

RBC Financial Literacy 9 Week Course Grade 7

Overview:

Financial Literacy is defined as the ability to read, analyze, manage and communicate about personal financial conditions that affect one's material well-being. It includes the ability to determine financial choices, discuss money and financial issues without discomfort/stress, plan for the future and respond completely to life events that affect every day financial decisions, including events in the general economy. This course will serve as a guide to students as they begin to mature to the point where financial decisions will become an important part of their lives.

Materials to be used during course:

- 1. Newspaper/Magazine/Internet Articles dealing with current event situations in our world related to the economy and specific topics discussed during the course.**
- 2. Budgeting activity that will force the student to make decisions on financial issues such as paying bills, saving money, and spending/entertainment options.**
- 3. Supplemental materials such as tax forms, work permit applications, credit applications, and checking/savings account forms, which will allow students the opportunity to learn how to properly fill out these important documents.**
- 4. Guest speakers as available including bankers, teachers/administrators who have history in careers dealing with financial matters, etc.**

Timetable for the 9 week course 7th grade year:

Week 1: Intro, Basic financial terms, Importance of finances and relevancy to your life

- Money is everywhere, it will affect you for the rest of your life**

- **Why your finances now are important**
- **Decisions you make now have the “domino effect” and will help shape your future financially**

Week 2: Short Term & Long Term Financial Goals

- **The important of having and sticking to both short term and long term plans in regards to finances**
- **What can you do now to prepare yourself and stay on track with your long term financial goals**
- **Analyzing how short term decisions with money can help or hurt you in the long run**
- **Creating a plan for yourself and re-evaluating that plan every so often will allow you to adjust as your financial life changes and evolves**

Week 3: Wants vs. Needs, Life Necessities/Desires

- **Importance of being able to distinguish which purchases in life are necessary for survival and which are made out of luxury**
- **Being able to have the discipline to say no to purchases that can haunt you**

Week 4: Credit, Credit Scores, Good Debt vs. Bad Debt

- **Investigating individual credit cards**
- **Interest Rates**
- **How credit card debt can both positively and negatively affect your financial future**
- **The importance of your credit score when it comes time to make the two largest purchases in your life (House & Car)**
- **The difference between good debt & bad debt and how certain credit cards are designed to charge you high interest (Big box stores)**

Week 5: Preparing financially to live on your own for the first time (College/Other) & the importance of savings to this idea

- When an individual is “on their own” for the first time, many expenses come with it
- The best way to prepare for your future adult life financially is to set aside a percentage of your savings that you designate for that
- Purchases that seem small in nature are all a part of the big financial picture and can add up to a point where a person gets overwhelmed
- Spreading such purchases out as much as possible allows the consumer to have a better handle on their finances

Week 6: Consumer fraud, Safeguards, Avoiding financial loss, Monitoring Services

- Looking at different examples of financial fraud and how an individual’s finances can be harmed
- Options that are out there to help protect the consumer from fraud situations
- Credit monitoring services often times offer the consumer a stress free situation when dealing with identity and financial fraud
- Guest speaker (Officer Greg) who discusses with the students some of the different examples of fraud that law enforcement typically deals with and the rights of a consumer in these situations

Week 7: Higher education planning, and the effect that higher education has on your financial future (Scholarships, College Loans, Cost of college)

- Spending time in the computer lab looking at the cost of college and other higher education opportunities
- In-state vs. out of state tuition costs
- Commuting vs. Living on campus
- “Extra” costs that have to be budgeted for in regards to college (books, living expenses, etc)
- Importance of the college degree and how it affects the ability to get a job
- Scholarships (Academic, Athletic, Private) and the importance of looking at these opportunities as a way to cut down on college costs

- Practice Scholarship Essays (professionalism, promoting yourself)

Week 8: Large Purchases such as car buying and how the purchase/lease of a car can affect your credit future

- How do you prepare yourself financially to make one of the two large purchases in life, a home and a car
- Investigate the effect that interest rates have on the money owed to a lender
- Terms of loans and the positives & negatives of longer loan terms
- Buying vs. leasing positives and negatives
- Rent vs. mortgage and the positives and negatives of each

Week 9: Review of the course, Final Project dealing with financial life lessons

- Briefly touch on topics such as retirement, stock market, other investments covered in the 2nd year of the course
- PowerPoint final where the students create a presentation as if they were highlighting the important topics covered in the class to show someone who has never had financial literacy

Ohio Financial Literacy Standards covered during the quarter: (27 state standards)

Standard #1: Financial Responsibility and Accountability

Standard #2: Financial Responsibility and Decision Making analyzing consequences

Standard #6: Financial responsibility includes the development of a spending and savings plan

Standard #7: Financial literacy includes a decision-making strategy about purchases

Standard #8: Financial institutions offer a variety of products and services to help address financial responsibility by the individual consumer

Standard #11: Consumerism choices consistent with one's financial plan include decision-making strategies on purchases

Standard #12: Consumer organizations help protect individuals against fraud

Standard #14: Consumer protection laws help safeguard individuals from fraud and potential loss

Standard #19: Credit is a contractual agreement where a borrower receives something now and agrees to pay the lender at a later date

Standard #20: Debt is an obligation owed by one party to a second party

Standard #21: Balancing credit and debt helps an individual achieve both short and long term goals

Standard #24: A risk management plan can protect consumers from potential loss and fraud

Standard #25: Safeguards exist that help protect one's identity

