|  |  |  |
| --- | --- | --- |
| **Title** | Making ¢ents of Financial Literacy | |
| **Introduction** | During the past decade, a financial recession swept across the nation. While media reports indicate that the national economy is recovering, little has been done in the public school systems to address building financial literacy in students. In fact, only four states in the nation require a minimum of one semester of a financial education course for graduation. North Carolina does not require such a course, though it does attempt to build some financial literacy objectives into the curriculum for math courses.  In the vacuum created by the lack of course-requirements, financial institutions like Coastal Federal Credit Union are reaching out to communities to young people. This curriculum is designed for use in such small-group settings. This lesson is designed to introduce students to budgeting in a three-hour course. | |
| **Curriculum Alignment** | North Carolina Essential Standards Occupational Course of Study—Financial Management   |  |  |  | | --- | --- | --- | | OFM.1 | Understand personal financial planning. | OFM.1.1 Identify steps in financial planning.  OFM.1.2 Compare personal and family needs versus wants.  OFM.1.3 Identify various sources of income.  OFM.1.4 Compare fixed, variable, and periodic expenses.  OFM.1.5 Identify income and expenses to prepare a budget. |   North Carolina Essential Standards – Social Studies - American History: The Founding Principles, Civics And Economics   |  |  |  | | --- | --- | --- | | CE.PFL.1 | Analyze the concepts and factors that enable individuals to make informed financial decisions for effective resource planning. | FP.PFL.1.2 Explain how fiscally responsible individuals create and manage a personal budget that is inclusive of income, taxes, gross and net pay, giving, fixed and variable expenses and retirement (e.g., budget, financial plan, money management, saving and investing plan, etc.). | | |
| **Learning Outcomes** | Participants will understand the importance of keeping and maintaining a budget.  Participants will understand the vocabulary related to budgeting.  Participants will anticipate future financial needs.  Participants will create S.M.A.R.T. (specific, measurable, action-oriented, realistic, time-based) goals related to saving for large purchases.  Participants will reflect on financial decisions considering wants vs. needs.  Participants will consider financial decisions considering immediate vs. long-term timeframes.  Participants will receive tools that lead to changes in action with regards to financial responsibility. | |
| **Time and Location** | 180 minutes in classroom or conference room. | |
|  |  | |
| **Materials Needed** | Facilitator List   * computer with PowerPoint * projector * whiteboard and markers or poster paper, post-its, and markers * electronic copy of presentation * flyers announcing upcoming sessions and how to register   Participant List   * participant activities sheets   + warm-up   + K-W-L (known already-want to know-learned) chart   + budget vocabulary sheet   + notes sheet (includes budget concepts and SMART goals)   + Activity #1 – Stop the Leaks   + Activity #2 – Expect the Unexpected!   + Today’s Budget * writing utensils | |
| **Safety** | Make sure tables are set up so that there is space for participants to move freely from one business station to another.  Make sure any cords connecting computers are securely mounted. | |
| **Participant Prior Knowledge** | These activities are designed for participants with little to no prior knowledge about budgeting concepts. Awareness of one’s own spending habits is all that participants need to bring to the table. | |
| **Facilitator Preparations** | * Familiarize yourself with the presentation. * Familiarize yourself with the participant handouts and vocabulary terms so that you can answer participant questions as they complete assignments. * Make copies of all materials based on expected participation counts. * Acquire and test technology (computer/projector) needed for presentation. | |
| **Activities** | Warm-Up (Accessing Prior Knowledge)   1. As participants enter, display warm-up slide. Participants choose one of two questions to respond to. 2. Facilitator should greet participants at the door and direct participants to seats, drawing attention to the warm-up and indicating the location of any needed materials. 3. Once all participants are settled and have had at least two minutes to respond in writing to the question, facilitator should draw attention and ask for a few participants to share their answers.   Setting a Purpose   1. Facilitator will explain the goals and objectives of the day and briefly review the agenda.   Foundation Activities   1. Facilitator will progress through presentation. The facilitator will generate questions and discussion through prompts within the presentation, address participant questions, and assist with various participant activities that occur throughout the presentation.    1. Activities       1. K-W-L chart          1. Participants list what they know and want to know about budgets and finances.          2. Facilitator posts these lists somewhere in the room that will remain visible.       2. Budget terms          1. Facilitator shows important vocabulary.          2. Participants ask for clarification on words with which they are unfamiliar.          3. Facilitator clarifies.       3. Lecture Notes          1. Facilitator works through presenting topics. Each slide asks engaging questions and participants are encouraged to ask question and share ideas.          2. Topics:             1. Beginning a Budget             2. Wants v. Needs             3. S.M.A.R.T. goals   Exploration Activities   1. Participants break into two groups and complete one the following activities as a group:    1. Activity One – Stop the Leak!    2. Activity Two – Expect the Unexpected! 2. Participants switch and complete the other activity while in the same group. 3. Both groups come together and share ideas and exchange what they learned from the two activities.   Creation Activities   1. My Budget Today    1. Participants list their sources of income.    2. Participants list their major expenditures.    3. Participants list their short, medium, and long-term savings goals.    4. Participants create a realistic budget for their current lives.   Reflection Activities   1. K-W-L chart    1. Facilitator directs participants to fill in the L in the K-W-L chart from earlier.    2. Participants share aloud, and facilitator fills in the class K-W-L chart.    3. Facilitator reviews what from the W in the chart has and has not been addressed today. If there are topics that have not been addressed, facilitator gives participants suggestions of where to do future research on these topics. 2. Participants set one S.M.A.R.T goal and write it down. They then set a reminder in their phones for two weeks from session date to check in with themselves on the progress toward this goal. | |
| **Assessment** | The final activity of the day is creating a budget for the participants’ current, real-world needs. The facilitator will monitor the creation of these budgets and help participants make adjustments where needed.  The final reflection of the day asks participants to set one S.M.A.R.T. goal they plan to accomplish within the next two weeks. The facilitator will help participants adjust goals so that an actual change in behavior with regards to financial responsibility is the outcome of this session. | |
| **Critical Vocabulary** | * budget   + income   + expense * cost comparison * cost-benefit analysis * future expenses   + short-term   + medium-term   + long-term | * + checking account   + savings account   + balance   + deposit   + overdraft   + savings   + transaction   + transfer   + withdraw |
| **Community Engagement** | This session can be taught in cooperation with local organizations like the Boys and Girls club, Cramden Institute, or local public schools.  Coastal Federal Credit Union will partner with community organizations to reach youth. | |
| **Extension Activities** | Coastal Federal Credit Union will offer two other sessions relating to financial management for students. One focuses on building credit and dealing with debt, and the other focuses on savings and retirement.  Additionally, Coastal offers savings and checking accounts to help participants begin their financial responsibility now. Participants may meet with a Coastal representative to discuss these options. | |
| **Author Info** | Emmalea Couch:   * C.E. Jordan High School/Durham Public Schools/Durham, NC * 9th grade English – honors, standard, and foundations * 4 years at C. E. Jordan; 5 years in NC public schools * [emmalea.couch@dpsnc.net](mailto:emmalea.couch@dpsnc.net)   Creighton Blackwell:   * Coastal Federal Credit Union * [cblackwell@coastalfcu.org](mailto:cblackwell@coastalfcu.org) | |