Lesson Objective:
Students will learn how to make smart spending decisions by conducting research and understanding opportunity cost and scarcity.

Common Core State Standards:

**English Language Arts:**
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use
- Writing: Text Types and Purposes; Research to Build and Present Knowledge
- Reading: Informational Text: Key Ideas and Details, Integration of Knowledge and Ideas, Range of Reading and Level of Text Complexity

**Mathematics:**
- The Number System

Jump$tart Standards for Financial Literacy:

**Financial Responsibility and Decision Making**
- Standard 1: Take responsibility for personal financial decisions
- Standard 2: Find and evaluate financial information from a variety of sources
- Standard 4: Make financial decisions by systematically considering alternatives and consequences
- Standard 5: Develop communication strategies for discussing financial issues

**Planning and Money Management**
- Standard 1: Develop a plan for spending and saving
- Standard 4: Apply consumer skills to purchase decisions

Subjects:
- English Language Arts
- Technology
- Math

Lesson Materials:
- Dry erase board and markers
- Computers with Internet access, or print research materials
- Notebooks, writing utensils, or access to word-processing software
- Opportunity cost video

Grades: **Middle School**
Step-by-Step Instructions:

1. Begin by posing the following scenario to students: Alex is a freshman in high school and is saving up for his first car. He wants to buy a car that is at least five years old with low mileage, but he isn’t sure where to begin. What should he do?

2. Discuss why it is important for Alex to research before making such a big decision like buying a car, emphasizing that research:
   a. Builds your knowledge.
   b. Provides you with choices.
   c. Helps build confidence that you are making the right spending decision.

3. Tell students that they are going to help Alex find the right car by doing market research, so he can become a “savvy spender.” Ask students what they think being a “savvy spender” means and list their answers on the board. Explain that savvy spending is when you do your research, analyze all of your choices, and find an option that will give you the best value for your dollars.

4. Ask students where they might go to research information about cars. Which sources of information are least likely to be unbiased? Explain that Kelley Blue Book and Consumer Reports are generally thought to be reputable sources because they are not affiliated with any car manufacturers and provide independent reviews. Challenge students to use these sources to research three potential cars for Alex.

5. Ask students to collect answers to the following questions during their research:
   a. How much does each car option cost? Compare prices of at least three different vehicles.
   b. What features are included with the price? Think about extra features such as GPS and leather interior, and whether or not Alex should pay more for the features.
   c. What is the level of efficiency? How much do you think it will cost Alex in gas when comparing one vehicle to another?

6. Have students assess and share their research with the class, and continue to add characteristics to the “savvy spender” list on the board.

7. Next, show students this video on opportunity cost. Working in small groups, have students write their own definition of opportunity cost and share their ideas with the class.

8. Bring the discussion back to Alex’s situation and explain that while Alex has been saving for a car, he also really wants a new video game console. Ask students to reconvene with their group and discuss the opportunity costs Alex faces. Challenge students to think about why Alex has to make a
choice and what they would do if they were in Alex’s situation. What would make Alex a savvy spender in this case? Buying the car, the video game console, both, or neither? Why or why not? Have students discuss in their groups and report back to the class.

9. Review the characteristics of a “savvy spender” on the board and ask students to evaluate what they have learned about being a “savvy spender” by writing a blog post. Tell students the blog post is targeted to peers their age, and should explain their top ten tips on how their peers can make smart spending decisions. Have students share their blog posts in small groups or with the class.

**Wrap-Up & Reflection:**

1. Ask students to write one example from their own lives to illustrate the concept of opportunity cost.

2. As an extension, ask students to come up with an item they might be interested in buying, such as a new pair of shoes or an mp3 player, and challenge students to conduct research on their buying choices. Have students evaluate their options and conclude which would be the better purchase and why. Students could also create a savings plan designed to save up enough money for their desired item.

3. Have students create a buyer's guide based on popular items they like to buy, such as music and technology. Challenge students to identify credible sources and then write their guide based on their market research.
Lesson Objective:
Students will learn the concept of financial record keeping by tracking income and expenses, and building a simple budget.

Common Core State Standards:

English Language Arts:
- Speaking and Listening: Comprehension and Collaboration
- Speaking and Listening: Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use
- Writing: Text Types and Purposes
- Writing: Research to Build and Present Knowledge
- Writing: Range of Writing

Mathematics:
- The Number System
- Statistics and Probability

Jump$tart Standards for Financial Literacy:

Financial Responsibility and Decision Making
- Standard 1: Take responsibility for personal financial decisions
- Standard 2: Find and evaluate financial information from a variety of sources
- Standard 4: Make financial decisions by systematically considering alternatives and consequences
- Standard 5: Develop communication strategies for discussing financial issues
- Standard 6: Control personal information

Income and Careers
- Standard 2: Identify sources of personal income

Subjects:
- English Language Arts
- Math
- STEM
- Technology

Lesson Materials:
- “I’m So Broke” music video
- Computers for students to work on to track income and expenses, and create a budget
- Access to Microsoft Excel or an alternative software program
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- Pencils and paper or access to word-processing software
- Microsoft Office budget templates
At-Home Activities:
1. Invite students to share their “money memoirs” with their families. Do their family members have any advice or suggestions to share? Have students write about any money habits they want to form or change after their conversations with their families.

Additional Resources:
Printables:
• Budget Basics handout

Interactive Activities/Games:
• Online Budget lesson

Books:
• “The Complete Guide to Personal Finance: For Teenagers” by Tamsen Butler

Planning and Money Management
• Standard 1: Develop a plan for spending and saving
• Standard 2: Develop a system for keeping and using financial records
• Standard 6: Develop a personal financial plan

Step-by-Step Instructions:
1. Open the lesson by showing students the music video “I’m So Broke.” Ask students how someone ends up “so broke.” What went wrong? What do they think happens if you don’t pay attention to spending or saving? Explain that avoiding being “so broke” starts first with examining and evaluating your spending and saving habits by keeping financial records.

2. Help students understand why keeping track of our financial information is so important (it provides clear documentation of spending and saving habits, it helps build an accurate budget, it serves as a roadmap for future saving and spending).

3. Ask students if they know what types of financial information we should keep track of. Record their answers on the board and direct the discussion to the two key terms of the lesson: tracking income and expenses. Make sure students understand that income is any money they earn (whether through a job or a gift) and that expenses are items they spend money on (such as clothes or going to the movies).

4. Next, ask students how they can keep track of their income and expenses. Write their answers on the board and demonstrate the basic financial record keeping steps as follows:
   a. Gather information: Pay attention to all of the things you spend money on and if you save or give any money away. Keep a financial journal and write every financial activity down so you won’t forget. Save receipts and bank statements, too.
   b. Organize information: Organize the collected information into digestible categories such as entertainment, food, clothes, toys/electronics, charity, and savings.
   c. Analyze information: Add up the total expenses and the total income and compare the two numbers. Are you spending more money (expenses) than what you are earning (income)? It is helpful to set increments of time to review the information (weekly, monthly, yearly).

5. Demonstrate how you can use the collected financial information
to build a simple budget. Download and fill in a sample budget template from Microsoft Office to share with the class. Walk students through each line of the budget and have students help you identify each source of income and expense, and then analyze the information.

6. If time is available, have students track their expenses for a set amount of time (one day, week, or month), or have students think back to one week's worth of spending and saving. Next, have them track their own income and expenses using a Microsoft Office template.

7. Have students review their records and analyze their spending habits, taking notes on common patterns and areas where they may be over-spending and under-saving.

8. To assess students' understanding of their own financial records, ask students to write a “money memoir,” or a detailed written portrait of their experiences with money. Explain that the goal of the memoir is to chronicle their current spending and saving habits, as well as developing goals for improvement in financial actions. Allow students time to analyze their income and expenses and then summarize their analysis in a “money memoir” as an in-class essay or assigned homework.

Wrap-Up & Reflection:

1. The “money memoir” assessment assignment can be modified to a number of different presentations beyond a written essay. Students can tell their memoir visually through a digital film, collage, or photography; or act out their memoir as a play.

2. As an extension, you might ask students to write about why it is (or isn’t) important to keep financial records in today’s digital age. If you can go online and check your bank statement and all of your transactions, why should you keep a record of that information on your own?
Lesson Objective:
Students will identify careers that align with their passions, and research and reflect on volunteering and internships as a tool to gain valuable career experiences.

Common Core State Standards:
English Language Arts:
• Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas
• Language: Vocabulary Acquisition and Use
• Writing: Text Types and Purposes; Research to Build and Present Knowledge
• Reading: Informational Text: Key Ideas and Details, Integration of Knowledge and Ideas, Range of Reading and Level of Text Complexity

Jump$tart Standards for Financial Literacy:
Income and Careers
• Standard 1: Explore career options
• Standard 2: Identify sources of personal income
• Standard 5: Consider charitable giving

Subjects:
• Arts
• English Language Arts
• STEM
• Technology

Lesson Materials:
• Copies of the article “Science Student Follows Fashion Dreams with Teen Vogue Internship” by Regina Napolitano
• Poster board or large paper for each student
• Art supplies
• Magazines, newspapers, and other publications with visual images and words that students can cut out
Step-by-Step Instructions:

1. Begin by reading the article “Science Student Follows Fashion Dreams with Teen Vogue Internship.” Using the article to facilitate discussion, ask students:
   a. How does Jennifer Lee combine her passions with possible careers?
   b. How does she fuse her love for science and fashion?
   c. In what ways do you think the Teen Vogue internship will help Jennifer Lee in her future career?
   d. Why does it make sense for her to take a nonpaying job like an internship?

   Using Jennifer Lee’s story as an example, help students see that finding a career starts first with finding your passions and seeking opportunities to put those passions into practice. For Jennifer Lee, taking an internship also meant making less money now, but growing her potential to make more money later because of the valuable experiences she would learn.

2. Ask students to make a list of things they are passionate about (such as animals, sports, reading). Next, ask students to make a list of possible careers they think might include their interests (for example, if a student enjoys spending time with animals, he or she may correlate that passion to careers such as a veterinarian or dog trainer).

3. Next, have students create a career vision board using photographs and words from magazines, images, and other visual elements to highlight each of their passions. Using poster board, instruct students to divide the paper in half, with one half representing their passions and the other half representing career options. Encourage students to be creative in their connections between passions and careers and promote the sharing of career boards when finished.

4. Explain that there are steps you can take to help reach the visions you outlined in your career board, and that it is often helpful to find volunteer and intern opportunities to learn if a career is right for you.

5. Ask students how working for free through volunteering and interning can help increase their income. Does it make sense to work for less now with the hopes that it will help you earn more in the future? Why or why not? Discuss how volunteering and interning provides real-life experiences that will not only help you determine if you like a certain career, but also enhance your skills for the workforce. Have students select one or two careers and then research volunteer and internship opportunities available using resources such as:
   c. https://www.teenlife.com/pages/volunteer/

At-Home Activities:

1. Challenge students to interview a friend or family member who is currently an intern or has been one in the past. Students should ask about the intern’s experiences as well as how the intern balanced his or her various commitments.

2. Have students use the information they gathered in their interviews to create presentations on “surviving your internship,” featuring time management tricks and other tips on how to succeed.

Additional Resources:

Printables:
- Career Exploration work-sheets
- Career Clusters Interest Survey

Video:
- Internships and Summer Jobs (video series)

Interactive Activities/Games:
- iON Future (STEM Career Exploration Game)
- Drive of Your Life (Career Exploration Game—Indiana Focused)

Books:
- “What Color Is Your Parachute? For Teens” by Carol Christen and Richard N. Bolles
- “Teens’ Guide to College & Career Planning”
6. Ask students to record their research findings on what opportunities are available, and to reflect on which opportunities would allow them to increase their skills the most.

**Wrap-Up & Reflection:**

1. As an extension, talk with students about how people who take internships or volunteer opportunities often do so in conjunction with other obligations, such as paying jobs, schoolwork, and sports.
Lesson Objective:
Students will research and identify the power of interest and rate of return.

Common Core State Standards:
English Language Arts:
- Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas
- Language: Vocabulary Acquisition and Use
- Reading: Informational Text: Key Ideas and Details, Craft and Structure, Integration of Knowledge and Ideas, Range of Reading and Level of Text Complexity
- Writing: Text Types and Purposes; Research to Build and Present Knowledge; Range of Writing
- History/Social Studies: Key Ideas and Details

Jump$tart Standards for Financial Literacy:
Financial Responsibility and Decision Making
- Standard 2: Find and evaluate financial information from a variety of sources

Saving and Investing
- Standard 1: Discuss how saving contributes to financial well-being
- Standard 2: Explain how investing builds wealth and helps meet financial goals

Subjects:
- Math
- English Language Arts
- Technology

Lesson Materials:
- Computers with Internet access
- Compound interest calculator
- Rate of return worksheet (optional)
- Research note-taking template
- Dry erase board and markers, or another display area, to catalog notes during classroom discussion
- Notebooks and writing utensils, or access to word-processing software
Step-by-Step Instructions:

1. Open the lesson by posing a hypothetical question to students: would you rather be given $5,000 today to invest or $10,000 ten years from now? Have students vote “with their feet” by standing on one side of the classroom or the other. Assess the outcome of the vote and ask students to share why they picked their side. Explain that while the $10,000 may seem like a better choice because it’s more money, picking $5,000 today will actually earn more over time. Do students know why?

2. Explain that $5,000 today is a better value than $10,000 in the future because of interest. Ask students if they know what interest means. Explain that interest is a percentage of your account balance paid to you by a bank or savings institution for keeping your money with that institution. The amount of interest you earn can vary significantly.

3. Divide students into small groups and assign each group an interest-related term to research. Students should research definitions of the term and provide at least one example showing how the term is used in real-life. Provide a research note-taking template for students to organize their ideas.
   - Principle
   - Interest
   - Rate of Return
   - Simple Interest
   - Compound Interest

4. Have each group present their research to the class. Ask students to reflect back to the opening scenario of $5,000 today versus $10,000 in the future and remind students why $5,000 today is the better value. Demonstrate how money grows over time with interest by calculating different rates of return using a compound interest calculator. Discuss how money grows differently depending on the amount saved, simple versus compound interest, the rate of return, and the years that your money has to grow.

5. Provide students with several different rates of return and challenge them to calculate interest accumulated over one’s lifetime for the rates. This can be done as a whole-class exercise by writing and solving problems on the board or as an individual assignment using a rate of return worksheet.

6. Bring the discussion back to the opening question of whether or not students would rather receive a smaller amount now or a larger amount later. Knowing what they learned about interest and rate of return, would they still make the same choice? Why or why not?
Wrap-Up & Reflection:

1. Have students research different interest options from several financial institutions and write a brief letter of advice to a fellow student who is thinking about saving money. What should he or she know about interest and why does interest matter when it comes to saving and borrowing? How does interest vary from one institution to another and why is this an important factor to consider? Have students provide at least two examples from their research illustrating the power of interest and rate of return.
Lesson Objective:
Students will learn about credit and debt, and identify the purposes of a credit history.

Common Core State Standards:
English Language Arts:
• Speaking and Listening: Comprehension and Collaboration; Presentation of Knowledge and Ideas
• Language: Vocabulary Acquisition and Use
• Reading: Informational Texts: Key Ideas and Details, Craft and Structure, Integration of Knowledge and Ideas, Range of Reading and Level of Text Complexity
• Writing: Text Types and Purposes, Production and Distribution of Writing, Range of Writing
• History/Social Studies: Craft and Structure

Jump$tart Standards for Financial Literacy:
Credit and Debt
• Standard 1: Identify the costs and benefits of various types of credit
• Standard 2: Explain the purpose of a credit record and identify borrowers’ credit report rights
• Standard 3: Describe ways to avoid or correct debt problems

Step-by-Step Instructions:
1. Open the lesson by showing students where the country Tajikistan is on a map or globe. Share that today you will learn about one family from Tajikistan and how they made a big impact with a small loan.
2. Read the entrepreneur profile “Kumri: Building a Business, Building a Country.” Working in groups of three to four, ask students to write a brief reflection of how borrowing money influenced Kumri’s life.

3. Have each group share their ideas. Ask: Why was it important for Kumri to borrow money? In what ways did the loan benefit not just Kumri, but other people as well? How did Kumri prove she was worthy of a loan?

4. Guide the discussion to highlight that Kumri borrowed money from her community and family and friends first, but she paid it back quickly, demonstrating that she is a responsible borrower. Kumri displayed credit responsibility because her history with borrowing and repaying loans was positive, helping to build a strong credit history.

5. Next, talk about situations where students might borrow money in their own lives, now or in the future (e.g., to buy a car, pay for school, buy a house, open a business). Have students reconvene with their groups and develop a list of pros and cons for taking on debt (e.g., borrowing money may help you in time of need, but it’s also a big risk). Students can use a pro/con template to organize their ideas.

6. Encourage students to share their pros and cons with the class, and use their ideas to connect back to Kumri’s story. For example, Kumri borrowed money and went into debt, but her loan eventually spurred growth in her business, community, and her country. However, Kumri was also taking a large risk by borrowing money. It wouldn’t be wise for her to take on more debt than she could repay, which is why it is important to weigh the pros and cons of debt when making borrowing decisions.

7. Next, challenge students to come up with a fictional character and create a comic strip illustrating the concepts of credit and debt using these printable comic strip templates. Just like Kumri’s story, encourage students to think about why their character might need to borrow money and how the debt might impact their character in a positive or negative way.

8. Encourage students to share their comic strips with the class and use their comics as a tool to reiterate the pros and cons of credit and debt.

**Wrap-Up & Reflection:**

1. Post students’ comic strips on a bulletin board that also includes a poster or list of ways we can build a positive credit history (e.g., paying bills on time, not accumulating more debt than we can pay off, having proof of a solid income history.)