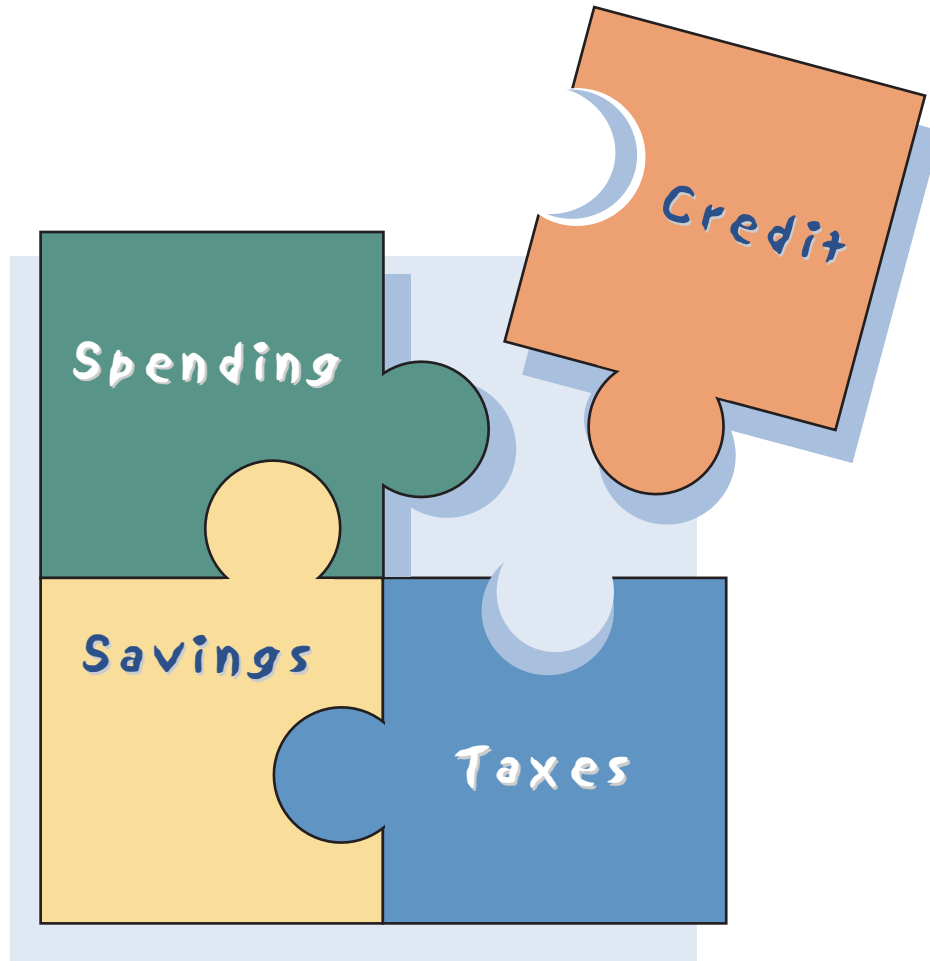


Money Mastery®



Financial mastery is like a puzzle...

... it only makes sense when you know what *all* the pieces are, and how to fit them together in the *right order* using foundational principles.

Money Mastery[®] Program

for the

Utah State General Financial Literacy Curriculum

Money Mastery[®] is intended to provide authoritative and accurate information relating to all areas of personal financial management, which include spending, credit, savings, and taxation. It is presented herein with the understanding that the author and publisher are not engaged in rendering legal, accounting, investment, tax, or other professional services. Time & Money, LLC is not licensed in Securities trading and will not give stock market buy-sell or investment advice, and no one is authorized to do so in our behalf.

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Spending

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Good financial management is like a puzzle
Teaching financial literacy step-by-step using simple principles

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Putting all the pieces of the financial puzzle together

Being a financial coach to help others put it all together

Final exam



How to Use Money Mastery Materials to Teach GFL

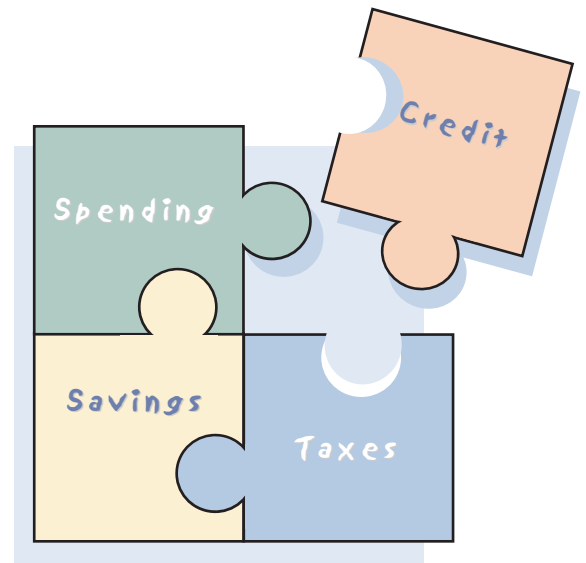
The Money Mastery materials for teaching the Utah State General Financial Literacy course are organized based on the following criteria:

- All lesson plans, activities, and ancillary materials are organized around each of the four financial “puzzle pieces” — spending, credit, taxation, and savings — required to teach complete financial mastery in every area of personal finance.
- The materials are divided into 10 sections, one for each Money Mastery Principle (each principle corresponding to appropriate financial puzzle pieces). These principles help teach the pieces, their correlation with each other, and a step-by-step approach for fitting them together.
- All lesson plans, activities, and ancillary materials are designed to meet each of the State’s standards and objectives for the GFL course as the standard and/or objective correlates to the financial principle being taught. The materials are designed to progress in a systematic order through each section from the Overview to Principle 1 through Principle 10. A summary section includes materials for summarizing the course and a final exam.
- Required ancillary materials including software, workbooks, textbooks, and other tools are included with the materials and either referenced or included with the appropriate lesson plan.
- It is suggested that teachers read and become familiar with the accompanying book for this course: *MONEY: What Financial “Experts” Will Never Tell You* and the Money Mastery Master Plan software, both of which will be suggested for homework assignments and for help in completing various work throughout the course.
- Lesson plans include suggested teacher presentations and a variety of student activities and assignments. The plans are designed to be flexible so teachers can pick and choose those activities and assignments that best meet the needs of their class.

Questions/Help:

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Financial mastery is a like a puzzle — it's only possible when you have *all* the pieces in hand, and know how to fit them together in the right order.



Teaching financial literacy requires a systematic approach — it's not just about teaching important financial concepts, it's about teaching them step-by-step in a systematic order. Without a system, it doesn't matter much what's taught — information cannot be assimilated nor have enough meaning to a child to make actual practical application a reality.

Teaching financial mastery is like showing a child how to put a puzzle together. It requires three things:

- Having ALL the pieces of the puzzle in hand
- Knowing how to put the pieces together in order
- Showing how the pieces are inter-related and must work together in harmony

There are just four pieces of the financial puzzle. Everything a person needs to know to be successful financially are included in these four areas:

1. Spending
2. Credit
3. Savings
4. Taxation (this area is often forgotten by financial experts or misunderstood)

The pieces are inter-related and must fit together harmoniously. Although most adults know the basic pieces of the puzzle, they don't usually have ALL the pieces in hand nor realize how closely they are inter-related and must be applied step-by-step in a systematic order. Teaching a child this order will make a huge difference in his or her life.

Another way to look at financial literacy is like learning to bake a cake. You must:

- Have the proper ingredients if you expect the cake to taste good.
- Have the correct amount of those ingredients — too much or too little will ruin the cake.
- Know how to add the ingredients in the right order — if you add the egg after the cake is baked, for instance, you can't expect a very good-tasting cake.

Time-proven foundational principles are the best way to put the puzzle together. Children learn best how to put the puzzle together (or bake the cake) successfully when they are taught to rely on ageless foundational principles instead of on popularly accepted financial trends, products, or people.



Teaching foundational principles will make putting the puzzle together much easier.

Principle 1: Money is Emotional

This means that money is more about emotions than it is about math. If money were simply a mathematical problem, making more money would solve financial problems. It's not about how much money a child will make, but how well they will manage that money that counts.

Principle 2: Plan and Track Spending to Control It

Consumerism, a sense of entitlement, intense media hype, and peer pressure give children the false impression that they can have everything they want. This principle teaches a child how to discover what they truly value, how to make choices, and then spend according to a plan.

Principle 3: Savings is Actually “Delayed” Spending

There is actually no such thing as “savings” because every dollar is to be spent — what matters most is how it is spent. This principle teaches a child how to “spend” money each month for the future by paying himself or herself first.

Principle 4: Understand Credit to Build Up Wealth

Most people don't know the difference between “good” debt and “bad” debt and the real cost of compounding interest. By applying this principle, a child can avoid paying others interest and learn how to pay it to himself or herself instead.

Principle 5: Know the Rules

Children today live in a highly sophisticated world — yet they are being taught to handle financial matters using dated techniques. Knowing the rules of the complex financial games they will be expected to play with their spending, borrowing, savings, and taxation is vital.

Principle 6: The Rules are Always Changing

Recently the IRS implemented 1,200 changes in one year to the U.S. tax law, illustrating that the rules are constantly changing. Children must be taught to cope with changes to the financial games they will play as adults so they can protect themselves from financial risk.

Principle 7: Always Look at the Big Picture

In the absence of long-term goals, people make financial decisions they cannot afford. With specific goals clearly in mind, a child can make spending decisions today that will ensure financial freedom later.

Principle 8: Organize Finances to Protect Against Loss, Theft and Taxes

Organizing finances means ordering them in a way that will best protect against financial loss, over-taxation, and poor decision-making on the part of loved ones after death.

Principle 9: Understand Taxation to Keep More Money

The easiest way for a child to earn more money is to keep more of what they already make. The spreading of countless myths and bad information about actual tax law forces many people to pay more taxes than even Uncle Sam expects!

Principle 10: Money in Motion Creates More Money

This principle is a combination of applying each of the other nine and emphasizes the importance of putting money to work to create a cash surplus that will make even more money.



Taxes



Spending

Credit

Overview:

How Money Really Works

Savings

Taxes

(Overview)

Lesson 1: Managing Money is Like a Puzzle...

USOE's GFL Tie:

- Standard 1
- Objective 1, 2, 3

Financial Puzzle Tie:

Spending
Savings
Credit
Taxes

Teaching Time:

1 class period
(60-90 minutes)

Materials:

- "Puzzle" PPT
- "Puzzle" listening assessment & key
- "Kelsey's Assessment" worksheet & key
- "Your Financial Assessment"
- "Parents' Financial Assessment"
- LearnKey (Web or CD) Multimedia Training Session 1: Controlling Spending (Section: "Breaking Financial Barriers"/ Topic: "How Money Is Processed")

Teacher's Overview:

The teacher should be familiar with the ideas presented in the Introduction section of the Money Mastery GFL binder on the "Financial Puzzle" and its four pieces.

Learning Objective:

Students will be presented with an overview of how money really works and should be managed using a systematic, step-by-step approach. Students will further understand the four areas of financial mastery and how these are inter-related and must work together in harmony.

Lesson Plan:

Show Puzzle Powerpoint presentation.

Students will use the Puzzle listening assessment to identify what they've learned after the presentation.

Introduction:

Managing personal finances is like putting all the pieces of a puzzle together.

The Spending Piece:

Present overview of spending and the emotions surrounding it.

The Savings Piece:

Present overview of savings and how it relates to spending piece.

The Debt Piece:

Present overview of debt and how it relates to spending and savings pieces.

The Taxation Piece:

Present overview of taxation and how it relates to spending, savings, and debt pieces.

How Well Are All the Pieces Coming Together?

Present Chloe and Mike's situations and how they rate financially.

Student Activity #1: Distribute a copy of "Kelsey's Assessment" to each student; they will rate Kelsey on how well she is putting all the pieces together.

Student Activity #2: Distribute a copy of "Your Financial Assessment" and "Parents' Financial Assessment" to each student; they will complete the assessment and have their parents complete the parent copy; these assessments will not be turned in; to get credit, parents will sign a completion form for their student.

Additional teaching resource: Show the LearnKey (Web or CD) multimedia training course, Session 1: Controlling Spending (Section: "Breaking Financial Barriers"/Topic: "How Money is Processed").

(Overview)

Lesson 2: Financial Principles that Govern Money

aUSOE's GFL Tie:

- Standard 1
- Objective 1, 2, 3

Financial Puzzle Tie:

Spending
Savings
Credit
Taxes

Teaching Time:

1 class period
(60 - 90 minutes)

Materials:

- "10 Principles" PPT
- "Principles Definition" handout & key
- Magazines, newspapers, and other graphic materials for group collage preparation
- Glue, scissors, poster board
- LearnKey (Web or CD) Multimedia Training Session 1: Controlling Spending (Section: "Breaking Financial Barriers" Topic: "How Money Is Processed")

Teacher's Overview:

The teacher should be familiar with the ideas presented in the Introduction section of the Money Mastery GFL binder on the "Financial Puzzle" and its four pieces and be comfortable with the 10 foundational financial principles required to help children understand how to put all the pieces of their financial puzzle together to create a "big picture" plan for life.

Learning Objective:

Students will understand that the best way to learn how to put the "financial puzzle" together is by learning and applying foundational principles. Rather than relying on popularly accepted financial trends, products, or people, they will learn how financial principles can be applied to any situation to achieve the same successful results, every time.

Lesson Plan:

Show the "10 Principles" Powerpoint presentation

Students will use the "Principles Definition" handout to record the definition of each principle and notes about that principle from what they learn in the presentation.

Group Collage Activity:

To help students memorize and become very familiar with each of the 10 financial principles, split the class into groups of four to six students; have each group prepare a collage of graphic images and words to represent the ideas behind each principle's definition. Students will present their collages to class members.

Additional teaching resource: Show the LearnKey (Web or CD) multimedia training course, Session 1: Controlling Spending (Section: "Breaking Financial Barriers"/Topic: "How Money is Processed").

(Overview)

Lesson 3: *Personal Values, the Time/Value of Money & How These Affect the Financial Puzzle*

USOE's GFL Tie:

- Standard 1
- Objective 1

Financial Puzzle Tie:

Spending
Savings
Credit
Taxes

Teaching Time:

1-2 class periods
(60 - 90 minutes)

Materials:

- "My Personal Values" assessment
- Copy of "My Personal Values" assessment for parents
- Parent signoff form for completing "My Personal Values" assessment
- "Time/Value of Money" graph
- LearnKey (Web or CD) Multimedia Training Session 3: Making the Most of Your Money (Section: "The Big Picture"/Topic: "The Time/Value of Money") and Session 5: Maximizing Retirement (Section: "Forecasting Your Future"/Topic: "Setting Goals" and "Time and Money")

Teacher's Overview:

With a big picture view of how finances should come together and the principles that will help do this, students should be ready to identify their personal and family values and whether those values will help or hinder them in putting the financial puzzle together. The teacher should help students see the costs associated with their personal values and how those values will affect financial outcomes. This lesson will also include a brief general explanation of the Time/Value of Money in preparation to design an overall financial plan that will address each area of the financial puzzle pieces (spending, credit, savings, and taxes) throughout upcoming units. A more detailed discussion on the Time/Value of Money will be addressed later in the course.

Learning Objective:

Students will determine what they personally value and what their parents value and how those values affect financial choices in each of the four areas of the financial puzzle (spending, credit, savings, taxes). Students will see how the financial choices they make today will affect their money later on.

Lesson Plan:

What Do I Value?

Students will use the "My Personal Values" assessment to determine in class what they value most highly (this assessment will not be turned in).

A second copy for parents will be provided that the students will have parents complete (but not return); parents will sign off after they and their child have completed their assessment so the student can get credit for completing the assignment.

The Time/Value of Money

Teacher presentation:

1. Show "Example A/Example B Time/Value" graphic to introduce concept.
2. Define the Time/Value of Money:
 - A dollar's present value can grow over time if given the opportunity.
 - A big picture view of what we personally value and of our overall financial puzzle will help keep us from being trapped in the moment so that we can let our money grow in value over time.
 - People who can't control their spending can't see how a dollar today could be worth more tomorrow because they are stuck in the moment.
 - People in debt strip their money of any value over time because they must pay others compound interest.
 - People who live for the moment find it hard to understand the exponential value that money can have if given a little time to grow.

Additional teaching resource: Show the LearnKey (Web or CD) multimedia training course, 3: Making the Most of Your Money (Section: "The Big Picture"/Topic: "The Time/Value of Money") and Session 5: Maximizing Retirement (Section "Forecasting Your Future"/Topic: "Setting Goals" and "Time and Money")

(Overview)

Lesson 4: Financial Planning & Goal Setting

USOE's GFL Tie:

- Standard 1
- Objective 1

Financial Puzzle Tie:

Spending
Savings
Credit
Taxes

Teaching Time:

1-2 class periods
(60-90 minutes each)

Materials:

- "Financial Plan" PPT
- "Financial Plan" listening assessment & key
- "My Personal Values" handout
- "Needs/Wants" worksheet
- "Setting Goals" PPT
- "My SMART Goals" worksheet
- LearnKey (Web or CD) Multimedia Training Session 5: Maximizing Retirement (Section: "Forecasting Your Future"/Topic: "Setting Goals")

Teacher's Overview:

With an understanding of the financial puzzle, the financial principles that help put the puzzle together, an awareness of their own personal values and how those values can affect how well the puzzle goes together and what happens to their money over time, students are now ready to learn the importance of a financial plan and setting goals. This lesson will cover the importance of designing and following a personal financial plan and how to set goals to prepare to achieve this plan (which they will begin putting in place beginning with Unit 2 and the creation of a Spending Plan. *Tying these and prior concepts already discussed together will be important in the successful application of future concepts.*

Learning Objective:

Students will learn the importance of designing and following a financial plan, and the components of a good financial plan, which includes short-term and long-term goal-setting, and plans for spending, credit, savings, and taxes (each of the four pieces of the financial puzzle).

Lesson Plan:

The Importance of a Financial Plan

Show "Financial Plan" Powerpoint presentation.

Students will complete the "Financial Plan" listening assessment after presentation.

Goal Setting: Short-term and Long-term

Knowing how to set goals for how you want to use your money and to achieve those things you value most is an important part of financial planning (or putting the puzzle together).

1. Decide what you want to be and do and have (refer back to "My Personal Values" assessment).

Students will spend time reviewing their list in class.

2. Most people do not have enough money to be and do and have everything they want. We have to make choices and tradeoffs. Knowing what we really value and having a good financial plan will help us make those choices and then set goals to achieve them.

Students will use the "Needs and Wants" worksheet to define needs vs. wants.

3. Setting goals: Show "Setting Goals" PowerPoint presentation.

Students will use the "My SMART Goals" worksheet to set 2-3 SMART goals for themselves (at least one short-term and two or three long-term goals).

Additional teaching resource: Show the LearnKey (Web or CD) multimedia training course, Session 5: Maximizing Retirement (Section: "Forecasting Your Future"/Topic: "Setting Goals").

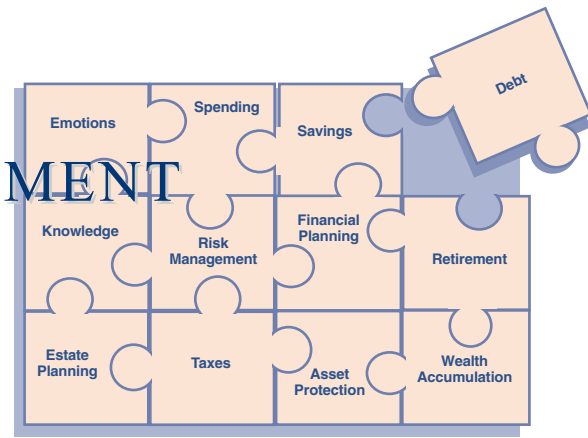
Overview: **Teacher Reference Materials**

Teacher Reference: Read the Introduction of *MONEY: What Financial “Experts” Will Never Tell You*.

Review LearnKey Sessions 1, 3, and 5 (interactive CDs or Web-based program); present the suggested sections and topics from these sessions as outlined in the lessons plans.

Student Reference: Teachers may want to assign certain sections of the Introduction of *MONEY: What Financial “Experts” Will Never Tell You* to read as appropriate for the comprehension level of the students.

YOUR FINANCIAL ASSESSMENT



How well are all the pieces of your financial puzzle coming together? Rate yourself from 0 to 10 on the following questions to see what pieces of the puzzle you're missing and what areas need improvement.

Have your parents complete the Parent Assessment and keep for their own reference.

1. How often do you talk to your parents about money or financial matters?

Never: 10 pts Monthly: 4 pts
Seldom: 8 pts Often: 0 pts

2. How often do you worry about having adequate money for the things you need and want to buy?

Never: 10 pts Monthly: 4 pts
Seldom: 8 pts Often: 0 pts

3. Do you have a plan for how you want to spend money and do you keep track of every dollar you spend by writing it down?

10 pts: I have a plan and track everything I spend every day.
6 pts: I keep track of the big things.
2 pts: I calculate what's left in my bank account occasionally.
0 pts: I spend without thinking about where the money goes.

4. How much of your paycheck are you saving monthly?

Save 10%: 10 pts Save 1%: 4 pts
Save 6%: 8 pts I have little or no savings: 2 pts
Save 3%: 6 pts Spend more than I make: 0 pts

5. How well are you preparing for the future?

10 pts: I am saving for college, trade school, and/or volunteer service and I have a bit of money put aside for emergencies.
8 pts: I am matching contributions my parents make to my college/vocational training fund every month.
4 pts: I have been talking about college and/or vocational school with my parents.
2 pts: I have a savings account somewhere.
0 pts: I'm not sure about my future.

6. How much debt do you have?

I have no debt: 10 pts
1 debt: 8 pts
2 or more debts: 6 pts
I have credit card debt: 2 pts

7. Do you take an interest in learning about personal financial matters? Give yourself one point (up to 10) for every article or book about finances you have read in the past year.

8. Do you know the rules of the financial games you will be playing as an adult such as how credit cards and student financial loans work, investment savings accounts, and the risks associated with these things?

10 pts: My parents have explained how credit cards work, how debt interest is calculated and how I can make money on my savings accounts.
5 pts: I am somewhat familiar with how credit cards work and how to make money on my savings accounts.
0 pts: I don't know anything about these things.

9. Do you understand how taxes can affect your finances?

10 pts: I know how much payroll tax withholdings are being deducted from my paycheck every month and what they are used for.
5 pts: I have looked at my pay stub and have an idea of how much taxes are being deducted.
0 pts: I don't worry about taxes; they don't affect me all that much.

10. Do you have any plans for the future that will help you get your money to do more for you such as starting your own business, investing in real estate, etc.

10 pts: I already have a small business.
5 pts: I am planning on starting a business and/or renting property and equipment to others to make income.
0 pts: I don't think about it — I'm too young to care.

YOUR SCORE

0-20 pts: **FATAL** – Most pieces are missing; it's time to get educated!
21-40 pts: **FLAWED** – A few pieces are in place; you could use some work.
41-60 pts: **FAIR** – Your puzzle is partially put together; work on improving.
61-80 pts: **FINE** – Most pieces are in place. Keep going!
81-100 pts: **FANTASTIC** – You're almost there; keep up the good work!

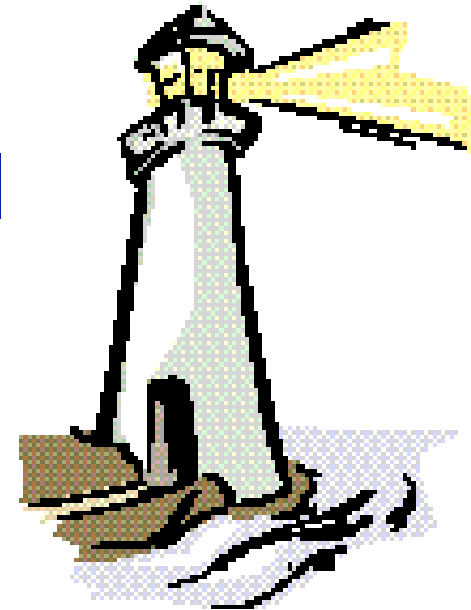
SCORE _____

The 10 Financial Principles

There are 10 financial principles that will make putting the 4 puzzle pieces together in the right order much easier.

Learning these principles will form a solid foundation that will help you for the rest of your life!

Why principles instead of relying on popular financial trends and products?



- Principles are like lighthouses — they are constant.
- Principles can be applied to any situation to achieve the same successful results, no matter how circumstances may vary.
- Principles are natural laws that cannot be broken so they can always be relied upon safely.
- Principles don't require purchasing other products or services so you can apply them yourself.

Principle 1: Money is Emotional

- Money is not a math problem, it's about emotional decisions — *what* you decide to do and *how* you make those decisions.
- It's not about how much money you make, but how you use your money that counts.

Principle 2: Plan & Track Spending to Control It

There isn't an endless supply of money, so we must decide how we want to spend.

Making a plan, tracking our spending to that plan, and seeing what's left over is the way to have what we want and still stay in control.

Principle 3: Savings is Actually “Delayed Spending”

- There’s actually no such thing as “savings” because every dollar is to be spent — what matters is how we spend it.
- Learn to “spend” money each month for the future by paying yourself first!

Principle 4: Understand Credit to Make and Keep Wealth

When we borrow money, we pay compound interest, *which is interest on top of interest!*

Understanding credit and how to stay out of debt will help you avoid paying others interest and have it paid to YOU instead!

Principle 5: Know the Rules

- You must know the rules of the complex financial games you will play as an adult.
- Knowing the rules about spending, credit, savings, and taxes will help you make more money and protect what you already have!

Principle 6: The Rules Are Always Changing

- Changes to the rules that affect our money are always occurring (i.e. interest rates, etc.)
- Coping with these changes and expecting them will help you protect your money.

Principle 7: Always Look at the Big Picture

- If you don't set long-term goals, you will make financial decisions that will cost you later.
- An overall view of your “financial puzzle” and how it's supposed to look will help you make spending decisions today that will bring you happiness later.

Principle 8: Organize Finances to Protect Against Loss, Theft & Taxes

- Organizing finances will protect money from being misused by others.
- Organization helps reduce taxes we will have to pay on our money in the future.
- After we die, if we organize well our money will be used wisely by our loved ones.

Principle 9: Understand Taxation to Keep More of Your Money

- The easiest way to earn more money is to keep more of what you already make!
- Most people pay more taxes than even Uncle Sam requires because they don't know the actual tax laws.

Principle 10: Money in Motion Creates More Money

- By applying the other 9 principles, you can put your money to work for you to make more money!
- Having money that works for you creates a cash surplus that makes even more money — this is how the rich get richer.
- You can get your dollar to do more than one thing at the same time.

Why do the principles need to be applied step-by-step from Principle 1 to Principle 10?

- They build upon each other and make applying the next principle easier than if you just tried to apply them randomly.
- The principles applied in a systematic order make putting each puzzle piece in place much easier.

The 10 Financial Principles

Principle	Definition/Notes
Principle 1:	
Principle 2:	
Principle 3:	
Principle 4:	
Principle 5:	
Principle 6	
Principle 7:	
Principle 8:	
Principle 9:	
Principle 10:	

Bonus Question: Why do the principles need to be applied step-by-step from Principle 1 through Principle 10? _____

Name: _____ Date: _____ Period: _____

The 10 Financial Principles

Principle	Definition/Notes
Principle 1:	Spending is emotional.
Principle 2:	Plan and track spending to control it.
Principle 3:	Savings is actually “delayed” spending.
Principle 4:	Understand credit to keep and make more wealth.
Principle 5:	Know the rules.
Principle 6:	The rules are always changing.
Principle 7:	Always look at the big picture.
Principle 8:	Organize finances to protect money from loss, theft, and taxes.
Principle 9:	Understand taxation in order to keep more money.
Principle 10:	Put money in motion to create more money.

Bonus Question: Why do the principles need to be applied step-by-step from Principle 1 through Principle 10? They build upon each other and make applying the next principle easier than if you just tried to apply them randomly; the principles applied in a systematic order make putting each puzzle piece in place much easier.

Kelsey's Financial Assessment

How well is she putting it all together?

Using the following facts about Kelsey's financial situation, grade her ability to apply each of the four puzzle pieces to her life (at the same time) and then give her an overall grade.

- Kelsey is 24 and makes \$65,000 a year as an event planner.
- She doesn't keep track of her spending so she doesn't realize that she spends \$100 more than she makes every month on clothes.
- Kelsey recently got a new credit card, which is why she can spend more than she makes; it shows up as debt on the card that now totals \$4,395. But she's not too worried about that because she can cover the \$95 minimum monthly payment. If she continues just paying the minimum amount, she will be in debt on the card for another five years and will pay a total of \$13,185.
- She is having \$350 taken automatically from her paycheck every month and deposited into a retirement account, which in five years will be worth \$22,260.
- She doesn't want to owe taxes in April so she has as much income tax withheld from her paycheck every month as possible. Kelsey doesn't mind not having this money to use during the year to put in a small savings account to earn interest, she's just looking forward to getting a big tax return at the end of the year so she can go on a nice cruise with her friends.

Puzzle Piece	Kelsey's Grade/Reasons for Giving this Grade
Spending	
Credit	
Savings	
Taxes	
Overall Grade	

Name: _____ Date: _____ Period: _____

Kelsey's Financial Assessment

(answer key)

Using the following facts about Kelsey's financial situation, grade her ability to apply each of the four puzzle pieces to her life (at the same time) and then give her an overall grade.

- Kelsey is 24 and makes \$65,000 a year as an event planner.
- She doesn't keep track of her spending so she doesn't realize that she spends \$100 more than she makes every month on clothes.
- Kelsey recently got a new credit card, which is why she can spend more than she makes; it shows up as debt on the card that now totals \$4,395. But she's not too worried about that because she can cover the \$95 minimum monthly payment. If she continues just paying the minimum amount, she will be in debt on the card for another five years and will pay a total of \$13,185.
- She is having \$350 taken automatically from her paycheck every month and deposited into a retirement account, which in five years will be worth \$22,260.
- She doesn't want to owe taxes in April so she has as much income tax withheld from her paycheck every month as possible. Kelsey doesn't mind not having this money to use during the year to put in a small savings account to earn interest, she's just looking forward to getting a big tax return at the end of the year so she can go on a nice cruise with her friends.

Puzzle Piece	Kelsey's Grade/Reasons for Giving this Grade
Spending	D to F; doesn't keep track of spending so she's going way over and getting herself into debt.
Credit	D to F; the extra spending is going on the new card, putting her deeper and deeper into trouble; she's only paying the minimum monthly payment, so this will keep her in debt for a long time and cost her three times the amount she borrowed; she is getting behind financially when she should be making money.
Savings	B; at least she is trying to save something, but at the rate she's going with her debt, the amount she saves and the interest it earns will not keep up with the compound debt interest she is paying.
Taxes	D to F; she is letting Uncle Sam use her money throughout the year rather than having access to it to pay down her debt or to earn interest for her; she is looking at her tax return as a big "gift" from the government at the end of the year which is an inefficient way to pay taxes.
Overall Grade	D; Kelsey is doing okay with savings, but all her other financial habits are not working well for her; overall she is failing at putting all the pieces of the financial puzzle together.

My Needs & Wants: Can I Tell the Difference?

Need	Item/Activity	Want

Compare your answers with your classmates:

1. Is there a difference between your needs and theirs? _____

2. Is there a difference between your wants and theirs? _____

People have different needs and wants (and that's okay), depending on their personal values (which we have already defined). Your values are simply the things that you consider to be most important. Lots of things may influence our values including our parents, family, friends, religion, and work.

Knowing what you personally value will be very helpful in setting goals, creating a financial plan, and using that plan to help you make sense of all the pieces of the financial puzzle including how you spend, borrow, save, and pay taxes.

Name: _____ Date: _____ Period: _____

My Personal Values

Using a scale of 1 to 10 (1 being least important and 10 being most important) rank the following items; have your parents rank their values using the second attached copy.

(Note: Do not hand in this assessment; have parents sign off on accompanying signature sheet that both of you have completed the assessment to get credit, then keep them for your own reference and for future class assignments.)

Item	Rank	Item	Rank	Item	Rank
Clothes		Having or making lots of money		Having children	
Home ownership		Having lots of time to do as you like		Owning a business (be your own boss)	
Job you enjoy		Nice cars		Having others work for you	
Giving charitable service		Recreational vehicles		Acquiring knowledge	
Music (CDs)		Travel		Family	
Owning land (real estate)		Money to give gifts to others		Good work ethic	
High-paying job		Time to do hobbies		Religion	
College education		Books and learning		Financial security	
Time to spend with others		Doing sports or physical activity you enjoy		Retiring before age 60	
Volunteer work		Creative activities (art, music, dance)		Participating in organizations helping people in need	
Health		Physical fitness		Being admired by others	
Owning the latest gadgets		Being accepted by others		Freedom	

EVALUATION:

Of those items that scored 8 and over, how many fall under the tangible object category (cars, gadgets, home ownership, etc.) _____? How many could be classified as intangible items that provide personal growth or help to others (such as having children, providing service, acquiring knowledge, freedom, time, etc.) _____?

Of course both intangible and tangible items cost money, and will usually require some investment of time to acquire (especially such things as a college education). Neither way is better or worse than the other, but knowing what you value will help you see how those values will affect your financial decisions going forward

How Will Daniel's Values Affect His Financial Decision-making?

- Doesn't care that much for clothes
- Really wants to make a lot of money
- Wants to own the latest gadgets, drive really nice cars, and look good to his friends
- Wants nice recreational vehicles like boats and campers
- He values hard work and financial security
- Wants to own a home some day
- Not that interested in reading because he enjoys doing things more than reading about things
- Not that interested right now in charitable work (doesn't feel he has the time).
- Isn't sure about going to college

Daniel is more of a tangible object person, who likes to acquire nice things; he's worried about his image and wants people to know he has money and can take good care of himself and his family. He's not that interested in extending himself to others at this stage because he's busy trying to make a good living.

How will Daniel's values affect his decisions about the way he spends, borrows, saves, and pays taxes?

Your Assessment of Daniel:
Spending:
Credit:
Savings:
Taxes:

How will your values and your parent's values affect your decisions about the way you spend, borrow, save, and pay taxes?

Your Assessment of Yourself and/or Parents:
Spending:
Credit:
Savings:
Taxes:

My Personal Values (Parent/Guardian Copy)

Using a scale of 1 to 10 (1 being least important and 10 being most important) rank the following items; have your parents rank their values using the second attached copy.

(Note: Do not hand in this assessment; have parents sign off on accompanying signature sheet that both of you have completed the assessment to get credit, then keep them for your own reference and for future class assignments.)

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