Applying for a loan
- Selecting a used car
- Shopping for life insurance
- Comparing cell phone contracts
- Avoiding problems when doing your taxes

14. Student-Created Newsletter

Using desktop publishing software, have students research, write, edit, design, and publish a newsletter with various money management tips and personal finance news. The newsletter should also include graphics and could be distributed to other students and parents through a personal website or blog.

15. Identify Personal Finance Career Opportunities and Prepare Personal Data Sheet

Have students list skills and experiences they believe would be necessary to work in a personal finance career (financial planner, loan officer, credit counselor, investment broker, insurance agent, real estate agent, accountant). Using a newspaper or online job advertisement, have students develop a letter that could be used to apply for this position in the future. In addition, have students prepare a personal data sheet with their current educational background, organizational skills, and work experience.

16. Monitor Economic Indicators

Using the information in the business section of the daily newspaper, business publications, or websites such as CNN Money (money.cnn.com) or Motley Fool (fool.com), have students monitor the current levels of consumer prices, interest rates, and unemployment. Have students suggest how these economic indicators might affect personal financial decisions.

17. Monitor the Stock Market

Have students select a company and record the stock price for several weeks, and create a graph. Have students prepare a summary of factors that may have affected changes in the value of the stock.