

Title of Lesson/Subject:

Where does the money go? (Teaching Teens/Freshman College Students)

Prepared by: *Brenda Jacobson*

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Time Allotment:

- Two evening classes 60 minutes each (Monday Nights at the school – required to attend for credit)

Grade Level or Target Audience:

- *Freshman in College*

ND Standards Competencies:

- *Licensed Educator licensed to teach adults (over the age 18 or in college)*
- *Economics is the core teaching area.*

Key Economic Concepts:

1. *How to think about expenses*
2. *How to track spending and set up a budget (two methods)*
3. *When to use credit – when not to! – Information about credit overall*
4. *Thinking about the importance of savings / retirement / investing*
5. *Money Tips*

Brief Description:

Through visual aids the class will evaluate their spending habits, learn one way to think about expenses, track spending (through creating their own budget – handout). Along with learning more about credit and the importance of being credit wise (how it costs and saves money to be educated on this topic) along with additional money tips (definitions, resources and more).

Learner Objectives:

- To relate how their spending is influenced
- To understand more about their financial situation
- To learn how to set financial goals through budgeting
- To learn about credit cards and the pros and cons of use them
- To understand the dollar value of being a knowledgeable consumer

Introduction:

Introduce myself, education and have everyone in the room **introduce themselves and their favorite activity they like to do that costs money.** After everyone has completed this task I would move on to the class outline.

Materials Needed:

- Pencils/pens

- Blank paper (note taking)
- Copies of handouts
- Classroom that has tables in front of students
- Wipe and Erase board with markers & eraser
- Need Computer and projector for the Power point presentation
- Envelopes (many for the students to practice one method) – have a set for demonstration

Audio/Visual Equipment Needed:

- Wipe and erase board with markers and eraser if that is available in the room if not I will provide one.
- Need Computer and projector for the Power point presentation plus a screen to project the presentation on.

Lesson Outline:

FIRST CLASS:

- ✓ Welcome: Introduce myself (Teacher)
- ✓ Give an overview of the course tonight:
Start out with an activity then move onto a Powerpoint presentation, a handout closing with a demonstration (Envelopes).

Introductions

- ✓ Have students state their first name and if they have ever taken out a loan before?

Activity One:

- ✓ Please write down your bills you have along with their interest rates (credit cards) and amount owe.

(Give the students a few minutes to do this)

Discuss:

- ✓ Let students know that it is great if they don't have any credit cards.
- ✓ Many people don't know this information off the top of their head.
- ✓ Take a minute and look at these amounts – is there a lot of debt?
- ✓ Are the interest rates the best rates you can get?
- ✓ Do you have a plan to pay off your bills (credit cards)?
- ✓ Do you have a budget?

START THE POWERPOINT SHOW - Where Does The Money Go?

- ✓ Do the Activities in the PowerPoint with the class.
- ✓ Answer any additional questions after class
- ✓ Take a break in the middle of the presentation after the Handout on the Envelop method – demonstrate the envelop system.
- ✓ Ask students to do a budget (choosing one of the methods demonstrated today) for their lives and bring it to the next class.
- ✓ **Part 2 Credit** is for the **second night**.

SECOND CLASS:

Introduction of the instructor. This time ask everyone to state their first name and something they learned in the last class. (Let them reflect on what they have learned)

- Did anyone go home and show your handout to a parent or to a friend?
- Have you discussed your budget outside of class? (Ask them to share what they discussed)
- Ask them to take out their budgets (homework from last class) to look over
- Was it easy to create your own budget?
- Use prying questions if need be:
 - Someone had to have told someone?
 - Did you ask your parents if they do a budget?

Use the wipe and erase board to record some of the things students did after the first session (if you want)

Pick one:

- Who they showed their information with (relatives, friends)
- Did anyone do anything else – did you teach a friend
- Did anyone make any major changes to their budget – anyone willing to share?

Expenses are about choices . . . choices can get you the things you want. The things you value.

Slide 13 - Start the Power Point Presentation

Slide 14 - Show the website: <http://www.myfico.com/> on the computer so students can see what it looks like (great for visual learners).

Return to the Power Point Slides

Slide 15 – When to use credit and when not to: **Handout the credit worksheet** (Handout Name: FTC Facts) **to students**

– Source: **Ready, Set, Credit for Young People**

www.ftc.gov/bcp/online/pubs/young/readycrdt.pdf

– review it with the students (briefly pointing out two of three areas) and then go back to the Power Point Presentation

Wrap Up the Power Point Presentation Slides

Add the following: Everyone will be different and that is okay – actually that is great! Wouldn't this be a boring world if everyone liked the same things or bought the same things? There would be a world of red boats, blue houses and yellow cars – YUCK!

Budgets can be difficult to follow at first because it means change. Allow yourself time to get use to your new financial guidelines. **It will take TIME!** Change can be difficult for everyone at first that is why it is so important to allow yourself room for mistakes and enough time to allow a budget to work.

Credit cards can be very useful tools when incorporated with a budget. Getting a credit card with a credit limit that is manageable for your budget can allow you to improve your credit score/credit rating. Making choices that match your budget can help you reach your financial goals.

Remember life is about choices:

- Financial choices can affect everyone emotionally.
 - Mad you don't have enough money
 - Frustrated that you are having to work more hours to pay your bills
 - Excited because you have been saving for a computer and you have finally reached that financial goal – so you can purchase that computer
- By writing down a plan you can see the road, path or route to achieving what you want.
- Doing a budget and making credit wise decisions can provide you with financial stress relief.
 - This can make you feel calmer, feel more organized and feel more in control of your life.

Ask if there are any further questions related to either class (first class or second class).

Handout Evaluations:

Ask everyone to take time to reflect on what they have learned. Class will be dismissed as a group not when you are done with the evaluation. *So don't rush through the paper thinking you will be leaving right away.* Think about your financial personality and your goals.

The code for this course is: [_XY123](#)

If you turn it in at the registration office you will get credit for this course. If you have any further questions or comments I will be around for a few minutes so please feel free to ask me.

Resources:

- o <http://www.extension.iastate.edu> (some information on handouts were taken from Iowa State University Extension)
- o <http://www.myfico.com/> - website with more information about credit for students
- o www.ftc.gov/bcp/online/pubs/young/readycrdt.pdf - handout on credit

Activities:

First Class:

- Introduction Activity (Ice breaker to get everyone talking)
- Handout one - Envelope Method

Second Class:

- Ask everyone to state their first name and something they learned in the last class.
- Pass out the handout related to credit – discuss the handout
- Hand out the evaluation – collect them

Application/Assignment:

- o After the first class students are to do their own budget and bring it to the second class.

Evaluation Plan:

- o Hand out Evaluation Form at the end of the second class.

Evaluation for Module 2 – Where does the Money Go?

Instructor: Brenda Jacobson

What was the most **valuable** information you learned about today?

Circle one: Rank on a scale of 1 to 3 the level of information that you learned today:

1 – *Nothing* 2 – Learned *some* new information 3 - Learned *a lot of new* information

Will you be able to apply this information in your everyday life? YES or NO

What was the **least valuable** information you learned about today?

Did you feel that the instructor was knowledgeable about the information presented?

YES or NO

Would you recommend this course to other students? YES or NO

What additional information do you feel is important to include?
