






Bank Your Future
Volunteer Instructor Notes

KEY

*****	Slide Separators To help you know which bullet points are for which slides
	Facilitation Tips Use these tips to help guide the lessons and deliver the activities
	Workbook Activities & Resources All activities and resources are located in the student workbooks
	Important Notes Review these before presenting in a classroom

Technology: Educators should have the Prezi loaded and projected on a screen when you arrive at the classroom. If they don't, you can access the links in your Confirmation Email or through the Resource Library on our Classroom Materials page.



Videos: Test the videos and the speakers before you begin your presentation. If they don't load quickly or if the speakers don't work, *skip the videos*. If you feel like you may not have enough time to cover the whole lesson, skip the videos. If you feel like they aren't a good fit for the students or your presentation style, skip the videos! All content in the videos is covered in the slides.



Name Tents and Evaluation: If you do not have these items in your packet, then you do not need them. Sometimes we choose not to include them due to a variety of factors. If name tents are in your packet, consider handing them out to the students as they walk in the room. This may save you a little time. Evaluations are included in the student workbooks.



Cell phones in the Classroom: Cell phones in the classroom can be a distraction, but they are common. Each school and organization has a different policy and we must respect their rules. Unfortunately, we cannot require students to put away their phones if that isn't the organizational policy. Discuss this with the educator before presenting and request that they manage students' usage according to their policy.



Use the guidelines below to help you time out your presentation.
 These times are also listed with each section on the following pages.

Bank Your Future - FULL LESSON	Minutes	Page
PART 1		
Introduce yourself, Lesson opening and objectives, Set ground rules	6	3-6
Budget: Definition and components	4	7-8
Income: Pay stub, payment methods <i>*important activity</i>	6	9-10
Expenses and Expense tracking	5	11-12
Budgeting Apps	3	13-14
Needs vs wants, Video, Trivia <i>*important activity</i>	5	15-16
Basics of Saving	4	17-18
Key Components of a Budget <i>*important activity</i>	4	19-20
Paths after high school & average salaries <i>*important activity</i>	6	21-22
	43	
PART 2		
Review	2	23-24
Cost of college & how to pay for it, FAFSA <i>*important activity</i>	8	25-28
Cost of Living	3	29-30
Age 22 Budget activity, monitoring budget <i>*MOST important activity</i>	12	31-32
How to work on gaining your financial freedom (savings goals)	5	33-34
Compound interest	3	35-36
Savings strategies (savings & investments)	6	37-40
Benefits of investing early (Kelly & John)	3	41-42
Financial Capability (Go Do It Now) checklist, Questions, Evaluations	5	43-44
	47	
Total Time	90	

Notes

Bank Your Future



This presentation is based on part of FDIC MoneySmart and NextGen Personal Finance  

What's the risk of not knowing how to manage your money?



Introduce Yourself


2 min

 **Pass out the name tents and have the students clearly write their names on them. Do your best to call students by their names throughout the lesson.**

- Introduce yourself in a welcoming manner and make students feel comfortable.
 - Who are you? What do you do?
 - Why do you volunteer for SecureFutures?
- What is SecureFutures? An organization that...
 - delivers financial education to high school students.
 - provides teens with the financial education and tools needed to form good financial habits that get them ready to live independently.

Lesson Opening

2 min

 **Start with the question slide to break the ice:** What's the risk of not knowing how to manage your money?

- Students should write a short answer on the back of their name tent or make it a group discussion. Have 4-5 students share their answers.

Expand on student responses.

- Share your answer for why you think money management is important.
- Acknowledge that this can be an uncomfortable topic for some people; let them know it's okay to have different comfort levels and this is a safe space to talk about finances.
- Money is necessary to support your needs and goals throughout your lifetime. Learning to manage your money well will help you to be successful in achieving your financial goals.

Stories, Examples & Notes

Transition: Let's see what we are going to cover in this lesson.

What we'll learn...

- How to read a pay stub.
- How to effectively create a budget and plan for money-saving and spending.
- Various options that are available to help pay for further education.
- How to determine cost of living independently and how to manage it responsibly.
- How earning interest impacts the growth of your savings over time.



How we'll do it..

- Active participation!
- Be engaged. Ask questions and participate in discussions.
- Respect each others thoughts, perspectives, and contributions.
- Maximize your experience by using the workbook.
 - Take notes and complete activities.
- Have fun while learning!



Lesson Objectives: What we'll learn . . .

1 min

↪ Review the lesson objectives on the “What we'll learn...” slide.

- The foundation of our lesson is based on one of the most important financial concepts you will need to use to be financially successful now and throughout your life: **Budgeting**.
- **ASK:** Which of these topics is most interesting to you?

↪ **TRANSITION:** So now that we know what we're going to talk about, let's set a plan for how we will cover the topics.

Set Ground Rules: How we'll do this . . .

1 min

↪ Share the bullet points on the “How we'll do this...” slide.

- Active participation
- Be engaged: ask and answer questions. Be curious!
- Respect each other's thoughts and listen when others are talking. Don't interrupt.
- Use the workbook during the activities and have fun!

↪ Ask the students if they have any other ground rules they would recommend, or share your own. Discuss how to earn participation incentives (if you're offering one). Ex: raffle, candy, money.

Stories, Examples & Notes

Transition: First, let's figure out what a budget is...

What is a Budget?



A plan for how you will spend and save your money

5 Key Components of a Budget



Net Income

The amount of money you take home AFTER taxes

- Wages from your job
- Side hustle
- Monetary gifts



Fixed Expenses

Necessities with SET costs

- Rent
- Car payments
- Insurance



Variable Expenses

Necessities with costs that CHANGE month-to-month

- Gas
- Utility bills
- Groceries/Food



Discretionary Spending

Purchases of NON-ESSENTIAL goods/services

- Eating out
- "Fun money"
- Travel



Savings

Money specifically put aside for the FUTURE

- Emergency funds
- Future big expenses



Discussion: Budget (definition and components)

4 min

- **ASK:** What is a budget?

 **Get student responses, then reveal the answers on the slide.**

- **ASK:** Does anyone (or their family or friends) have a budget?
- **ASK:** How do they use it?
- Budgets should be used to plan how you will spend and save your money.
- Following your plan leads to success.

- The five key components of a budget are (advance the slide to reveal each component):
 - o Net Income – wages, tips, etc.
 - o Fixed Expenses – necessities with set costs
 - o Variable Expenses – necessities that change from month-to-month
 - o Discretionary Spending – wants/non-essential items
 - o Savings – Making sure you have money for the future

Stories, Examples & Notes

Share: Tell students about your budget.

Transition: Let's start with income...

Let's start with income...

Income can come in many forms:

- Your job
- Investments
- Your own business
- Etc.



But let's just talk about income from a job.

Have you ever taken a close look at a pay stub?



What comes out of your paycheck before it gets to you?

COMPANY INFORMATION				Pay Stub (Earnings Statement)			
By Far Best Burgers				SOCIAL SECURITY		EMPLOYEE ID	
EMPLOYEE INFORMATION				XXX-XX-1020			
Jenny Jones				START DATE	END DATE	CHECK DATE	
				12/12/2024	12/26/2024	12/29/2024	
EARNINGS	RATE	HOURS	CURRENT	YEAR TO DATE	DEDUCTIONS	CURRENT	YEAR TO DATE
Regular Earnings	12.00	30.00	360.00	9000.00	Federal Tax	30.60	765.00
					Soc Sec/OASDI	22.32	558.00
					Medicare	5.22	130.50
					State Tax	14.40	360.00
			GROSS PAY	360.00	9000.00	DEDUCTIONS	72.54
							1813.50
						NET PAY	\$287.46
CHECK NUMBER #1705				YTD NET PAY		\$7186.50	



Gross Pay - Deductions = Net Pay

Employer Payment Methods

Payment Method	Fees?	Access to funds	Flexibility
Direct Deposit <i>Funds electronically deposited into your checking or savings account</i>	No	Immediate	Yes • ATM • Debit Card • Transfer \$ to savings
Check <i>Receive a payroll check which you can then deposit into your checking or savings account</i>	No	A percentage of funds are available immediately, the remaining funds are available 1-3 days after deposit	Yes • ATM • Debit Card • Transfer \$ to savings
Payroll Card <i>Loaded directly onto a payroll card issued by VISA or Mastercard</i>	Yes: Fees applicable based on cardholder agreement.	Immediate	Limited • ATM (possible fees) • Debit card • No \$ transfers to checking or savings

Best way to get paid!

Employer MUST give you another option!



Discussion: Pay Stub (Earnings Statement)

3 min



Income can come in different forms. We're going to talk about income from a job.



ASK: Does anyone have a job? Where do you work?

ASK: Do you know what's on your pay stub (earnings statement)? Let's take a look.

Have students turn to page 2 of their workbooks and identify Jenny's...

- Hourly wage and hours worked this pay period



ASK: What is automatically deducted from Jenny's paycheck?

After you get a few answers, advance the slide to highlight the different deductions. Explain FICA (Federal Insurance Contributions Act) and other deductions.

- o A percentage of your income is taken out to cover FICA taxes.
- o FICA has two parts:
 - Social Security: Intended to provide you with *part* of your retirement income.
 - Medicare: Provides you with health insurance when you turn age 65. Long-term saving is required to reach retirement goals.

Social Security Taxes	6.2% on wages up to \$160,000	For every \$100 you earn, \$7.65 goes to the federal government for FICA.
Medicare Taxes	1.45% on all wages earned	

- Other Deductions
 - o Federal, state and local taxes vary depending on factors including your income and location. Generally, as your income increases, so do your taxes.
 - o If you have federal, state, and local taxes withheld from your pay, you may not actually owe them. You **must** complete a tax return to see if you should get a refund. Don't let the government keep the extra money that you earned!



Activity: Income Equation Activity (Page 2)

1 min



ASK: Gross pay and net pay: What are they and how are they different?

When you get a few answers, advance the slide to show the equation:



- $Gross\ Pay - Deductions = Net\ Pay$

Have students copy this equation into their workbooks (the words, not the numbers).

Discussion: Employer Payment Methods

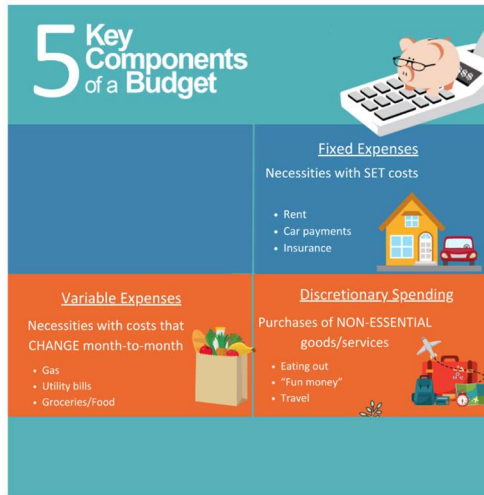
2 min

- **ASK:** How do you get paid? What are the various other ways you could get paid?
- Stress that direct deposit is by far the best.
- Encourage students to ask employers for other options if they are offered a prepaid card.
- Employers are legally obligated to offer students an alternative to a prepaid card; employees can always ask to be paid via check instead.

Transition: Now, let's talk about expenses.

Now, let's talk expenses...

Remember, there are 3 types of expenses when creating a budget.



What do you spend your money on now?

How much do you spend each week?



The best way to know is to track your expenses!

3

Expense tracking worksheet					
Day	Food (coffee, fast food, corner store, groceries)	Transportation (gas, bus tickets)	Personal Expenses (cell phone, clothing, personal products, salon services, other)	Fun (movies, sporting events, music, concerts, hobbies)	Totals
Enter the dollar amount you spent each day in each category. Use approximate amounts if you don't have receipts.					
S		20 - gas		13 - mini golf	\$33
M	4 - coffee		15 - CVS		\$19
T	12 - tacos				\$12
W				10 - spotify	\$10
TH	5 - snacks		27 - target		\$32
F	7 - pizza	11 - uber			\$18
S	3 - snacks	9 - uber		20 - movie	\$32
Total	\$31	\$40	\$42	\$43	\$156

Do this for four weeks and you will have an estimate of what you spend on a monthly basis.

Want another way to track your budget?



Budgeting apps are another great tool...

↪ Now let's talk about expenses.

- Remind them of the three types of expenses from earlier in the lesson:
 - Fixed Expenses – necessities with set costs
 - Variable Expenses – necessities that change from month-to-month
 - Discretionary Spending – wants/non-essential items

↪ Advance the slide.

- **ASK:** What do you spend your money on?
- **ASK:** Does anyone keep track of how much they spend? How?

↪ **Advance the slide and show them what it looks like when an expense tracker is filled out. (There are blank worksheets in their workbook on PAGES 3-4. They are for use after the lesson if they want to track their expenses in the future). They should NOT copy what is on the screen.**

- Discuss how to use the worksheet.
- Everyone can track their expenses, even if they don't have a regular income.
 - If they don't have a regular income, they should track any money they have been given.
 - If they haven't personally spent anything, they should track what others have spent on them.
- Expense tracking is important because:
 - It helps you understand where your money is going and whether your spending is aligned with your priorities and goals.
 - It helps you to know where you can cut back if you have an unexpected expense or need to start saving toward a new goal.

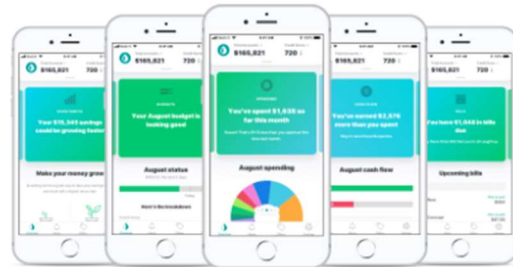
Stories, Examples & Notes

Share: Tell students how you track expenses and how it helps you.

Transition: (Slide) Want another way to track your budget?

Budgeting Apps

- There are also lots of great budgeting apps that exist and many are free!
- Some connect to your bank account, some help you save goals, and each has different features.
- Find an app that works for you!



Goodbudget
Budget well. Live life. Do good.



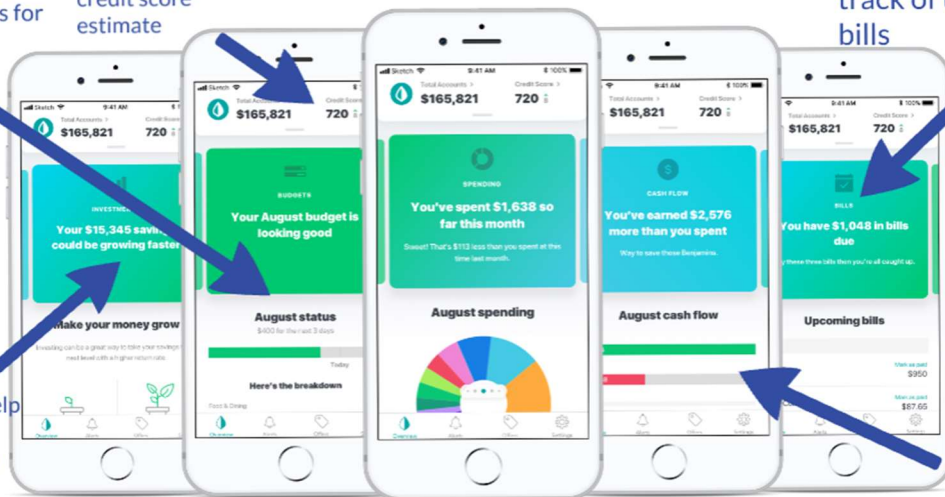
shows you your budget status for the month

shows you your credit score estimate

helps you keep track of upcoming bills

section to help you track investments

You can connect your bank account to help you track purchases



Check out features of a budgeting app that works for you!

Discussion: Budgeting Apps

3 min

- **ASK:** Do any of you use an app for budgeting?
- **ASK:** What features are you looking for in an app?

- Discuss the benefits of using an app to budget.
- There are many free apps out there with different features
 - o Talk about the examples on the slide.
 - o Remind students that these are examples and there are lots of choices out there.
 - o Mention that some banks & credit unions might have budgeting features as part of their apps.

Summarize:

- Regardless of how you choose to budget, it is important.
- Small purchases add up quickly.
- It's important to know how you spend your money. This is the first step to creating a budget.
- It's important to plan your expenses and to live within your means.

Stories, Examples & Notes

Transition: When you're looking at expenses, which are needs and which are wants?

Needs vs. Wants



Which of your expenses were needs and which were wants?

Consider these spending choices.
Are they needs or wants?



Put the following into need/want categories in your workbook.
Feel free to add your own; they will be used in another activity.

- Fast Food
- Car Insurance
- Groceries
- Rent/mortgage
- The Latest Technology
- Designer Clothes
- Utility Bill Payments
- Prescription Eyeglasses
- Manicure
- Tickets to a sporting event



What are the top three categories that Gen Z spends their money on?



- A. Electronics and technology
- B. Health and Wellness
- C. Clothing and Fashion

Source: NextGen Personal Finance

Discussion: Needs vs. Wants

2 min

- **ASK:** What is the difference between a “need” and a “want”?
- The most basic definition of a need is that it is something you need in order to survive.
 - Food, shelter, and clothing.
- Other needs may include transportation, computer, furniture, cell phone, insurance.
 - The type you choose (more expensive vs less) has a big impact on your budget.
- A want is something you really wish you had, but you can still go through your day-to-day activities without it.



Activity: Needs vs. Wants (PG 5)

3 min

- **ASK:** Are these items needs or wants? Why?
- Have the students categorize each item as a need or want on page five in their workbook. They can also add items if they want.
- **ASK:** What do you pay for that is a need? Which of your expenses are wants?
- Explain that opinions may differ and that everyone needs to make personal choices.



Play Video (OPTIONAL) – 1 min, 19 sec

- This video demonstrates the thought process around determining if an expense is a need or a want and making decisions with your money.



If the video doesn't work or you want to save time, it's okay to skip it. The concepts are covered in other slides.

- **ASK:** What are the top three categories that Gen Z spends their money on?



After getting a few responses, click to reveal the answers.

- Electronics and technology
- Health and wellness
- Clothing and fashion

Summarize:

Making good choices about your wants will help you save more for your short and long-term needs.

Stories, Examples & Notes

Transition: Now that we know where we spend money, let's look at savings!

Now that we talked about income and expenses, there's another piece to add to your budget . . .



Savings

What are you saving for right now?

The Basics of Saving

What types of things will you be saving for in the future?



- Education - college, grad school, certification
- Emergency Fund - medical bills, car repairs
- Short Term Goals - car, vacation
- Long Term Goals - house, larger items
- Retirement - money to live on after you stop working



The Basics of Saving

How will you accomplish those goals?




Don't plan to save only what you have left over.

Decide how much you need to save and put that aside **before** spending on other expenses.

 **Introduce savings as another piece that should be added to a budget.**

- **ASK:** What are you saving for now?
- **ASK:** How long do you think it will take for you to reach your goal?

- **ASK:** What types of things will you be saving for in the future?

 **After getting responses, advance the slide and introduce the broad types of savings goals that a person might have (an example of a more specific goal is listed next to each).**

- The examples on the slide are just examples of different types of savings goals; each person may have their own unique savings goals for some of these categories.
- Having an emergency fund that covers 3-6 months of expenses can make all the difference when something unexpected happens (illness, injury, loss of employment, natural disaster, car accident).
 - If that seems too overwhelming, even a small emergency fund can help keep people “above water” when something unexpected happens and can help to build the habit of saving over time for things.

- **ASK:** How can you achieve those savings goals?

 **After getting responses, advance the slide and introduce “Pay Yourself First.”**

- Setting aside a certain amount of money on a regular schedule, before spending on other expenses.
- Treating savings like a planned expense will help you reach your goals faster than only saving what you have left over each week or month.

Stories, Examples & Notes

Share: Your savings goals, how you utilize “pay yourself first”.

Transition: Now that we understand the components of a budget...

Now that we understand the components of a budget, how do we put it all together?



Key Components of a Budget

Income	Gross Paycheck	\$360 x 2 (2 times a month)	\$720
	Other	Additional Income	\$60
	Taxes		-\$145
		Net Pay	\$635
Savings		Potential Savings	\$100
Expenses	Fixed	Cell Phone	\$50
		Car Payment & Insurance	\$150
		Total Fixed Expenses	\$200
	Discretionary Variable	Groceries	\$125
		Bus Fare or Gas	\$40
		Shopping	\$70
		Entertainment	\$50
		Restaurants/Snacks	\$50
Total Discretionary/Variable Expenses	\$335		
	Total Expenses	\$535	



Pay yourself first!

Discussion: Key Components of a Budget

1 min

- **ASK:** Tell me again, what are the main parts of a budget?
 - Income
 - Spending/Expenses
 - Savings
- Explain that $\text{Income} - \text{Expenses} = \text{Potential Savings}$
 - This needs to be a positive number!



Activity: Pay Yourself First (PG 5)

3 min

- ↪ Advance the slide and show how the “Potential Savings” at the bottom becomes the first thing that you allocate your money to when you finalize your budget.
- ↪ Have students fill in this missing phrase in their workbooks. “How do you make saving a habit?”
 - PAY YOURSELF FIRST
- ↪ Let them know that they now have the basics of a budget!

Stories, Examples & Notes

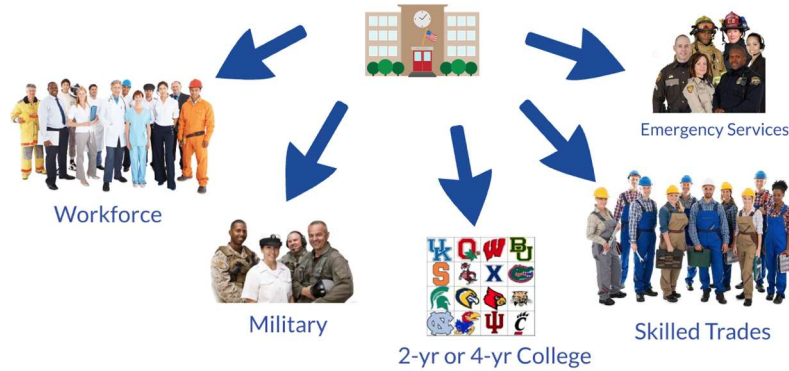
Share: Your budgeting method (written down, in a spreadsheet, on a budgeting app, etc.).

Transition: Let’s take another look at income.

Let's talk a bit more about income.
That's where all budgets start.



What are some of the different paths you can choose after high school?



Let's take a look at the average incomes for these paths.

Average Starting Salaries



Path	Average Income	Path	Average Income
Enter the workforce	\$27,404	4 Yr Bach Degree (Avg)	\$58,862
Food Preparation and Serving-related Occupations	\$22,037	Communications	\$43,919
Production Occupation	\$27,098	Health Professions	\$54,133
Healthcare Support	\$25,604	Business	\$57,186
2 Yr Assoc. Degree (Avg)	\$48,263	Engineering	\$71,516
Business and Financial Operations Occupations	\$36,377	Apprenticeship in the skilled trades	\$56,748
Healthcare Support Occupations	\$33,231	Military - Army	\$45,571

End of Part 1

Discussion: Paths After High School

3 min

- **ASK:** What paths can you choose after high school?



After getting responses, click to reveal the graphic of the paths and fill in any they missed.

- Skilled Trades: professions that require an apprenticeship or other formal education apart from college.
- Emergency Services: police officers, firefighters and other first responders that go through mandatory training/academies.
- Remind students that this is not an exhaustive list and these are examples of paths they may choose to take after high school.
- **ASK:** Is there anything wrong with choosing another path besides college?
- College or a 4-year degree isn't for everyone and it isn't the only way to achieve a satisfying career. It is okay to choose a different option!



Activity: Average Starting Salaries Table (PG 6)

3 min



Ask students to guess a few of the incomes on the chart, then click to reveal the answers. Students can fill in incomes of jobs that interest them in the table in the workbook.

- **ASK:** What are your observations as you compare and contrast these paths?
- The typical bachelor's degree recipient can usually expect to earn about 66% more during a 40-year working life than the typical high school graduate earns over the same period.
- Even if you choose not to go to college, continuing your learning and education in some way (formal or informal) will make a significant impact on your earning potential.
- No matter what, keep developing and improving your skills!



Source for Income Data: National Association of Colleges and Employers, Apprenticeship USA, US Army

END OF PART 1: If you are teaching a two-part lesson and you still have time, continue onto the next slides and get as far as you can.

Stories, Examples & Notes

Share: How you decided on what path to take after high school.

Transition: Let's do a quick review before we start the next section.
(If you had time to continue, skip the review question).

Start Part 2

Let's Review

1. What is a budget?

A written plan used to decide how much money you want to spend on things.

2. What should you do to know how much you spend a week?


Track your expenses



Discussion: Review

2 min

START OF PART 2: If you are teaching a two-part lesson, be sure to reintroduce yourself to the class before jumping into the curriculum. If you did not make it this far in your first session, that is okay. Pick up where you left off.

 **Ask the review questions.** After a few guesses, reveal the answers. If they don't remember, give them a brief overview.

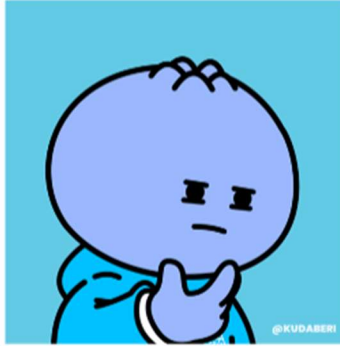
- What is a budget?
 - A written plan used to decide how much money you want to spend on things.
- What should you do to know how much you spend a week?
 - Track your expenses

Stories, Examples & Notes

Transition: So, last time we briefly talked about paths after high school. So, what if you choose to go to college?


We talked about paths after high school . . .

If you decide to go to college,
there are a few extra things
to think about...




What is the annual cost to go to college?

4 Year College	Public, in-state UW-Milwaukee	Private, non-profit Marquette University
Tuition, fees, and books	\$10,450	\$50,070
Room & Board (on campus)	\$14,300	\$17,700
Total	\$24,750	\$68,870
Average NET PRICE (after grants & scholarships)	\$16,400	\$40,800
2 Year College	Public, in-state MATC	Public, in-state Waukesha County Tech
Tuition, fees, and books	\$7,400	\$5,700
Room & Board (off campus)	\$13,700	\$13,700
Total	\$21,100	\$19,400
Average NET PRICE (after grants & scholarships)	\$10,400	\$9,700

 **Remind the students of the paths after high school discussion earlier in the lesson. Let them know that there are other things to think about if they choose to go to college.**

 **Ask students to guess the cost to attend a 2 year or 4 year college, then click to reveal the answers.**

 *These are the actual costs for four common higher education choices in the Milwaukee area.*

- These numbers seem big, but you can keep your costs low by planning ahead and saving now.
- Be sure to research the average NET PRICE of the schools you are interested in. There is a lot of aid out there if you put the work in to find it.
- Every little bit helps, so don't pass up the small scholarship opportunities!

Stories, Examples & Notes

Transition: Advance to the next slide for transition.

If you decide to go to college, where does the money come from?

- ✓ Your own savings
- ✓ Gifts from others (friends or family)
- ✓ Part-time work & work study
- ✓ Financial aid & loans
- ✓ Scholarships & grants

How much free financial aid is unclaimed by students who do not file the FAFSA?



A. \$3.7 Billion

FAFSA



Free Application for Federal Student Aid

- You **MUST** complete FAFSA to qualify for financial aid. Don't miss the application deadline!
- It's **FREE** to apply. You never need to pay a person or service to submit your application.
- Talk to your guidance counselors at your school. Talk to your parents. Get all your documents together.
- Reapply every year that you are in school! Don't forget to reapply for scholarships, too!

Discussion: How to Pay for College

4 min



Ask the educator (before the lesson, if possible) if financial aid and FAFSA have already been covered or will be covered in depth through other lessons & activities.

- If so, don't spend much time on this section. Move on to the next topic.
- **For all students:** Reinforcement of the need to complete the financial aid application process is very important. Emphasize that there are many different resources that are available for financial aid/assistance.
- **For some students:** This section may be less relevant depending on how it is covered in the school and how affluent the community is.



ASK: Where does the money come from to pay for college? What type of financial aid is available to go to school? **After getting responses, advance the slide and reveal the answers.**

- Students need to plan for how they will pay for their education (grants, scholarships, student loans, job, and savings).
- Money is available to help pay for college. Be sure you learn about the various ways you can apply for "free" money to help you pay for college.



• **ASK:** What very important form is necessary to complete to help you get student aid?
After getting responses, if no answers correctly, let them know that it is the Free Application for Federal Student Aid form (FAFSA for short)



• **ASK:** Quiz question - How much free financial aid is unclaimed by students who do not file the FAFSA?
After getting responses, advance the slide to reveal the answer.
○ \$3.7 Billion



Transition: Let's learn a bit more about FAFSA.



FAFSA information is on Page 6 of their workbook. They can find additional information on FAFSA on the student resource page by scanning the QR code on the first page of their student workbook.

- Free Application for Federal Student Aid (FAFSA): www.fafsa.gov
- You **MUST** complete FAFSA to qualify for financial aid. Don't miss the application deadline!
- Talk to your guidance counselors at your school. Talk to your parents. Get all your documents together.



You may have students who are undocumented. If they ask questions regarding FAFSA, suggest that they meet with their school counselor to determine the best path forward.

- Undocumented students are not eligible for federal aid, but some universities still require them to complete the FAFSA to qualify for private funding.

Summarize:

- Be sure you understand how much you will likely spend for tuition, room & board, books & fees, and other costs and what you may need to take out in student loans.
- Your goal is to make the amount of the student loan payment manageable relative to the income you will likely earn as you start your career.
- The decision to enter the workforce or continue your education is a personal choice. There's no right or wrong decision. Do what is best for your situation.

Transition: Now that we've shown how income relates to your choices after high school, let's look at what your expenses might be once you are out on your own.

Now, let's talk about the cost of living...

What types of expenses will you have while living on your own?



The cost of living...

How much does it cost to live on your own for a month?



The cost of living...

How much does it cost to live on your own for a month?

Average monthly spending for one person is **\$4,641.**

That equates to an annual NET salary of \$56,000. (US Bureau of Statistics, 2024)

**Let's fast forward to age 22.
How will you save and spend your income?**



Discussion: Cost of Living

3 min

- **ASK:** What types of expenses do you think you will have living on your own?



After you get a few responses, advance the slide and fill in the details, as necessary.

- Car, Rent, Groceries, Insurance, Furniture, etc.

- **ASK:** How much does it cost to live on your own for a month?



After you get a few responses, reveal the next slide with the average expenses for one person.

- **ASK:** What do you think about that number?



Advance the slide to reveal the net salary and ask students what that means.

- Refer to the Gross vs. Net Pay discussion from part 1 of this lesson.
- Reinforce that they would need to earn more than the net salary amount to account for deductions.
- **ASK:** Why is it important to save ahead of time for these goals?
 - Better odds of having money available to pay for your goal.
 - Less likely to borrow money to pay for your goals.
 - Having money for unexpected emergencies is important. (Ask for examples.)
 -
- **ASK:** What do you think might be difficult about managing money once you start to have more expenses?
 - Understanding the timing of my cash inflow and outflow.
 - Organizing how and when I pay bills.
 - Staying on top of making payments on time.
- When you're living on your own, you will have a lot of responsibilities.
- Managing your finances well will be key for financial success.

Stories, Examples & Notes

Transition: Let's put budgeting into practice by having you complete a budget as if you are age 22 and have a full-time job.



Budgeting Activity

How will you save & spend your income?

Building Your Budget at Age 22

The first step in creating financial success is to create a budget.

It's a simple process where you take your income and map out how you will SAVE it and SPEND it.

Pair up with a partner and follow instructions to create a budget.

STEP 1: INCOME
What's your monthly net pay?

Annual Income	Monthly Income	Net Pay
Your career is off to a great start. You make \$36,000 per year.	That's \$3,000 gross pay each month. You pay \$703 in taxes, so net pay =	\$2,300

STEP 2: SAVING
What future needs and wants do you want to save for? Review the table below for ideas.

Saving Goals Categories	Suggested Amount to Save
Emergency fund	\$150/mo. gets you \$1,800 in 12 months
New car in a few years	\$100/mo. gets you \$3,600 in 3 years
Down payment for a house in ten years	\$150/mo. gets you \$18,000 in 10 years

In the table below, write down the goal you want to save for and how much you will save each month.

My Saving Goals	Amount I Will Save per Month (minimum of \$150 in total)
Emergency Fund	\$ 150
<input type="text"/>	\$
Monthly Saving Goal Total	
\$ 150	

STEP 3: SPENDING
How will I spend what's left after saving for my financial goals?
The table below lists the three expense categories in a budget. Under "My Spending Plan" fill in the amount you will budget for each item. In the blank boxes, add your own items and their budget amounts.

Fixed Expenses (necessities with set costs)	My Spending Plan
Rent	\$1,074
Transportation	\$ 621
Variable Expenses (necessities that change from month to month)	My Spending Plan
Groceries	\$ 445
Utility Bills	\$328
Discretionary Spending (wants/non essential items)	My Spending Plan
Personal Care Services	\$ 40
Entertainment	\$ 125
TOTAL EXPENSES (Fixed + Variable + Discretionary)	
\$ 2,633	

Step 4: BALANCING YOUR BUDGET
Do you have a surplus or a deficit? Ideally, you want a balanced budget where the answer is \$0!

Net Pay	-	Saving Total	-	Expenses Total	=	Surplus or Deficit?
\$2,300	-	\$ 150	-	\$ 2,633	=	\$ 483

How did you handle your surplus or deficit?

Why is it important to set savings goals?

How can you apply budgeting today as a high school student?

Actively monitoring and revising your budget is key to

Living within your means

Achieving your financial goals

Securing financial freedom!






Activity: Building Your Budget at Age 22 (PG 7-8)

10 min

 Introduce the budget activity and review each step before having students work independently or in pairs.

- **STEP 1: INCOME**
 - **ASK:** What does the \$700 in taxes represent? (Soc. Sec., Medicare, Federal and State taxes).
- **STEP 2: SAVING**
 - Write out your goals and assign a monthly savings amount to each. Then, add them up to get your monthly total. This needs to be at least \$150.
- **STEP 3: SPENDING**
 - On the screen, the items are based on the average person's spending. Have the students enter the amount they plan to spend based on their lifestyle.
 - Like in the example, they may have to reduce some of the expenses because we only have \$2,300 of net income. This example has an average amount of \$2,633 (not including savings).
 - Add up the spending amounts to get a monthly total.
- **STEP 4: BALANCING YOUR BUDGET**
 - Do the math. Tell them that they should be shooting for a ZERO surplus or deficit.

 Students do not need to spend time balancing their budget after their first attempt. Just let them know what steps to consider to balance it.

- If Surplus: Review the expenses to make sure they are realistic and increase where appropriate. Increase savings.
- If Deficit: Review expenses and cut spending in categories you could live with. Then, review the savings amounts to see if they are too high.

Discussion: Monitoring & Revising a Budget

2 min

- **ASK:** What did you learn about budgeting from that activity?
- **ASK:** How do spending choices impact your ability to save?
- **ASK:** What is likely to happen to you financially if you don't have a budget?
- **ASK:** What other decision would you make to increase your savings?
- Make sure you have a PAY YOURSELF FIRST line in your budget. This is the key to not spending all of your income!
- Budgeting is about making choices, staying disciplined, and making a commitment to monitoring your spending so you can save money for your future goals.

 Advance the slide to illustrate this point.

- A budget isn't a plan you write and then never revisit. You have to continually compare your actual spending to your budget to ensure you are keeping on track.
- Budgets aren't set in stone! Adjust them as your needs and goals change.
- Savings potential isn't just about income. How you choose to spend your income is a key factor in saving money.

Transition: So, what happens if you've set your budget, but you still aren't making your savings goals?

How to Secure Your Financial Freedom

Save MORE

- Keep a budget and stick to it
- Pay yourself first
- Open a savings account
- Set up automatic transfers so it's easy to add to your savings
- Look into different job opportunities or additional income

Spend LESS

- Be mindful when spending cash
- Use direct deposit
- Think long term, today's purchase can mess up tomorrow's plans.
- Buy only what you NEED
- Take a look at your monthly subscriptions (Netflix, Spotify, etc)

DO NOT USE CHECK CASHING or PAYDAY LOAN STORES!

Practice Makes Perfect!

Saving now with a part time job can make good habits for the future



15hrs/week at \$12/hr = \$180
x 52 weeks = **\$9360**


Saving a little on a regular basis can add up!

Amount Saved	Balance after 1 yr	Balance after 2 yrs
\$7/Week (\$1/day)	\$365	\$730
\$20/Paycheck (paid every 2 weeks)	\$520	\$1,040
\$100/Month (\$3.33/day or \$25/week)	\$1,200	\$2,400


**This is the accumulated balance just from saving.
What if you also earn interest?**

- **ASK:** What are ways you can save more or spend less?

 **After you get responses, advance the slide and fill in the details.**

 *Check cashing stores are commonly found in communities where there are few traditional financial institutions that serve that area. They are most common in low-income communities and urban areas. Emphasize that students can cash or deposit their checks for free if they have an account at a bank or credit union. This will save them money in fees.*

- *The fee is usually \$5-\$8 for checks under \$100.*

 *Check cashing stores/services will be discussed at length in the upcoming “Check It Out” lesson. If the students will be receiving that lesson, there is no need to spend a lot of time on this. If they are not, you may want to emphasize it a bit more.*

- Explain how getting a part time job can really drive your savings.
- **ASK:** Who has a job? Does it help you save more?
- **ASK:** What could you have for if you had an extra \$9,360/year?

- **ASK:** Do you think you could manage one of these savings plans?
- Stress that it is important to start early with some sort of plan.

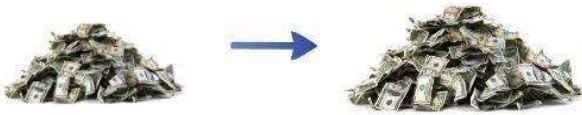
 **Advance the slide to introduce the next discussion topic: Compound Interest.**

Stories, Examples & Notes

Share: Your own stories of savings examples.

Transition: Once you begin saving money it is important to give your money a chance to grow. Let’s take a look at compound interest.

Over time your money makes money...



Principal

The money you save or invest

Principal + Interest

The money you earn on your principal

...and the money you make in interest makes more money.



Compound Interest

The interest earned on your principal and previous interest earned, combined

Compound Interest

*You invest \$1,000 and don't add to it or touch it for 10 years.
How much will it grow without you doing anything at all?*


Year	Principal	Interest @ 8%	Principal plus interest
1	\$1,000	\$80	\$1,080
2	\$1,080	\$86	\$1,166
5	\$1,360	\$109	\$1,469
10	\$1,999	\$160	\$2,159

Discussion: Compound Interest

3 min


- **ASK:** What is principal?
- **ASK:** What is interest?


 Once you get responses, advance the slide to reveal the definitions.

 Gauge how familiar the students are with this concept to determine how thorough your explanation should be.

- **ASK:** What is compound interest?

 Once you get responses, advance the slide to reveal the definition.

 Review the table to illustrate how interest is continuously added to their principal and the new combined amount earns the interest or growth rate.

 *The example is set at 8% to demonstrate the power of compound interest and clarify the concept.*

Stories, Examples & Notes

Transition: Do the savings strategies you choose affect how your money grows?

There are different ways to save. Do you think they affect how your money grows?

Savings Account (2%) vs Investments (8%)



Let's compare....

Savings Account

- Safe - Your money is insured
- Low rate of interest.
 - Shop around to find the best rate. Online banks and Certificates of Deposit usually offer better rates.
- Access your money any time
- **Purpose:** short term goals and needs that you will want to accomplish in less than 5 years

Investments

- Risky - You can lose money
- Better chance of bigger returns, but you need to ride out ups and downs
- Choose reputable companies, funds and bonds
- **Purpose:** Long term goals & needs that are 5 or more years out
- Find an Investment Adviser when you're ready!

Discussion: Savings Strategies

3 min

- **ASK:** Do the savings strategies you choose affect how your money grows?

➤ **After getting responses, reveal the Systematic Saving Plan graph to illustrate the power of investing regularly and compare how your money grows at 2% vs. 8%.**

- Compare and contrast saving with a savings account and investing.
- Stress that there is a use for both types of strategies and choosing how to take advantage of them depends on your personal goals and needs.
- Stress that they should all work to “Pay Yourself First” as they begin their careers.

Stories, Examples & Notes

Transition: Let’s revisit some items that you can save for.

Save or Invest?

For each item, decide if you will save or invest for it.



You want to buy a new car in two years

Save!



Save or Invest?

You want to buy a house in ten years

Invest!



Save or Invest?

You want a new laptop

Save!



Save or Invest?

You want to start preparing for retirement

Invest!





Activity: Save or Invest (Page 9)

3 min



Tell the students to refer to page nine in their workbooks. For each item, have choose whether they would save for it or invest. Have them explain their answers.

- Note that there isn't a right or wrong answer for each. It may depend on personal preference and timing.
- Have the students discuss their answers with the group if they differ from the majority.
 - New Car – Save (short-term)
 - House – Invest (however, some may choose to save for a down-payment)
 - Laptop – Save (short-term)
 - Retirement – Invest (long-term)

Stories, Examples & Notes

Share: Do you have an investment strategy? How long have you been investing?

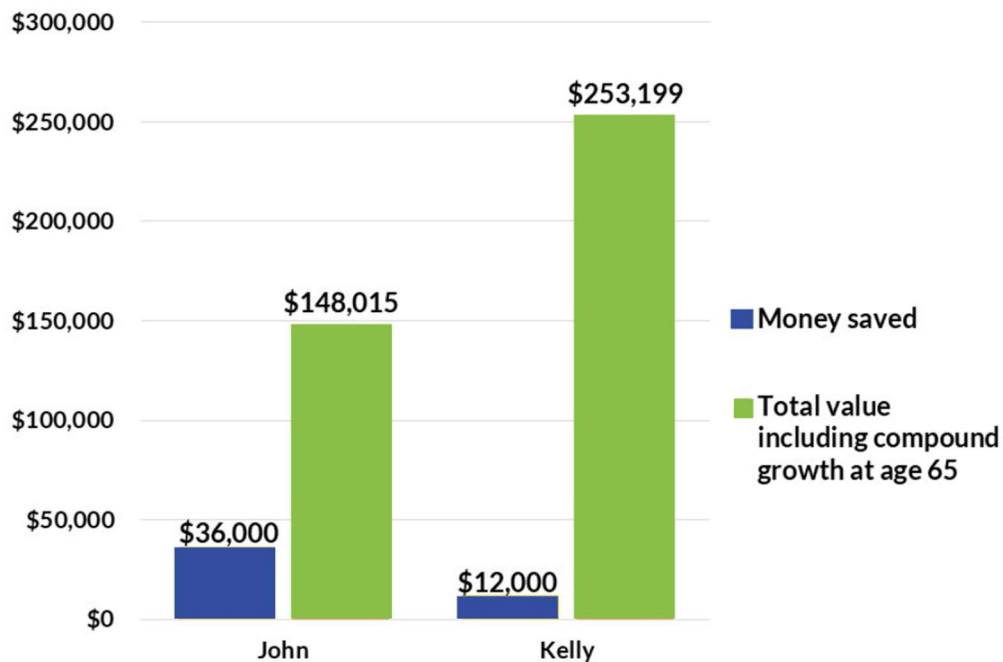
Transition: What do you think is more important when it comes to compound interest, the amount of money you save or how long you save for?

Benefits of Investing Early

John	Kelly
<ul style="list-style-type: none">Starts at age 35	<ul style="list-style-type: none">Starts at age 22
<ul style="list-style-type: none">Saves \$100 per month for 30 years (\$36,000)	<ul style="list-style-type: none">Saves \$100 per month for 10 years (\$12,000)

*The growth rate is 8% compounded annually.
Who will have more money at age 65?*

The Power of Time



Discussion: Benefits of Investing Early

3 min

- Set up this scenario:
 - o **John** had huge credit card and student loan debt when he graduated from college and it took him years to pay off. He didn't know how important it was to start saving and investing early, so he waited until age 35 to start. He put away \$36,000 over 30 years, then stopped contributing to his account at age 65.
 - o **Kelly** learned about financial literacy in high school, so she understood the benefits of saving early. She started saving and investing right after college. She put away \$12,000 over 10 years, then stopped contributing to her account at age 32.
- **ASK:** Who will have more money at the age of 65?

 **After getting responses, reveal the slide with the chart that illustrates the scenario.**

- **ASK:** Why does Kelly end up with so much more money having only invested \$12,000 vs. John's \$36,000?
- Stress how "time" is one of the most important ingredients in compounding/ growing your money.
- John ended up with nearly \$100,000 less than Kelly at age 65 because he started saving later.

Stories, Examples & Notes

Transition: Let's review the Financial Capability Checklist and see how you can put all these concepts we've learned into action...

11

Go Do It Now!

Financial Issue	Best Practices to Help Manage Money Responsibly	My Financial To Do List
Paycheck and Taxes (if you have a job)	<input type="checkbox"/> I have opened checking and savings accounts. <input type="checkbox"/> Direct Deposit is set up with my account at a bank or credit union. <input type="checkbox"/> I review my earnings statement and understand my deductions.	<p><i>Create your action plan!</i></p>
Spending	<input type="checkbox"/> I track my expenses by using online banking tools, writing them down, or using my phone. <input type="checkbox"/> I understand how I spend my money on needs vs. wants.	
Budgeting	<input type="checkbox"/> I have a written budget and have set spending limits and a monthly savings goal. <input type="checkbox"/> I compare my monthly expenses to my planned budget to make sure I am on track to save.	
Saving	<input type="checkbox"/> I "Pay Myself First" each week or month and then spend. <input type="checkbox"/> I have set a savings goal for something I need or want to pay for in the next 1-2 years. My goal is to save \$_____ to pay for _____. The monthly amount I will save to accomplish this goal is \$_____. <input type="checkbox"/> I have set up a retirement account to start saving early.	



Questions?

Let's complete the Post-Survey so we can see what you've learned...



Follow us on Facebook and Twitter!
@wesecurefutures

Please complete the evaluation found in your student workbook.





Activity: Financial Capability Checklist (PG 11)

2 min

Review the Student Financial Capability Checklist.

- Explain that they can use this as a checklist for building strong financial behaviors.
- Challenge students to put all of the best practices in place to help manage their financial lives successfully.
- Remind students that there are more resources available to them by scanning the QR code in their workbook. That link will bring them to the SecureFutures website with information that corresponds to each Money Sense lesson.

- **ASK:** Which steps do you plan to take right away?

Ask if there are any last-minute questions.


Exit Tickets/Evaluations

3 min

Have each student complete the exit ticket/evaluation found in their student workbook.

- Remind students to fill out the evaluations honestly and their feedback helps us continue to improve our programs.
- Exit ticket – evaluation for Bank Your Future lesson content. This is included if they will receive other Money Sense lessons. There will be a chance to complete a full evaluation during the last lesson.
- Exit Ticket/Evaluation – combined evaluation for Bank Your Future content and the overall lesson. This is included *if* they only have Bank Your Future.

When students are finished, collect the evaluations.

 ***Please return the evaluations to SecureFutures after you have completed your entire program commitment. Feel free to use the prepaid material return label included with your materials.***

Stories, Examples & Notes

Stories, Examples & Notes



SecureFutures

SecureFutures empowers teenagers with the knowledge, tools, and mentoring for a lifetime of financial capability. Our engaging volunteers, dynamic schools, and generous supporters share a vision of stronger communities built by an investment in “money smart” teens.

710 N Plankinton Avenue, Suite 1400
Milwaukee, WI 53203
(414) 273-8101 | www.securefutures.org