

Money Management Curriculum Overview

Teaching Notes:

The money management curriculum will help students understand their financial standing and create a plan that will help them succeed in improving their financial future. There are eight modules in the money management curriculum and each module addresses a topic that will help students take control of their finances.

The modules can be presented in an eight-week teaching series; each module could be a standalone presentation if we do not take into account the overlying objective of creating a financial plan as well. The presentation of the modules can be between 1-2 hours, depending on how interactive you are with your audience, and the amount of examples that you incorporate.

The information in the slides can be targeted toward a variety of participants. The content could be used for high school, entry level college, and for adult education. The intent with the curriculum is to make the information accessible to students. Some examples are included, but we recommend adding additional examples that would reflect the actual participants.

Below is a brief outline of the modules. Modules include power points with notes, teaching notes and other materials.

Module 1: Record Keeping and Cash Flows

Module 1 starts with the very basics of building a financial plan, which is keeping track of your income and expenses. It is also where we first introduce the financial self-assessment, have your students fill out the assessment to help them gain a better understanding of their own financial well-being, and hopefully give them motivation to go through the entire money management modules. The assessment is retaken in module 7, which allows your students see their progression.

Topics Covered

1. Record Keeping
2. Hand vs. Computer Records
3. 5 Basic Steps to Record Keeping
4. Cash Flow Statements
5. Types of Expenses

By the end of module 1, your students should have a clear method for how they want to track their expenses and build a cash flow budget.

Money Management Curriculum Overview

Module 2: Loans and Credit Cards

At this point, module 2 does not revisit record keeping, but remind your students to keep track of their cash flows, because they will be referring to them in later modules. Module 2 is recommended as a standalone presentation. Module 2 addresses interest rates on loans and credit cards. We also introduce the MyFi Assist app, it is a free financial assistant app. MyFi is used extensively through the money management modules, as an instructor familiarize yourself with the app.

Topics Covered

1. Components of an Interest Rate
2. Credit Score vs. Interest Rate
3. MyFi Assist
4. Paying Credit Cards
5. Paying for House Loans
6. Take-Home Message
7. Money Management Module Review
8. Reminder to Keep Track of your Budgeting Exercise

The objective of module 2 is to understand the effects of interest rates, as well as managing loans and credit card usage.

Module 3: Applying for a Loan the 5 C's of Borrowing

Module 3 does not revisit the record keeping assignment, but remind your students to keep track of their cash flows, also try to answer any questions that may come up while they are trying to compile their budget. Cash flows and budgets will be referred to in later modules. Module 3 is recommended as a standalone presentation. Module 3 addresses the factors that lenders take into account when approving loan applications. Understanding what a lender is looking for in a borrower can help potential borrowers increase their chances of being approved for a loan, or obtaining a better interest rate.

Topics Covered

1. Qualities Banks and Lenders Look for in a Borrower
2. Sources of Money
3. Terms and Conditions of a Loan
4. Personal Information Required for Loan Application
5. 5 C's of Borrowing

Money Management Curriculum Overview

6. Basis Loan Approval

Remind your students to keep track of their cash flows and budgets; if they have an accurate budget they may find that applying for a loan is not necessary. Instead, they can cut frivolous expenses and save to buy the things they want. If applying for a loan is necessary, they already have an idea of where they stand in the eyes of a lender.

Module 4: Credit Reports and Credit Scores

This module explains credit scores and credit reports, accessing and understanding them. Banks and lenders use FICO scores (a specific credit score) to measure the risk of lending to someone. Credit scores indicate the level of borrower risk: higher scores indicate lower risk and lower scores indicate higher risk. If the risk is too high, the lender may not approve the loan. This module covers what FICO scores are, their importance and how they are determined.

Topics Covered

1. Key Concepts
2. FICO Score Background
3. FICO Score Considerations and Requirements
4. FICO Score Components
5. Where to Find Your Score
6. Why Your Score Matters
7. Credit Reports
8. Identity Theft
6. Strategies to Improve Credit

Remind your students to keep track of their cash flows and budgets; if they have an accurate budget they may find that they are able to use that to schedule the repayment of any debt. They can also use credit to buy the things they want and pay off the debt monthly to not incur interest expense. If applying for a loan is necessary, they already have an idea of where they stand in the eyes of a lender and can negotiate terms.

Module 5: Savings and Budgeting

Module 5 introduces long- and short-term savings plans and goals as well as how to define each of these. This module also uses the MyFi Assist app to help your students create a savings plan. Go over the cash flow and budget assignment with your students and help them introduce savings into their budgets if they have not done so already. Their savings plans should include

Money Management Curriculum Overview

an emergency fund, a long-term goal like retirement, and at least one short-term goal. If your students' budgets seem to be stretched, help them identify areas where they can spend less or find areas where they can earn extra income.

Topics Covered

1. Savings Goals
2. Good vs. Bad Savings Goals
3. Risk and Rates Over Time
4. Where Do I Save My Money?
5. Budget Check-Up and Questions
6. Finding Ways to Save
7. Inflation

Module 6: Personal Finances

This module is an in-class review of the long-term cash flow and budgeting assignment. Lead a discussion on how they developed their cash flows. Did they run into any obstacles? Did they figure out where to put odd expenditures? Are they having problems incorporating savings into their budget? Is their budget accurate? This module helps your students understand that they can still reach their goals while meeting their financial needs.

Topics Covered

1. Students' Cash Flow
2. Trade-Offs
3. Wants vs. Needs
4. Unexpected Expenses
5. Hold Yourself Accountable
6. Adjust Your Expenditures

Module 7: Creating Your Financial Plan

The focus of this module is to help students analyze their budgeting assignments. Help your students identify their goals and inset them into their budgets. This is also a point where you can reiterate trade-offs and wants vs. needs (refer to module 6) to help keeping a balanced working budget. Included in this module is the financial self-assessment worksheet that was initially provided in module 1 in addition to a budget review questionnaire. Have your students fill out the financial self-assessment worksheet. The self-assessment worksheet will give your

Money Management Curriculum Overview

students a benchmark for their progress, as well as a direction for what they need to be working on.

Topics Covered

1. Length of time to maintain records
2. Review progress on exercises
3. Creating your plan
4. Assessment of current situation
5. Analyze your assessment
6. Prioritize your goals
7. Develop a plan to achieve your goals
8. Review your plan
9. Monitor and modify your financial plan

Module 8: Presentation of Financial Plans, Review Plans and Additional Topics

This module allows the students to present the financial plans developed throughout this course. Every student should have the opportunity to present his or her plan, even if it is not complete. This will give them the chance to receive input from their peers and help them develop a more realistic plan.

Topics Covered

1. Present Financial Plans
 - a. Examine: Are they complete? Are they realistic?
2. Additional Speaker or Topics – This section allows you to address areas of concern, bring in a speaker, or add any new topics that could be more relevant to you students.
3. Reflect on Progress and Next Steps
 - a. What have you learned?
 - b. What are your next steps?
 - c. Are you committed?

This is the last module in the series and an important indicator of how the class went. The presentation of financial plans will be a good indicator of how much the students have learned and what areas they might be lacking. Give your students a lot of input on how to improve their plans as well as encouragement to uphold their plan for the benefit of their financial future.