



MONEY SMART 2.0 LESSON GUIDE

for Grades 6-8



The National Theatre for Children

NTC Financial Literacy
K-12 Curriculum

LESSON 3 *Designing Dreams*

LESSON OVERVIEW

Financial planning is the focus of Lesson 3, as middle school learners compound their knowledge to overcome barriers that might prevent them from fully reaching their financial goals. Using student-centered learning, the lesson's focal point will be on the learners, their goals, and strategically building financial decision-making skills that will become an important part of their financial toolbox.

TOPIC: Financial Goals

CLASS TIME: 45 minutes (excluding Expanded Information to Share activities)

LEARNING OBJECTIVES:

Students will be able to:

- Identify and explain needs and wants
- Identify their own financial values and apply those values to their financial goals
- Create a financial goal and develop the process to achieve it, factoring in possible barriers to that goal
- Understand and explain the importance of creating financial goals.

SUPPLIES:

- Projector (for teacher presentation slides)
- Access to the internet (optional)

PROCEDURE:

- Make copies of student handouts and group handouts
- Set up projector with presentation slides
- Set up individual or group computers with access to the internet (optional)

STUDENT HANDOUTS:

- Financial Values and Goals

TEACHER PRESENTATION SLIDES:

- Financial Values Sample
- Financial Goals Sample

CRITICAL THINKING QUESTIONS:

- *What are my financial values?*
- *What are my financial goals?*
- *What are the best methods to achieve my financial goals?*

ASSESSMENT ACTIVITIES:

PRE-ASSESSMENT:

- Finances Gone Wrong activity

POST-ASSESSMENT:

- Values and Goals activity
- Financial Values and Goals discussion

ANSWER KEY

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INSTRUCTION STEPS

WARM UP

FINANCES GONE WRONG [10 MINUTES]

Share a story about a celebrity, from current events or from history, who has experienced and declared bankruptcy. Use one of the options noted below or research another real-life example online.

Some options are:

Current

- Clips of the ESPN documentary *Broke* (search videos online with keywords “espn” and “broke”)
- Toni Braxton’s story at www.abcnews.go.com/Entertainment/toni-braxton-reveals-story-bankruptcy-headlines/story?id=17839154
- Nicholas Cage’s story financebuzz.com/finance-nicholas-cage-buying-spree#:~:text=While%20he%20blamed%20his%20money,manager%20for%20fraud%20and%20negligence.

Past

- Mark Twain’s story time.com/4297572/mark-twain-bad-business/#:~:text=He%20lost%20money%20on%20an,the%20nation’s%20first%20residential%20phones
- Thomas Jefferson’s story www.saturdayeveningpost.com/2015/07/the-debt-and-death-of-thomas-jefferson-2/#:~:text=According%20to%20Thomas%20Jefferson%20Randolph,and%20furnishing%20his%20mansion%2C%20Monticello

Remind students about the concept of needs and wants: Needs are things that you must have to survive, such as clothes, shelter or food. Wants are things that you would like to have, but can live without, such as a TV or tickets to a baseball game. Ask students to consider:

- *What are some additional examples of needs and wants?*
- *How did needs and wants factor into this celebrity’s financial demise?*
- *What could this celebrity have done differently when it came to needs and wants?*

Grade Level Modifications:

Beginner: Provide students with additional background on the concept of needs and wants.

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INSTRUCTION STEPS

GUIDED EXPLORATION

FINANCIAL VALUES AND GOALS [30 MINUTES]

People who set **goals** for themselves and write them down are the most successful at reaching them. But many students may not yet be ready to write down their goals. Explain to students that, before they can develop financial goals, they must take stock of what their financial values are, or what matters most to them.

Display the **Financial Values Sample** slide. Ask students to turn and talk with a friend about some of the expenses that might go with each value. For example, the "Education" value expenses might include: school supplies, college tuition, tutoring and technology expenses. Review and jot down some of the expenses for each value.

- Education – school supplies, college tuition, tutoring, technology expenses
- Charitable Giving – monetary, goods and services donations to charitable organizations
- Retirement – saving money for a comfortable retirement
- Family – providing money to family members and/or making family life more comfortable
- Investment – investing in stocks and bonds, businesses or real estate
- Entertainment – entertainment products like a TV, pool or video game system
- Travel – going on vacation and visiting new places
- Lifestyle – purchasing a product that will upgrade your lifestyle in some way (for example: a housing upgrade or renovation)

Then, ask students to use their **Financial Values and Goals** handout to write down their top three financial values and give a justification for each. (See the **Answer Key** for a sample response to this handout.)

Remind students that people who write down their goals are more successful at reaching them than those who do not. Ask students to again consider the expenses related to some of their values. Based on their own values and those expenses, ask students to consider what financial goals they would like to reach in the future.

Display the **Financial Goals Sample** slide and review some financial goals that students might set and their associated costs. Ask students to match the financial goals with their values.

- Education – paying for part of my college tuition
- Charitable Giving – donating money and time every holiday season
- Retirement – saving enough money to live a comfortable life
- Family – buying my mom a car
- Investment – making money by investing in a company's stock
- Entertainment – buying a gaming system
- Travel – visiting my relatives in California
- Lifestyle – buying a home

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INSTRUCTION STEPS

FINANCIAL VALUES AND GOALS (Continued)

Then, allow students to develop their financial goals either using the costs on the slide or looking up the costs online. When they are done, ask students to share some of their financial goals. Discuss:

- *Which of those goals is most important to you right now? How quickly can these important goals be achieved?* (Goals that are very important and can be achieved more quickly are more likely to be labeled “short-term goals.”)
- *Which of those goals do you think will matter more to you later? How much time will you need to achieve those goals later?* (Goals that are less important immediately and/or take longer to achieve are more likely to be labeled “long-term goals.”)
- *Why does it matter which goals are important now versus later?*

Based on their previous conversation, direct students into circling whether their goal is a short- or long-term goal. Allow students time to discuss their reasoning for labeling their goals as short- or long-term. Some students may disagree on a similar goal being short- or long-term based on personal priorities.

If needed, provide students with some examples of real-life long-term and short-term goals:

Short-term goal examples:

- Buying a gaming system
- Donating a small amount to a charity
- Buying a new phone

Long-term goal examples:

- Saving to purchase a car
- Investing money to pay for college expenses
- Saving to take a trip to several countries in Asia

Remind students that just setting a financial goal does not guarantee smooth sailing. They will need to assess their progress on a regular schedule. Roadblocks may pop up that can prevent us from reaching our goals, but if we plan for those roadblocks, then we might be more prepared to drive around or over them when they arise. Even without roadblocks, we need to be flexible in modifying our plans to ensure that they are realistic based on the circumstances. Ask students to fill out one roadblock for each goal and one possible solution for each roadblock. Begin a discussion by asking: *What is one of your roadblocks and the solution for that roadblock?*

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INSTRUCTION STEPS

WRAP UP

FINANCIAL VALUES AND GOALS DISCUSSION [5 MINUTES]

End the lesson by discussing the following questions with students:

- *Why should we set financial goals?*
- *How can you use the work we did today in the future?*
- *How might these goals and/or the process of creating financial goals help your family?*

EXPANDED INFORMATION TO SHARE

NOTE: Use the following ideas to extend financial literacy concepts throughout the school year within core content areas through English Language Arts, Math, Social Studies and Economics, and Technology activities, projects and discussions. Duration of activities will vary.

ENGLISH/LANGUAGE ARTS

• Writing Prompts

- Write a narrative about the adventures and roadblocks you must overcome to reach one of your financial goals from your **Financial Values and Goals** activity today. Your narrative should read like an interesting memoir or novel. Include characters, dialogue, plot and an interesting conflict.
- In a quick-write, consider which of your three financial goals is most important for you to reach. Explain how you reached that conclusion and what you will need to do to achieve this goal.

• Additional Readings/Resources

- *How to Achieve Your Financial Goals* by BizKids: A short video on tracking expenses, controlling spending, and investing money in order to achieve financial goals. (Time of video: 30 seconds) www.bizkids.com/episode/how-to-achieve-your-financial-goals
- *Three Financial Goals to Focus on in Every Decade* by Forbes: A list of three financial goals per decade that people should focus on, starting in their twenties. theweek.com/articles/445526/3-crucial-money-decisions-every-decade-life

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EXPANDED INFORMATION TO SHARE

MATH

- **Activity/Project Ideas**

- Calculate the cost of saving for a combination of financial goals. Use the **Financial Values and Goals** handout, plus online research, to calculate the cost of saving for several financial goals. Then, discuss the impact of saving for multiple goals and the importance of prioritizing goals.

SOCIAL STUDIES AND ECONOMICS

- **Activity/Project Ideas**

- Examine government financial goals by researching the government spending and income platforms of local politicians. Ask: *What do these politicians say about government spending and income? What steps do they hope to take to achieve their goals? Which politicians' goals do you most agree with and why?*

TECHNOLOGY

- **Online Games/Tools**

- *The 8 Best Budget Apps* by NerdWallet.
www.nerdwallet.com/article/finance/best-budget-apps

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ANSWER KEY FOR STUDENT HANDOUTS

Answers will vary. Completed Sample:

MY #1 FINANCIAL VALUE	MY #2 FINANCIAL VALUE	MY #3 FINANCIAL VALUE
1) Education	2) Travel	3) Retirement
because creating opportunities for education will allow me to make more money and have the career that I want	because I like discovering and experiencing other places and cultures	because I want to live comfortably when I get older
Financial Goal: Pay for a part of my college tuition	Financial Goal: Pay for a trip to Mexico	Financial Goal: Retire at 65
Possible Cost: \$3,000	Possible Cost: \$1,500	Possible Cost: \$1 million
Long-Term or Short-Term?	Long-Term or Short-Term?	Long-Term or Short-Term?
Possible Roadblock to My Goal: Rising tuition costs	Possible Roadblock to My Goal: Low Priority, so I'll designate the saved money for something else	Possible Roadblock to My Goal: Will seem low priority when I'm young
Roadblock Solutions: Keep track of tuition costs and possibly change savings plan	Roadblock Solutions: Create a special, separate savings account and track money separately	Roadblock Solutions: Invest money into accounts where it is difficult to get immediate access

Financial Values and Goals

Name: _____

MY #1 FINANCIAL VALUE

1) _____

because _____

Financial Goal:

Possible Cost: _____

Long-Term or Short-Term?

Possible Roadblock
to My Goal:

Roadblock Solutions:

MY #2 FINANCIAL VALUE

2) _____

because _____

Financial Goal:

Possible Cost: _____

Long-Term or Short-Term?

Possible Roadblock
to My Goal:

Roadblock Solutions:

MY #3 FINANCIAL VALUE

3) _____

because _____

Financial Goal:

Possible Cost: _____

Long-Term or Short-Term?

Possible Roadblock
to My Goal:

Roadblock Solutions:
