

CHAPTER

1

Key Terms

Consumer: A person or organization that uses a product or service

Credit: The granting of a loan and the creation of debt; any form of deferred payment

Debt: An obligation of repayment owed by one party (the debtor/borrower) to a second party (the creditor/lender); in most cases this includes repayment of the

Lesson Plan (2/2)

Learning Outcomes

Section 1: What Is Personal Finance?

- ☐ Describe what personal finance is.
- ☐ Outline the components of effective financial planning.
- ☐ Identify focuses of study throughout this course.

Section 2: Money, the American Way

- ☐ Understand the evolution of America's dependence on credit.
- ☐ Observe and analyze the "normal" American family as it relates to personal finance.

Section 3: You and Money

- ☐ Develop communication strategies for managing money and discussing financial issues.
- ☐ Evaluate your own money personality; identify your money strengths and weaknesses.

CHAPTER 2

National Standards Met in Chapter 2 (Continued)

STANDARD Saving and Investing:

- **Standard 1:** Implement a diversified investment strategy that is compatible with personal goals.
- **Standard 2:** Discuss how saving contributes to financial well-being.
- **Standard 3:** Explain how investing builds wealth and helps meet financial goals.

Lesson Plan (2/2)

Learning Outcomes

Section 1: Saving Is an Exercise of Character

- ☐ Identify the Five Foundations of personal finance.
- ☐ Understand the purpose of having an emergency fund.

Section 2: Three Basic Reasons to Save Money

- ☐ Explain the three basic reasons for saving money.
- ☐ Understand the importance of saving for both long-term and short-term goals.
- ☐ Describe what a sinking fund is and identify purchases for which you would use a sinking fund.

Section 3: The Power of Compound Interest

- ☐ Demonstrate how compound interest works and understand the impact of annual interest rate.
- ☐ Describe the difference between simple and compound interest.
- ☐ Understand the importance of beginning to save now.

CHAPTER 3

National Standards Met in Chapter 3 (Continued)

STANDARD Saving and Investing: Implement a diversified investment strategy that is compatible with personal goals.

- **Standard 2:** Explain how investing builds wealth and helps meet financial goals.

Looking for your State Standards Crosswalk? Find it at daveramsey.com/school.

Key Terms

Subject: A written cash

Lesson Plan (2/2)

Learning Outcomes

Section 1: Budgeting 101

- ☐ Understand the purpose of cash flow planning.
- ☐ Identify reasons some people avoid having or sticking to a budget.
- ☐ Identify changes in personal spending behavior that contribute to wealth building.
- ☐ Explain the difference between a cash flow statement and a budget.

Section 2: The Basics of Banking

- ☐ Develop a filing system for keeping financial records, both paper and electronic.
- ☐ Describe recordkeeping features that financial institutions provide for online account management.
- ☐ Describe how to use different payment methods and banking features.

Section 3: The Importance of Having a Zero-Based Budget

- ☐ Define zero-based budget.
- ☐ Develop a plan for spending and saving that has both long-term and short-term components.
- ☐ Analyze how changes in circumstances can affect a personal budget.

CHAPTER

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allows users to finance a purchase

Credit report: A detailed report of an individual's credit history

Credit score: A measure of an individual's credit risk; calculated from a credit report using a standardized formula

Debt snowball: Preferred method of debt repayment; includes a list of all debts organized from smallest to largest balance; minimum payments are made to all debts except for the smallest, which is attacked with the largest possible payments

Depreciation: A decrease or loss in value

Lesson Plan (2/3)

Learning Outcomes

Section 1: Debt: Product, Not Privilege

- ☐ Identify the costs of using various types of credit.

Section 2: Debunking the Credit Myths

- ☐ Evaluate and refute the myths associated with debt.
- ☐ Apply systematic decision making to identify the most cost-effective option for purchasing a car.
- ☐ Identify various types of mortgage loans and the most cost-effective option for purchasing a home.
- ☐ Evaluate ways that debt can negatively affect your financial future and how to overcome personal debt.

Section 3: The Credit Score

- ☐ Describe the elements of a credit score.
- ☐ Understand how to obtain a credit report.
- ☐ Explain how a credit score affects creditworthiness and the cost of credit.
- ☐ Explain the factors that affect a credit score.
- ☐ Analyze a credit report, indicate the time that certain negative data can be retained, and describe how to dispute inaccurate entries.

Section 4: Credit Bureaus and Identity Theft

- ☐ Identify organizations that maintain consumer credit records.
- ☐ Summarize major consumer credit laws.
- ☐ Develop a plan for protecting personal information.

CHAPTER

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Key Terms

Free Application for Federal Student Aid (FAFSA):

A form that is completed annually by current and prospective college students to determine their eligibility for financial aid

Grant: A form of federal or state financial aid that does not need to be repaid, usually given to students who demonstrate financial need

Lesson Plan ^(2/2)

Learning Outcomes

Section 1: Beware and Be Wise

- ☐ Understand the long-term impact of student loans.

Section 2: Start With the End in Mind

- ☐ Identify reasons for not taking on debt to fund your education.

Section 3: Cash-Flow Your College Education

- ☐ Develop a plan to attend college without acquiring debt.
- ☐ Demonstrate how to apply for financial aid.

Section 4: Education Options for the 21st Century

- ☐ Identify the educational requirements, training and cost for your career of choice.
- ☐ Analyze post-high school education and career training options.

CHAPTER

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Key Terms

Branding: The promotion of a product or service by identifying it with distinct characteristics (usually associated with public perception, quality or effectiveness)

Brand recognition/awareness: Refers to the public's ability to recall and recognize a brand by its logo, jingles, packaging, etc.

Buyer's remorse: Feeling regret or concern after

Lesson Plan (2/2)

Learning Outcomes

Section 1: Buyer Beware

- ☐ Identify ways companies compete for your money.
- ☐ Be familiar with marketing strategies that encourage people to go into debt or finance large purchases.
- ☐ Evaluate how peer pressure can affect spending decisions.
- ☐ Summarize factors that influence consumer decisions.

Section 2: Buyer's Remorse

- ☐ List five steps you should take before making a major purchase.

Section 3: Opportunity Cost

- ☐ Evaluate the role opportunity cost plays in purchasing decisions.
- ☐ Describe the effect of inflation on buying power.

CHAPTER

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Key Terms

Auction: A public sale in which property or items of merchandise are sold to the highest bidder

Consignment shop: Retail store where people sell items and the owner of the shop gets a percentage of the sale

Cost-benefit analysis: The process of quantifying costs and benefits of a decision

Estate sale: Type of yard

Lesson Plan (2/2)

Learning Outcomes

Section 1: Bargain Shopping: Part of a Healthy Financial Plan

- ☐ Understand how shopping for bargains is part of a healthy financial plan.
- ☐ Analyze and use the three keys to getting bargains: Negotiate, have patience, and know where to find deals.

Section 2: The Seven Basic Rules of Negotiating

- ☐ Develop skills for negotiating deals on products or services.
- ☐ Understand that integrity and honesty are important when it comes to negotiating with others.

Section 3: Places to Find Great Deals

- ☐ Know the best places to shop for deals.
- ☐ Evaluate the benefits of not buying brand-name products, taking advantage of seasonal shopping, buying slightly outdated products, etc.

CHAPTER

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National Standards Met in Chapter 8 (Continued)

STANDARD Saving and Investing: Implement a diversified investment strategy that is compatible with personal goals.

- **Standard 1:** Discuss how saving contributes to financial well-being.
- **Standard 2:** Explain how investing builds wealth and helps meet financial goals.
- **Standard 3:** Evaluate investment alternatives.
- **Standard 4:** Describe how to buy and sell investments.
- **Standard 5:** Explain how taxes affect the rate of return on investments.

Lesson Plan (2/3)

Learning Outcomes

Section 1: Investing 101

- ☐ Explain how investing builds wealth and helps meet financial goals.
- ☐ Examine the relationship between diversification and risk.
- ☐ Identify regulatory agencies and their functions.

Section 2: Types of Investments

- ☐ Evaluate investment alternatives: money markets, bonds, single stocks, mutual fund, annuities, and real estate.
- ☐ Explain the Rule of 72.
- ☐ Identify different types of retirement plans.
- ☐ Explain how taxes affect the rate of return on investments.
- ☐ Understand how pre-tax and after-tax investments work.
- ☐ Understand how the stock market works.
- ☐ Be familiar with the various retirement account tax treatments.
- ☐ Develop a plan for investing, and describe how to buy and sell investments.

Section 3: Employer Benefits and Retirement Plans

- ☐ Analyze the components of employer benefits package.
- ☐ Explain how compound interest works.

CHAPTER

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Lesson Plan (2/2)

Learning Outcomes

Key Terms

Claim: Paperwork filed with an insurance company in order to get them to cover a loss for someone they insure

Coverage: Applies to the amount of protection you have through an insurance company in the event of a loss

Deductible: Amount you have to pay out of pocket for expenses before the insurance company will begin to cover all or a portion of the remaining costs

Liability: The state or quality of being obligated

Section 1: Protecting Your Wealth

- ☐ Explain why insurance is an essential part of a healthy financial plan.
- ☐ Understand how people manage risk through transfer.
- ☐ Identify ways to lower the cost of insurance premiums.
- ☐ Identify insurance for the types of risks that young adults might face.

Section 2: Basic Types of Coverage

- ☐ Identify common types of risks and basic risk management methods.
- ☐ Distinguish between necessary and unnecessary types of coverage.
- ☐ Understand the importance of identity theft insurance in the 21st Century.
- ☐ Define common insurance terms like "premium" and "deductible."
- ☐ Understand the importance of property and liability protection.

Section 3: The Importance of Life Insurance

- ☐ Be familiar with policies that offer duplicate coverage.
- ☐ Know the types of insurance to avoid.

CHAPTER

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Key Terms

Accountability: The quality or state of being responsible, liable or answerable

Free spirit: A person who thinks that everything will work out fine and typically hates to deal with the details

Nerd: A person who is picky about budgeting and details

Time poverty: A situation in which a person is

Lesson Plan (2/2)

Learning Outcomes

Section 1: Understanding Your Money Personality

- ☐ Identify differences among people's values and attitudes as they relate to money.
- ☐ Evaluate your own money personality.

Section 2: Marriage and Money

- ☐ Evaluate how discussing important financial matters with household members can reduce conflict.
- ☐ Understand how having a budget or a money plan can reduce conflict.

Section 3: Communication Is Key

- ☐ Understand the value of discussing individual and shared financial responsibilities.
- ☐ Develop communication strategies for discussing financial issues.
- ☐ Integrate healthy communication about money with parents, friends and others.

CHAPTER

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estate, intellectual property like books or internet content, or a business in which the owner is not actively involved.

Personal branding: The process by which we "market" ourselves to others; involves highlighting personal strengths, interests and unique qualities, and identifying goals

Portfolio income: Income generated by selling an investment at a higher price than you paid for it

Property taxes: Taxes paid by anyone who owns property such as land, a home or commercial real estate

Résumé: A brief account of one's professional or work experience and qualifications, often submitted with an employment application

Sales tax: Tax on goods and services that goes to your state or local government

Social Security: A federal insurance program, funded by taxpayer dollars that provides benefits to people who are retired, unemployed or disabled

Lesson Plan (2/3)

Learning Outcomes

Section 1: Self-Assessment

- ☐ Identify your personal strengths and weaknesses.

Section 2: Goal Setting

- ☐ Clarify your educational and career goals.
- ☐ Understand the components of goal setting.

Section 3: You Won't Love the Entry Level

- ☐ Understand the value of entry-level jobs.
- ☐ Identify valuable work attributes outside of one's general skill set.

Section 4: The Best Practices of Successful People

- ☐ Identify the best practices of successful people.
- ☐ Develop a résumé.
- ☐ Analyze the interview process and develop personal interview skills.

Section 5: Income and Taxes

- ☐ Describe factors affecting take-home pay.
- ☐ Identify sources of personal income.
- ☐ Identify different types of taxes.
- ☐ Be familiar with various documents for reporting taxes.
- ☐ Analyze the costs and benefits of paying taxes and the cost of government services.

CHAPTER

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Key Terms

Core values: Traits or qualities that represent an individual's highest priorities, deeply held beliefs, and motivating forces; one's guiding principles

Legacy: Anything handed down from the past; something that someone has achieved that continues to exist after they are gone

Nonprofits: Organizations that use money raised to achieve their goals rather than distributing them as profit

Lesson Plan (2/2)

Learning Outcomes

Section 1: False Perceptions

- ☐ Identify your core values.
- ☐ Identify your own specific talents and evaluate ways you could use those talents to help others.

Section 2: Make an Impact

- ☐ Identify ways in which giving benefits both the giver and the receiver.

Section 3: Give Your Time and Talents

- ☐ Identify various types of charitable giving (time, money, talents).
- ☐ Examine various areas of need in your own community.
- ☐ Identify a variety of charitable organizations.

Section 4: Define Your Legacy

- ☐ Explain the concept of leaving a legacy.
- ☐ Illustrate the importance of giving to others throughout your life, starting now.