

Thank you for purchasing college-prep materials from DreamCatcher Curriculum, LLC. We appreciate your business and hope that our products meet your needs for assisting students prepare for college. Although our materials can stand alone as a handout for students, the program guide will offer additional information and activities to share with students in a classroom or workshop setting.

The program guide is intended as a rough outline for the topic and can be adapted as you see fit to meet the needs of your program, school, or situation. The guide also includes copy-permissible pages for use in activities as a supplement to instruction. **Please note that color handouts are copyright-protected and duplication in any form is strictly prohibited.** See our website www.dreamcatchercurriculum.com for additional info, resources, and new curriculum topics.

➔ **BEFORE YOU BEGIN:** This workshop requires minimal prep, however, it is strongly recommended that you read and review the Program Guide along with the handout before meeting with students.

FINANCIAL LITERACY OBJECTIVE & INCLUDED TOPICS

To familiarize students with basic financial literacy terminology and concepts, including the importance of budgeting and money management; *Saving Money, Learning About Credit, Investments, Budgeting Strategies, Financial Planning*

BEFORE THE WORKSHOP /SESSION

This workshop is designed for high school level students to become more familiar with basic financial concepts and money management. In addition to the provided activities related to financial literacy concepts, the workshop could include guest presentations from speakers who are experts in their field, perhaps from banks, lending agencies, or a college financial aid office. Be sure to plan ahead if you would like to supplement instruction with guest speakers. Also consider allowing more time for budgeting activities so that students can create their personal budget. In subsequent meetings after this workshop, be sure to check in with participants about how they're doing with managing their money and if they stuck to their budgets.

STEP ONE TIME: 5-10 MINUTES

Introduce the topic of financial literacy by asking: *Who likes to spend money? When you think of your life beyond high school, what are things you'd like to do that will cost money? What about later in your adult life, what "big-ticket" items will require money?* Allow students to answer how they plan to spend money and then ask: *How will you get the money to buy the things you want in life? Where do you get the money that you spend currently? How many of you have ever used a budget to manage your spending?*

To further introduce the topic, you could provide a few facts related to money:

- An international survey of 15-year-old students found that teens in the United States scored only *average* in their knowledge of practical money skills (scoring far behind teens in China, New Zealand, Poland, and other countries)
- In that survey, about 18% of American teens scored *below* a basic level of financial proficiency
- Students who have their own bank account established by the age of 15 tend to have a higher level of financial literacy
- 48% of teens think their parents will help them pay for college but only 16% of parents of teens plan to pay for their child's education
- Given the rising cost of college, a larger number of teens in 2016 considered attending a local community college instead of a bigger university or college (22% in 2014 vs. 29% in 2015)

Tell students: *Now that you have some insight into how teens view money matters, let's see how American adults fare.* Provide the *What You Should Know About Money* Financial Literacy handout. Point out the stats about adults and money management at the bottom of the front page. Allow participants to discuss how they feel about those statistics. Ask why they think Americans in general struggle with financial matters. Before transitioning to the inside of the handout, ask students to consider how they would do in a survey about financial literacy.

FINANCIAL LITERACY Program Guide



STEP TWO TIME: 10-15 MINUTES

Open the handout to cover the inside section. Start by reading aloud the words under *Money Matters* at the top of the page, then briefly cover each area of the handout, beginning with "Getting Started" and working through the various money concepts and terminology. As you read through the circles, ask that students complete the Money Management Timeline (see below) by writing down all financial concepts (in bold and all caps) as you go.

DreamCatcher Extra: Included with this guide are copy-permissible activity sheets to aid with student activities for the session. **See the Money Management Timeline activity page to go along with this portion of the workshop.** As you cover financial terms, students can note on the timeline when those money concepts will be applicable to their lives from high school throughout adulthood. Terms may need to be written in one, two, or all three areas of the timeline. Repetition in writing will help seal these terms and concepts into long-term memory and aid in overall comprehension.

STEP THREE TIME: 15-20 MINUTES

In conjunction with the *Money Matters* portion of the handout, pause about halfway through discussion to conduct the CREDIT QUIZ below, which relates to the covered financial literacy content. After quiz activity, resume with the *Money Matters* circles on the handout. Once done, you could wrap up with the other voting quiz below. For more detailed info about money management and financial matters, students could check out www.themint.org, an excellent resource for teens and college students (different from www.mint.com, which provides free budget planning).

DreamCatcher Extra: Print copies of the Money Matters Quiz voting cards (provided on this guide) on cardstock or heavy paper to use for activity. Using double-sided tape, tape together both cards back-to-back (with wooden craft sticks in between) to make voting paddles. Split participants into teams to answer quiz questions together, encouraging discussion to come to a voting consensus.

CREDIT QUIZ

True (FOR REAL) or False (NO WAY!)

- Q. Credit cards are accepted like cash to make purchases.**
- A. FOR REAL** — Credit cards are a type of loan; your card swipe means you borrow money from the bank to pay, and the bank pays the store
- Q. If I pay my credit card in full by the due date, I will not owe interest.**
- A. FOR REAL** — You have to pay the whole balance every month to avoid paying interest
- Q. There is no penalty for paying my credit card balance after the due date.**
- A. NO WAY** — Credit card companies charge steep penalty fees for late payment, usually \$25-35, regardless if you pay your bill in full
- Q. If I pay the minimum monthly payment, I won't be charged interest.**
- A. NO WAY** — After subtracting your minimum payment from the balance, you will then incur finance charges on the remaining balance. It's best to pay your bill in full every month.
- Q. My credit report shows bills I paid late.**
- A. FOR REAL** — Your credit report will show late payments and any outstanding debt you owe, which is why you should be careful about paying bills on time and not sinking further into debt.

THE TRUTH ABOUT MILLIONAIRES QUIZ

True (FOR REAL) or False (NO WAY!)

- Q. Most millionaires inherited their money.**
- A. NO WAY** — Only 19% of millionaires were given wealth from their family; the majority earn money the hard way: by working for it
- Q. Most millionaires own their own business.**
- A. FOR REAL** — Most millionaires consider themselves to be entrepreneurs, which requires working many hours and making decisions for their company
- Q. Many poor people become rich by winning the lottery.**
- A. NO WAY** — Chances of winning the Powerball Lottery is 1 in 17 billion; chances of getting struck by lightning is 1 in 9 million
- Q. Millionaires have lots of credit cards.**
- A. NO WAY** — Millionaires do not like paying interest on debt, so most pay off their credit card balance in full each month; many have only one credit card
- Q. Most millionaires are college graduates.**
- A. FOR REAL** — 4 out of 5 millionaires have graduated from college, with 24% earning graduate degrees above a Bachelor's and 14% with medical or law degrees

STEP FOUR TIME: 10-15 MINUTES

Instruct students to read and complete the back page of the Financial Literacy handout, which addresses spending money and long-term financial planning. Encourage students to research the current price of their “big ticket” items online, then include *inflation*, estimating what that item might cost years down the road. Feel free to cover the material on the back page as time permits. If possible, try to review the three categories of expenses. Allow for open discussion or questions.

DreamCatcher Extra: If you are able to schedule the workshop in a location that has computers available, you could allow students to research Big Ticket Items online to help with estimating costs. Consider grouping students in pairs or small groups to conduct the research. Note that many public schools may have limitations on Internet access, so be sure to check in advance. Also, it’s advisable to monitor students while online (to make certain they stay on task).

STEP FIVE 5 MINUTES

Included with this guide is a copy-permissible sample budget sheet to review with participants to assist in creating their own budget. Feel free to make copies and distribute to all workshop attendees, or if you’d prefer to provide the sheet for review only, print enough copies for students to share in pairs. Refer students to the DreamCatcher website, which has an both a blank hard copy and electronic budget on our website. The electronic budget auto-calculates amounts. Both budgets can be easily saved to a flash drive or downloaded for saving. (On the website, go to the *Resources* tab and click *For Students*).

LAST STEP TIME REMAINING

Conduct assessment (see below) and collect before students are dismissed. A printer-friendly page of assessments is included with this guide. Simply print copies and provide to a sampling of participants.

LEARNING OUTCOME

At the end of this session, students will have learned multiple concepts and terms related to financial literacy, as evidenced by their ability to correctly match definitions to financial terms. Students should also be able to express in their own words why it is important to have a budget to help manage their money. Also, to demonstrate thoughtful financial planning for the future, students should provide a list of at least five “big ticket” items they might want to save for in the years to come.

FINANCIAL LITERACY PROGRAM ASSESSMENT

Match the financial literacy term to the appropriate definition.

Interest	The ability to borrow money that must be paid back in the future
Budget	The average rise in cost of goods or services over time
Credit	Putting money into stocks, bonds, or CDs in an attempt to grow more money
Investment	Money you <i>choose</i> to spend and have control over the amount
Mortgage	An outline of both expenses and income
Discretionary Expenses	The loan you obtain for a house
Inflation	A percentage extra fee you must pay for borrowing money

Why is it important to have a budget to help manage your money?

List FIVE “Big Ticket” items you plan to save money to purchase within the next 10 years:

**NO
WAY!**

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MONEY MANAGEMENT TIMELINE

For the financial literacy terms covered in the Money Matters section of the handout, write the term in the chart below as to when that financial concept would apply to you...some terms may need to be in all sections of the timeline. A few terms have been done for you.



Income Tax Return

HIGH SCHOOL



Income Tax Return

COLLEGE



Credit Score

ADULT LIFE



Credit Score
Income Tax Return

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SAMPLE MONTHLY BUDGET

Create your own customized monthly budget using the sample budget below. Notice negative amounts are (in parentheses).

Category	Monthly Budget	Actual Amount	Difference
INCOME:	Estimate Your Income	Your Actual Income	
Wages/Income Paycheck/Allowance/Birthday, etc.	\$185	\$203	\$18
Interest Income From savings account	\$6	\$4	(\$2)
INCOME SUBTOTAL	\$191	\$207	\$16
EXPENSES:	Estimate Your Expenses	Your Actual Expenses	
Savings			
Savings Account	\$20	\$20	\$0
Bills			
Rent/Mortgage	\$0 (live with parents)	\$0	\$0
Utilities (Electric, Cell Phone, etc.)	\$42 (cell phone bill)	\$42	\$0
Food/Snacks	\$15	\$22	(\$7)
Car			
Car Payment	\$0 (parents pay, for now)	\$0	\$0
Car Insurance	\$0 (parents pay, for now)	\$0	\$0
Gasoline	\$20	\$17	\$3
Shopping			
Clothing	\$40	\$35	\$5
Other Shopping	\$10	\$20	(\$10)
Fun Stuff			
Entertainment & Other Discretionary "Fun" Spending (movies, concerts, dining out with friends, coffee runs, etc.)	\$30	\$40	(\$10)
Guitar Lessons	\$10	\$10	\$0
EXPENSES SUBTOTAL	\$187	\$206	(\$19)
NET INCOME (Income Minus Expenses)	\$4	\$1	\$3!

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