

# *Chapter One: Setting Financial Goals*

## **SETTING FINANCIAL GOALS**



## ***Lesson Plan***

### **Materials**

1. One small beanbag for each student
2. One basket
3. Auction Game Pieces
4. Play Money (\$500 for each student)
5. Check Register and Check
6. Whiteboard/Chalkboard
7. Respect Each Other Sheet
8. Markers/Colored Pencils
9. Student Materials Packets

### **Outline**

1. Shout out
2. Respect Each Other
3. Vocabulary
4. Beanbag game
5. Work list
6. Introduction
7. What do you value
8. Draw your future
9. IEAL chart
10. Smart charts
11. Check and Register
12. Homework assignments

### **Lesson Objectives**

1. The student will be able to create goals that are specific, measurable, achievable, realistic, and time sensitive.
2. The student will be able to determine monetary amounts for each goal.
3. The student will be able to create a plan to reach her/his goals.
4. The student will be able to describe how it feels to continually be under financial pressure.
5. The student will be able to define the terms: income, expense, asset, liability, finances, credit union, financial goal, and value.
6. The student will be able to categorize example situations into the IEAL chart.
7. The student will be able to fill out a check correctly.
8. The student will be able to create a record of their expenses.

### **Procedure**

#### **SHOUT OUT (2 min.)**

1. *Please form a circle so that everyone can see each other in the middle of the room*
2. *After students form a circle, explain what we will be playing.*
3. *On the count of three I want everyone to shout out their name and one thing they regularly spend money on, all at once.*

4. Check for understanding then count.
5. After students are done yelling, ask a student if they were able to hear what the student next to them said. Hopefully, they won't have heard their neighbor because the exercise was too loud to make out the words..
6. *What is the lesson in this game we just played?*
7. If we are all talking no one gets heard.

### **RESPECT EACH OTHER**(3 min.)

8. *This is one of our ground rules (show Respect Each Other poster) first and most important is to respect each other.*
9. Go through the **Respect Each Other Sheet** and ask for students to agree to all of rules.

### **VOCABULARY** (6 min)

10. *Please turn past the cover sheet to the first page you will see a bunch of words labeled with numbers. Underneath these words are their definitions labeled with letters. I would like you to raise your hand and try to give me the definition for the first word in the box.*

### **BEANBAG GAME** (10 min.)

11. Have students gather in a circle and go around in a circle to tell one another their names.
12. Explain that you will toss a beanbag to a student and say their name. Then that student should toss the beanbag to another student and say their name. This should continue until the beanbag comes back to the starting person. **Ask students to remember who they received the beanbag from and who they passed it to, because we will be following this pattern again.**
13. Establish the pattern with one beanbag, once you finish tell students you are going to do it again but this time you will add more beanbags but they should stay with the same pattern. Start the pattern again adding a new beanbag each time you throw one until the first beanbag comes back to you then take it out and put it aside. Continue catching until all the beanbags have come back to you.
14. Stop here and discuss the game you just played.
15. *How this game is like money?*
16. Answer: Beanbags represent money and how money is received (caught) and spent (tossed). It also shows how all your money tends to go straight from your income to your expenses without any being saved.

17. Then give one student a basket, tell her or him that we will play the game again. She or he should take one beanbag for every two that comes through her/his hands and put it in the basket.
18. Start the pattern again and after you have gone through one round (thrown out 7 or 8 beanbags) stop and discuss.
19. *Why did some students have many more beanbags left at the end?*
20. *If the beanbags coming in are income and the beanbags going out are expenses then what are the baskets? Savings Accounts!*
21. *One person has bags left at the end while no one else does, why?*
22. *When you get money (beanbags come in) you have 2 choices, what are they?*
23. Answer: Spend now or save.
24. *What is the money doing when it sits in a savings account? Earning interest—that is, working for you.*
25. *If we don't put some money aside (savings) we won't be able to reach our financial goals. Saving should be just like a regular expense we pay to ourselves. The students with baskets were putting aside some of the money they had coming in instead of just spending all that they had. This is one of the many things we will learn about in this class.*

#### **PORTFOLIO WORK LIST** (3 min.)

26. Ask students to take out the Portfolio Work List and read it together noting the specific things they will need to complete.
27. Have students sign it and make sure that they agree to the terms.

#### **INTRODUCE SETTING GOALS** (1 min.)

28. *We are going to focus on setting financial goals today. The reason we talk about this is because money helps us reach our goals. In fact, making money is a large part of why we do what we do at all. Think about everything you want to do or to have in your life and then ask yourself if any of it could be done without money. There will always be only a certain amount of money in your life, with which you can do only certain things. In other words there is a **limited** supply. Most of us are not very wealthy people so if we want to reach our goals we have to use what we've got; we have to use our ability to work and plan in order to make our money work for us over a long time.*

## **WHAT DO YOU VALUE** (10 min.)

29. Instruct students to look at “What Do You Value” worksheet. Explain the directions to them and have them fill in the blanks on the worksheet. The objective of the game is for students to understand how their personal values will directly affect the way they spend their limited amount of money.
30. After they finish pass out \$500.00 in play money to each student and explain the rules of the auction game. *I will auction off each value and you can decide how much money you would like to bid on the value. Keep in mind that you will need to explain why you chose the value you did and why you spent the amount of money on the value.* Begin the auction with a value and start the bidding at \$50.00. After each value has been auctioned off ask the students who ended up with nothing to explain why they didn’t want to buy a value and what could they do with the money they didn’t spend (example: they could put the money in their savings account).
31. If more than one person bids five hundred on a certain item ask each person who did to explain why that value was so important to them.
32. Here are some closing questions you could ask...
  - a. Did anyone not get the value they really wanted and settled for something else?
  - b. Could you not buy it because you had spent your money or was it because you didn’t want to spend too much money?
  - c. How could you relate this game to real life in financial terms?
  - d. Have you ever bought an item and later on had no money for something you wanted more or really needed more?
  - e. If you don’t spend your money, what else can you do with it so that it will benefit you in the long run?

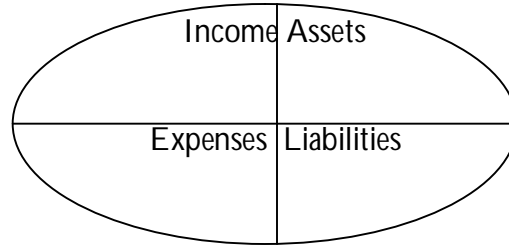
## **DRAW YOUR FUTURE** (6 min.)

33. *Now I would like you to draw a picture on the other side of the sheet of what you would like your life to look like in 10 years. You have five minutes to do this. Make sure to answer these questions:*
  - a. *Where do you want to live (location, type of house)?*
  - b. *Do you want to have children, how many?*
  - c. *Car or no car? What kind of car?*
  - d. *What kind of job do you want?*
  - e. *What kind of education do you need to get that job?*

34. *These are pictures of your goals, how much money will it take you to reach your goals?*

**IEAL CHART** (5 min.)

35. Once students have finished with their drawings, ask them to look at their IEAL worksheet. (Draw this on the board.)



36. Explain the above chart and what each part means:

**Income:** money from a job, parents, SSI or DSS

**Expenses:** money that comes out of your income to pay your bills

**Assets:** anything you own or have that helps make you money  
(College degree, home, car)

**Liabilities:** things you are liable to pay (college loan, mortgage, and car loan)

37. *Can you give me an example that fits into these boxes from your drawings?*

38. Write in student answers as they say them

- a. For example, you would put a student's future job under the heading of income, a student who wants to buy a home would have mortgage payment under expenses, the mortgage in liabilities, and the home as an asset.

39. *We will use this chart throughout the course to explain different concepts related to money.*

**SMART CHARTS** (10 min.)

40. *Using your personal values and the chart you are drawing of your future, come up with three financial goals that you would like to accomplish. They can be long term (3-5 years) or more short term (6 months to 1 year). Write them down on the SMART chart worksheet.*

41. *Will one of you give me an example of your goals?* Discuss their examples with the rest of the class.

## **CHECK AND REGISTER** (10 min.)

42. *Each of you has a blank check from me in your packets, you are going to fill it out for an amount between one and one hundred dollars based on how much effort you put in to this class today. I will come around and sign the check then you will fill out my check register to help me keep track of the money I spend.*
43. **Q:** *How do people usually get income?*  
**A:** By working or doing chores, etc.  
**Q:** *What are you trading for the money that you make?*  
**A:** Your time.  
*So your time is valuable. You trade pieces of YOUR LIFE for money.*
44. Use the board or projector (**you may want to make a transparency of the sample check**) to show students how to fill out a check properly. After they have filled out the check, sign each of them and then have them turn to the check register. Take a moment and explain to them the different components of the register and instruct them how to fill it out properly.
45. *For the first four classes we will fill out checks like this and keep track in our register of the amount of money we think we earned.*

## **HOMEWORK ASSIGNMENTS** (2 min.)

46. Tell the students to take out their spending track record worksheet and instruct them to write down everything they spend money on for the next two weeks. Tell them they will be using this information in a future lesson.

### **Note to instructor:**

We have calculated this at 66 minutes of teaching time. This is the minimum; it can take much longer. Feel free to adjust time according to students' needs.

# Respect Each Other

1. One person speaks at a time, all others listen.
2. Only positive encouragement for one another.
3. When presented with a reasonable request by the teacher, do it.
4. When students make reasonable requests I will fulfill them.
5. Most important: If I feel that anyone makes others in the class feel uncomfortable or unsafe they will be asked to leave and not allowed to return.



## Vocabulary for Setting Goals Instructor Copy

Name \_\_\_\_\_

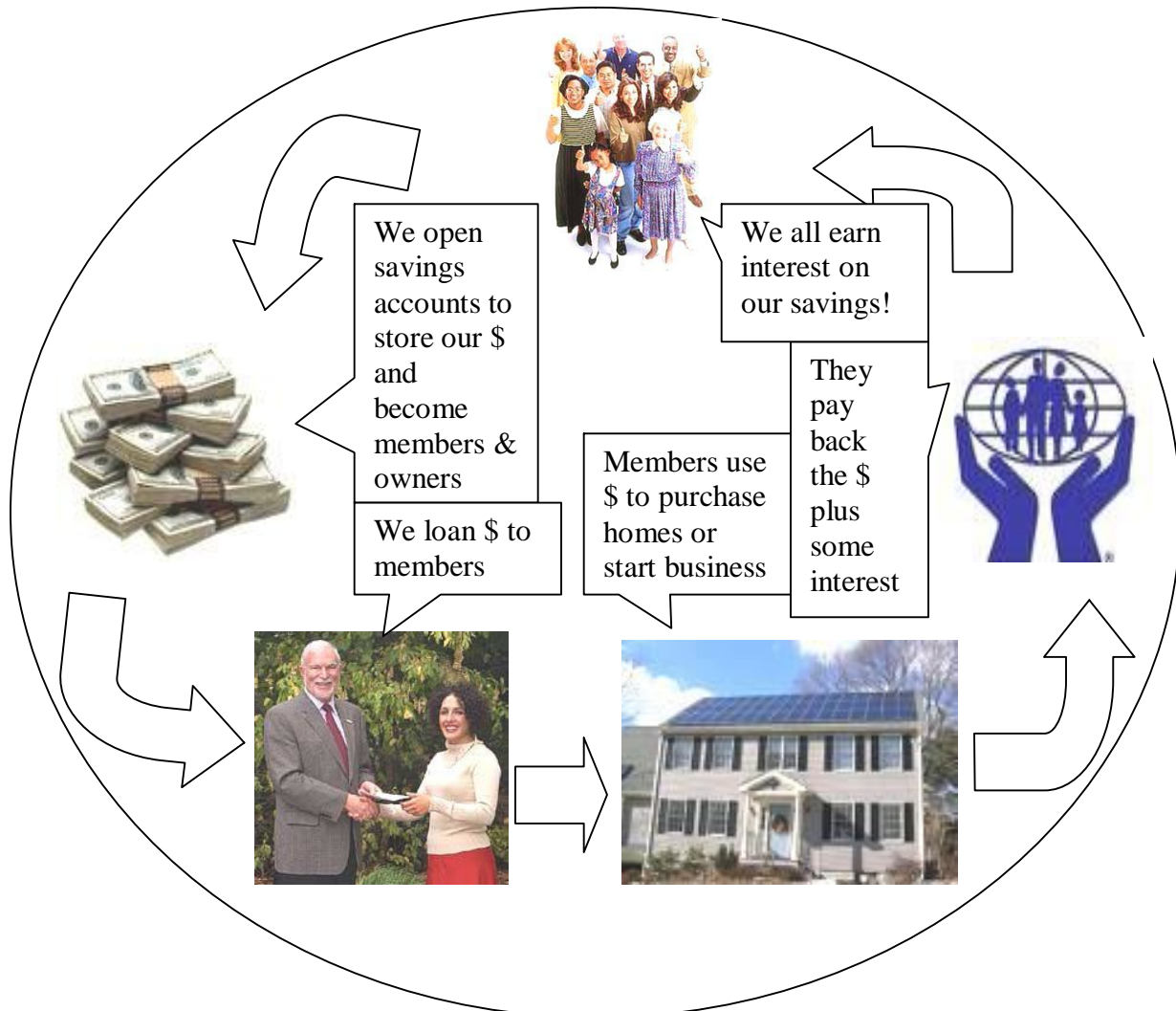
Date \_\_\_\_\_

### Directions

Match the words in the box on top to the definitions below.

1. Finances 2. Expenses 3. Assets 4. Liabilities 5. Credit Union 6. Financial Goals 7. Values 8. Income

\_1\_\_\_ a. The money that you have  
 \_6\_\_\_ b. Something that you are planning to achieve by using your money.  
 \_7\_\_\_ c. Things or ideas that are important to you  
 \_2\_\_\_ d. The money that you spend.  
 \_5\_\_\_ e. Which one of the words is defined by the picture below?  
 \_8\_\_\_ f. The money that you bring in from a job, chores, allowance, your grandma, or any other source.  
 \_3\_\_\_ g. Anything that you own or have that helps you make money.  
 \_4\_\_\_ h. Anything that you owe to somebody else.





# **SETTING FINANCIAL GOALS**



## ***Student Work for Portfolio***

Name \_\_\_\_\_

Date \_\_\_\_\_

This is a list of the work we would like you to complete in this course. It is your responsibility to complete this work. It is not the teacher's responsibility to remind the student to complete the necessary work for the portfolio. If you have any questions please feel free to ask.

Work the student should have completed by the end of the course:

1. Values worksheet
2. IEAL worksheet
3. Smart Chart
4. Spending Record
5. Types of Accounts Worksheet
6. All Vocabulary Worksheets (3)
7. Penny a Day Worksheet
8. Class Spending Plan Sheet
9. Credit Report Questions
10. Three Cs of Credit
11. Deciding What to Buy Worksheet
12. Car Loan Calculations Worksheet
13. Car loan Check & Check Register Worksheet
14. Living on your Own Worksheet
15. Car Insurance Calculations Worksheet
16. Spending Plan (One Time Expenses)
17. Spending Plan (Monthly Expenses)
18. Final Questions Worksheet
19. "I Didn't Buy That" Dispute Letter
20. Comparison Shopping Worksheet
21. All Checks and fully completed Check Register

## Vocabulary for Setting Goals

Name \_\_\_\_\_

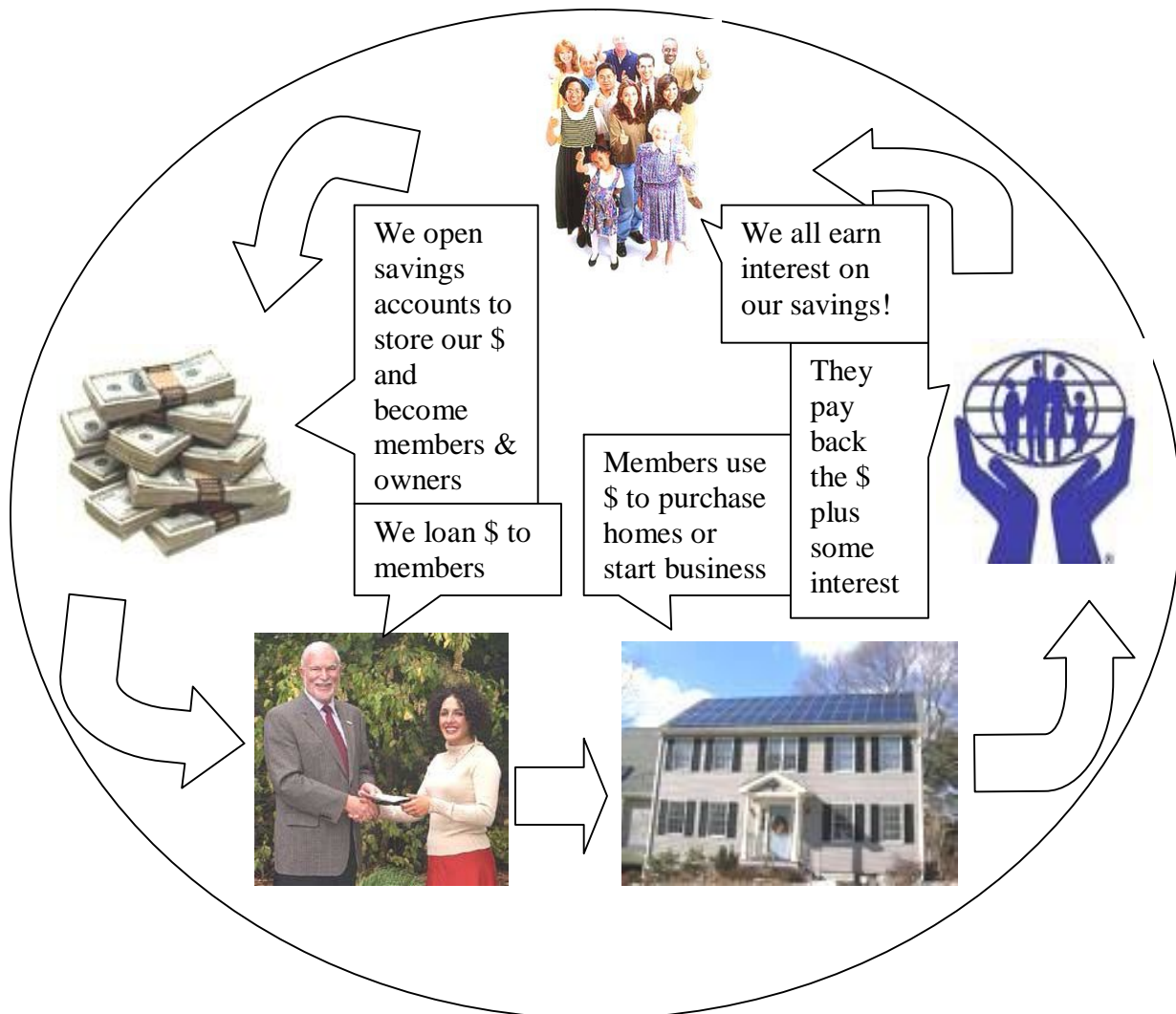
Date \_\_\_\_\_

### Directions

Match the words in the box on top to the definitions below.

1. Finances 2. Expenses 3. Assets 4. Liabilities 5. Credit Union 6. Financial Goals 7. Values 8. Income

- \_\_\_\_\_ a. The money that you have
- \_\_\_\_\_ b. Something that you are planning to achieve by using your money.
- \_\_\_\_\_ c. Things or ideas that are important to you
- \_\_\_\_\_ d. The money that you spend
- \_\_\_\_\_ e. Which one of the words is defined by the picture below?
- \_\_\_\_\_ f. The money that you bring in from a job, chores, allowance, your grandma, or any other source.
- \_\_\_\_\_ g. Anything that you own or have that helps you make money
- \_\_\_\_\_ h. Anything that you owe to somebody else



## *What Do You Value?*

Name \_\_\_\_\_

Date \_\_\_\_\_

### **Directions**

In our lives we have only so much money which does not include the money that we spend on the things we need (food, clothing, shelter, etc.). What we value often determines what we spend our extra money on. Below you will find six values, rank the values in order- from most important to least important to you. A number 1 means that that value is most important, a number 6 means that the value is the least important to you. After you finish we are going to play a game, each of you will be given \$500.00 to bid on the values that are most important to you. You won't be able to buy them all because you have a fixed amount of money.

\_\_ **Personal Independence:** It is important to you to do whatever you want even if it costs you money.

\_\_ **Friends:** It is important to you to be liked by your friends even if it costs you money.

\_\_ **Family Security:** It is important for your family to have enough money even if you don't have enough for yourself.

\_\_ **Personal Security:** It is important for you to have enough money for yourself even if it means you can't share with friends or family

\_\_ **Happiness on the Job:** It is more important to have fun in what you do for a living than to make a lot of money.

\_\_ **Being seen as Rich:** It is important to you to have the finer things in life even though it means that you have to make and spend a lot of money and have less to share.

## ***Draw Your Future Worksheet***

Name \_\_\_\_\_

Date \_\_\_\_\_

### **Directions**

Draw a picture or write in words what you would like your future to look like in the next 10 years. Please answer the following questions in your drawing or writing.

- a. Where do you want to live (location, type of house)?
  - b. Do you want to have children, how many?
  - c. Car or no car? What kind of car?
  - d. What kind of job do you want?
  - e. What kind of education do you need to get that job?
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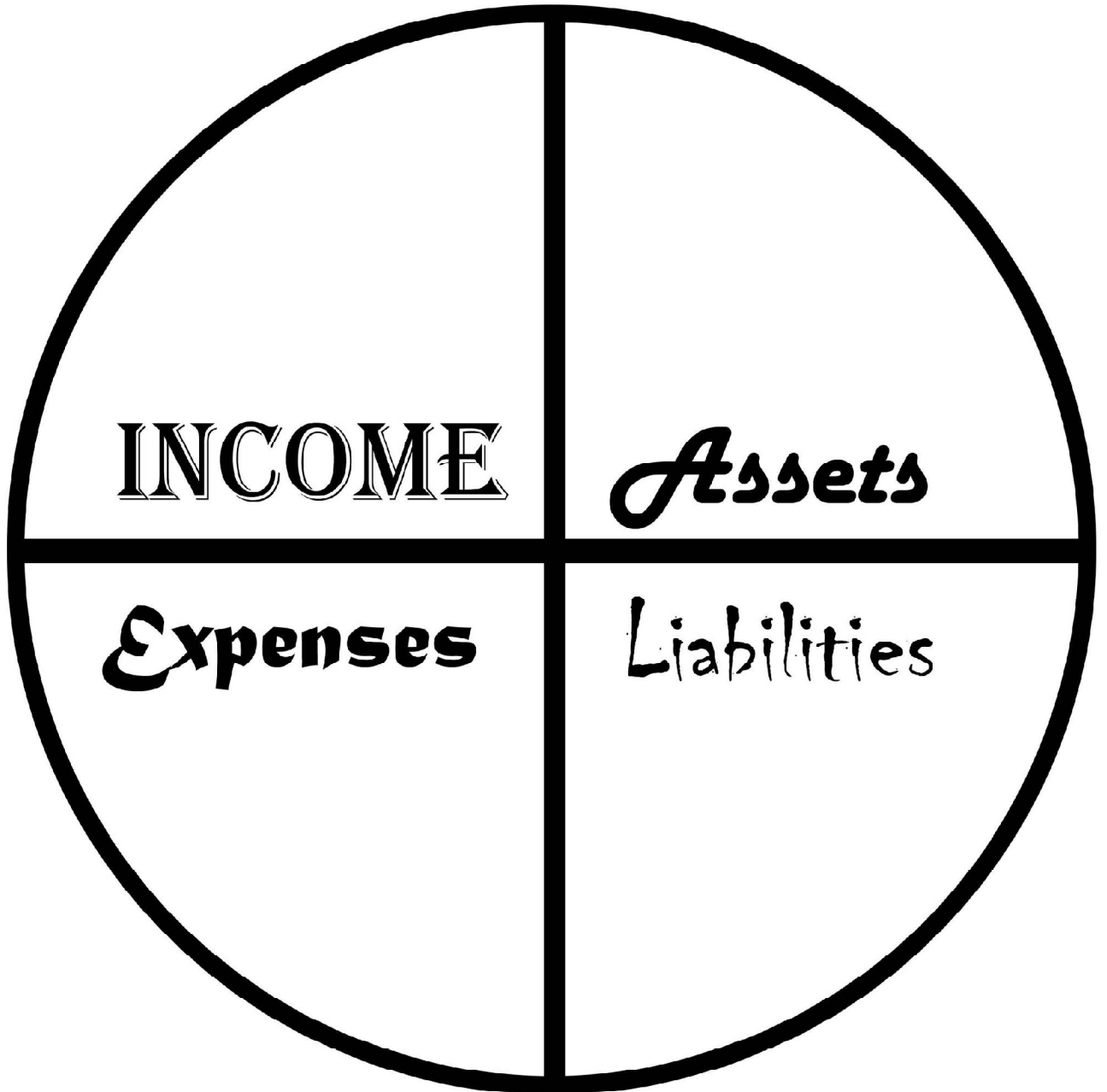
*IEAL Worksheet*

Name \_\_\_\_\_

Date \_\_\_\_\_

**Directions**

Look at the picture of your future and decide which parts of it fit under the different headings below.





# SMART Chart

Name \_\_\_\_\_

Date \_\_\_\_\_

### Directions

Fill out each of the boxes below to create an outline of how to reach your goal.

<b>My long term goal.</b>	<b>S</b>	<b>M</b>	<b>A</b>	<b>R</b>	<b>T</b>
	Specific statement or description of goal.	Measurement, how many, how much, how long I will do this.	Attainable, these are the steps I need to take to get there.	Relevant. Why is this important to me?	Time, When do I think I can accomplish this by?
			1. 2. 3. 4.		
<b>My medium term goal.</b>	<b>S</b>	<b>M</b>	<b>A</b>	<b>R</b>	<b>T</b>
	Specific statement or description of goal.	Measurement, how many, how much, how long I will do this.	Attainable, these are the steps I need to take to get there.	Relevant. Why is this important to me?	Time, When do I think I can accomplish this by?
			1. 2. 3. 4.		
<b>My short term goal.</b>	<b>S</b>	<b>M</b>	<b>A</b>	<b>R</b>	<b>T</b>
	Specific statement or description of goal.	Measurement, how many, how much, how long I will do this.	Attainable, these are the steps I need to take to get there.	Relevant. Why is this important to me?	Time, When do I think I can accomplish this by?
			1. 2. 3.		

***Pay Yourself What You Earned***

Name \_\_\_\_\_

Date \_\_\_\_\_

**Directions**

We want you to think about the work that you put into this class today. Did you listen and participate? Do you take part in the activities we worked on? How much do you think I should pay you for what you did today? Write out the check below for an amount between one and one hundred dollars depending on how much effort you think you put in today.

Thomas Dellwo 6000 Euclid Avenue Syracuse, NY 13210	<b>101</b>
	Date _____
PAY TO THE ORDER OF _____	\$ <input type="text"/>
_____ DOLLARS	
Syracuse <b>Cooperative Federal</b> Credit Union	<b>Eastside Office</b> 723 Westcott Street Syracuse, NY 13210 <b>Southside Office</b> 401 South Avenue Syracuse, NY 13204
For _____	Signature _____
█ 057383645 █ 65 7495 █ █ █ 4207	



Week One

Clothing			Transportation			Personal Care			Food			Music/Electronics					
Date	\$	Type	Date	\$	Type	Date	\$	Type	Date	\$	Type	Date	\$	Type	Date	\$	Type

Week Two

Clothing			Transportation			Personal Care			Food			Music/Electronics					
Date	\$	Type	Date	\$	Type	Date	\$	Type	Date	\$	Type	Date	\$	Type	Date	\$	Type

