

UNIT 15 – BUDGETING AND CONSUMER SKILLS (10 Days)

A budget provides the framework within which spending decisions should be made. With the framework in place, students can learn about different kinds of expenses and how to make sensible choices so that spending does not undermine saving for one's goals. Protecting one through consumer protection laws, recordkeeping, and precautions against identity theft further contribute to a secure future.

EPF.17 The student will demonstrate knowledge of personal financial planning by

d) developing a personal budget

(BUS6120.103)

Day 1 Constructing the budget – income first

Day 2 Constructing the budget – choosing expenses

Day 3 Revisiting the budget

EPF.10 The student will develop consumer skills by

a) examining basic economic concepts and their relation to product prices and consumer spending

(BUS6120.043)

Day 1 Prices and decisions

EPF.10 The student will develop consumer skills by

c) describing the steps in making a purchasing decision, including the roles of marginal benefit and marginal cost

f) demonstrating comparison-shopping skills

(BUS6120.043) (BUS6120.047)

Days 1 and 2 Deciding whether and when to buy

EPF.10 The student will develop consumer skills by

e) describing common types of contracts and the implications of each

(BUS6120.046)

Day 1 Understanding contract basics

EPF.10 The student will develop consumer skills by

j) explaining consumer rights, responsibilities, remedies and the importance of consumer vigilance

(BUS6120.051)

Day 1 Consumer rights, responsibilities and remedies

EPF.10 The student will develop consumer skills by

g) maintaining a filing system for personal financial records

k) examining precautions for protecting identity and other personal information

(BUS6120.048) (BUS6120.052)

Day 1 Protecting yourself

Evaluation Day

EPF.17 The student will demonstrate knowledge of personal financial planning by
d) developing a personal budget

Day 1 - Constructing the budget – income first

Content Knowledge

A budget is an important tool for managing one’s money to achieve short- and long-term goals.¹ Once students understand income and taxes, they have the starting point for creating a budget. Budgeting allows one to “pay oneself first,” that is, intentionally saving towards achieving goals. Going without a budget, or beginning with expenses rather than income, means that one will save only what’s left over.

Vocabulary

Budget – A spending-and-savings plan, based on estimated income and expenses for an individual or an organization, covering a specific time period.

Expenses – Payments for goods and services.

Income – Payments earned by households for selling or renting their productive resources. May include salaries, wages, interest and dividends.

Virginia Board of Education Framework

A budget is an important tool for managing one’s money to achieve short- and long-term goals.

Developing a budget includes the following:

- Writing a statement of long-term and short-term goals
- Presenting a plan for managing one’s money over a short-term period
- Outlining a long-term plan for managing money.

A budget should allow for discretionary income (i.e., that which is available after paying for the essentials--- food, clothing, shelter) and take into account the impact of inflation.

A budget should also include funds set aside to use in the event of an emergency.

Teaching Tips

1) Have students construct a budget. It should begin with goals. If the teacher followed the suggestion in Unit 11, “Goals, Saving, Interest & Banking,” students have already listed some of their goals. They can review their goals and estimate how much they need to save for them. This should include estimates for educational expenses arrived at in Unit 13, “Labor Markets, Human Capital and Income.”

2) The teacher may want to visit several budget sites to show students different models. Ask students to identify what all of the models have in common.

3) Ask: What kinds of income would you expect to have in your budget? This is a good review of types of income from Unit 13. How consistent is the income? Do they need to construct a weekly, monthly or annual budget? Why?

4) The income amount that students use for in class activities should be based on the median salary from one of the careers that they selected after research in Unit 13. However, encourage students who have jobs to develop their own present-day budget using their actual income. When addressing the class on this subject, stress the point that budgets need to be revisited and revised as circumstances change.

Lessons and Resources

Financial Fitness for Life Grades 9-12 Lesson 8:Managing Your Money

Online

It's Your Paycheck Curriculum

http://www.stlouisfed.org/education_resources/paycheck.cfm

Money Management/Budgeting Concept Video (3:25)

<https://www.econedlink.org/resources/budgeting-video-and-quiz/>

Better Money Habits

<https://econisok.org/wp-content/uploads/2015/04/MS-Lesson-2-Budgeting.pdf>

Day 2 - Constructing the budget – choosing expenses

Content Knowledge

The first expense item on students' budgets should be money that goes into savings to use for emergencies and toward reaching goals. Ordinarily when starting out, the creation of an emergency fund of at least six months' income should be a primary goal. After setting aside that portion of income, attention should be directed to essential spending on housing, utilities, food, transportation, and insurance.

Teaching Tips

1) This is an extension of the previous day's lesson. Begin by reminding students about short-term and long-term financial goals. Ask: What amount would you need to save on a regular basis to help meet your goals? This needs to be the first item on the expense portion of the budget.

2) Ask: What other categories of expenses do you have in your budget? Do you have a category for clothing, entertainment, food, transportation, gifts (for family and friends)? Have students

prioritize their categories and allocate income left after saving. How did you prioritize your categories? Have students explain their reasoning.

3) The teacher may wish to have students estimate their actual expenses for a period of a week to a month. Then, assign students to keep a record of their actual expenses for the period. Have them categorize their expenses and compare the actual expenses to the estimated expenses. Most will have underestimated their actual expenses. Did any use their estimated expense figures to limit their spending? Did having a plan help keep spending down? If not, discuss what caused spending to exceed the estimates. Point out that while budgets often need adjustment, failure to budget and to keep the budget in mind when spending results in overspending. Overspending is an obstacle to goal achievement.

Lessons and Resources

Lesson: The REAL Cost of College
https://www.thirteen.org/edonline/lessons/fe_collegecosts/index.html

Lesson: Financial Fitness for Life (6-8)- Lesson 7 Managing Cash

Econedlink Lesson: Creating a Financial Safety Net
<https://www.econedlink.org/resources/creating-a-financial-safety-net/>

Day 3 - Revisiting the budget

Content Knowledge

Often, people will see a major change in their income but either overestimate or underestimate the impact on their spending. This can cause them to break their budget or to miss opportunities to meet goals.

Teaching Tips

1) As an extension of the previous two days' lessons, ask: How would you change your budget if: you received a 10% raise, a 20% one-time bonus, or your rent or transportation expenses increased by 10%? How would you reallocate your income or re-prioritize your expenses? Remind students that they have goals to guide them, in the case of unanticipated income.

2) If students have used the median salary from a career of interest, the teacher may wish to have students consider a career that is a step above or a step below the one they used to create their original budget—one in the same field, but requiring more or less education and training. Using the median salary for that altered career, have them remake their budgets. How does the additional, or the reduced, salary affect what they are able to have? How does it affect attainment of their goals?

Lessons and Resources

Lesson 3: The Art of Budgeting (free registration required), student activity 3.5 Rework a budget
https://www.practicalmoneyskills.com/foreducators/lesson_plans/teens.php

EPF.10 The student will develop consumer skills by

a) examining basic economic concepts and their relation to product prices and consumer spending

(BUS6120.043)

Day 1 - Prices and decisions

Content Knowledge

The economic way of thinking learned in earlier units is a valuable tool in personal finance decisions. In this unit, the focus is on budgeting and consumer skills. Remind students that everyone faces scarcity--we can't have everything we want. Everyone must make choices and all choices have opportunity costs--things we give up to get our choices. The goal is to use our resources to get the most of what we want--keeping in mind that we don't all want the same things. Having goals makes it easier for one to prioritize choices. A budget is just a spending plan that helps one control one's money to reflect one's priorities.

Remembering some other basic economic concepts will be useful as students learn to be more effective consumers. The incentive of consumers is to get the most for their money. The incentive of producers (companies/businesses) is to earn a profit. First--companies are seeking to earn a profit and are competing for the business of consumers--so, it's worthwhile to shop around to see who is offering the best product, service and price. Remind students that prices are determined by supply and demand. A consumer who must see a new movie the first week it comes out, or buy a new Ipad its first week on the market, can expect to pay a higher price than a consumer who waits. Remind students that they have a role in the economy as both consumers and producers (if they have jobs) by reviewing the circular flow diagram.

Vocabulary

Circular Flow - The movement of output and income from one sector of the economy to another; often illustrated as a circular flow diagram.

Demand – The quantity of a good or service that buyers are willing and able to buy at all possible prices during a period of time.

Incentive – Any reward or benefit, such as money, advantage or good feeling that motivates people to do something.

Price – The amount of money that people pay when they buy a good or service; the amount they receive when they sell a good or service.

Profit – Income received for entrepreneurial skills and risk taking, calculated by subtracting all of a firm's explicit and implicit costs from its total revenues.

Supply – The amount of a good or service that producers are willing and able to offer for sale at each possible price during a given period of time.

Virginia Board of Education Framework

Economic concepts such as profit, incentive, consumer sovereignty, supply and demand, and competition all relate to product prices and consumer spending:

- Profit is an incentive for producers.

- Businesses produce what consumers demand, a concept known as consumer sovereignty.
- If the cost of production goes up, supply will decrease and prices will rise; if the cost of production goes down, supply will increase and prices will fall.
- An increase in productivity lowers the cost of production and thus increases supply, leading to a decrease in price.
- Competition among businesses affects consumer prices.
- Changes in income affect the demand for goods and services; an increase in income increases demand for most products, and vice versa.
- Interest income is an incentive to save money.
- Supply and demand for a product or service determine price.

Teaching Tips

1) In this lesson you will be using some of the economics concepts taught earlier, bringing them to bear on consumer decision-making. Display a circular flow chart for review. (The circular flow model was discussed in Unit 3 and is explained at EPF 2j.) Ask students where they fit as consumers. (*In the goods and services market*) Point to the goods and services market and ask students if they have favorite places to shop for athletic shoes. How do they decide where to shop? If several stores carry the same shoes, do they all charge the same price? Remind students that stores often compete on price--so, it can be worthwhile to shop around. In what other ways do stores compete? (*Offering better service, generous return policies, convenient shopping hours*) Why do stores work hard competing for your business? (*They must earn a profit to stay in business.*) What happens to stores which don't make consumers happy? (*They go out of business and their employees lose their jobs.*)

The teacher may wish to use the lesson from Financial Fitness for Life (below), which emphasizes the competition between producers, and the concept of consumer sovereignty.

Remind students that goods and services are exchanged by firms for money from households in product markets, and that factors of production are exchanged by households for money from firms in factor (resource) markets. Draw attention to the fact that both flows are equal. Ask students what this indicates about the perceived value of the products or factors? (*In each case, the party receiving must value what they receive more highly than what they give up.*)

2) Post the following quotation from the explanation of Markets and Prices in Virtual Economics, and lead a class discussion of it:

Prices provide incentives to both buyers and sellers. For example, if poor weather in Brazil causes a reduction in the supply of coffee and an increase in the price of coffee, then at least some buyers of coffee will react to the higher price by reducing the amount of coffee they drink or by substituting some other drink. If the demand for fresh fruits and vegetables increases, causing the price to rise, then at least some suppliers will react to the higher price by producing more. In this way, flexible and adjustable prices are messengers in a market economy, revealing information on supply and demand conditions and providing incentives for market participants to respond appropriately to that information.

How does this explain the response of buyers and sellers to incentives? Ask students if they have ever switched from buying one product to another when the price went up? If the price of Pepsi went up, would you consider switching to Coke? Being aware of prices and switching to lower priced products can help one save money which can be used to reach their most important goals.

3) Remind students that small changes in choices can make a big difference. Just substituting a glass of water for a soft drink in a restaurant can save \$1-\$2. Making that choice once a day for a year could save \$365-\$730 plus tax per year! Have students refer to their calculations about how much they will have to save to achieve their goals and look at how much closer they could be to achieving a goal with that additional sum. Ask them what is their opportunity cost of consuming a soft drink once a day for a year? (*If their next best choice would be to save, the opportunity cost could be achievement of a goal with that additional savings.*)

Lessons and Resources

Financial Fitness for Life Grades 6-8 Lesson 1: Resources Are Scarce

Entrepreneurship in the U.S. Economy Lesson 9: The Circular Flow Between Consumers and Entrepreneurs

Econedlink Lesson, The Best Deal. <https://www.econedlink.org/resources/the-best-deal/>

Video

What if there were no prices? <https://www.learnliberty.org/videos/what-if-there-were-no-prices-railroad-thought-experiment/>

EPF.10 The student will develop consumer skills by

c) describing the steps in making a purchasing decision, including the roles of marginal benefit and marginal cost

f) demonstrating comparison-shopping skills

(BUS6120.043) (BUS6120.047)

Days 1 & 2 – Deciding whether and when to buy

Content Knowledge

Shopping is a national sport. That said, careful shopping can result in getting better products and better prices. Applying economic tools such as weighing marginal costs and marginal benefits and using decision-models such as the PACED model can help clarify choices and make for better decisions. Information about reliability of products and sellers can make a difference in purchasing decisions. Learning how to research products and having a method for comparison shopping can provide the basic information needed to apply the PACED model.

Vocabulary

Marginal Benefit – The additional gain from consuming or producing one more unit of a good or service; can be measured in dollars or satisfaction.

Marginal Cost – The increase in a producer's total cost when it increases its output by one unit.

PACED Decision-making Model – A decision-making process designed to help people solve problems in a rational, systematic way. It includes the following steps: State the Problem, List Alternatives, Identify Criteria, Evaluate Alternatives, and Make a Decision.

Virginia Department of Education Framework

EPF.10c: Purchase decisions are made more easily when marginal benefit and marginal cost are considered.

The use of decision models can improve purchase decision-making.

Marginal benefits are the additional benefits of consuming one more of something. Marginal costs are the additional costs (i.e., what one must give up) of getting one more. For example, the marginal benefit of buying one more pair of jeans might be the time saved by having to wash jeans less frequently. The marginal cost of one more pair of jeans might be giving up buying a new shirt or pair of shoes.

Sample Decision Model (PACED)

Step 1: Determine the problem.

Step 2: List the alternatives.

Step 3: Establish criteria.

Step 4: Evaluate each alternative according to the criteria.

Step 5: Decide.

Other steps which could improve decision-making include

- researching prices for commonly purchased items
- using comparison shopping
- weighing the pros and cons of sales incentives, guarantees, warranties, and rebates
- understanding sales terminology
- planning purchases and avoiding impulse buying
- computing unit prices
- reading labels
- reading contracts
- computing total costs
- checking references of businesses
- patronizing reputable businesses.

EPF.10f: Comparison shopping involves consideration of

- value
- time
- convenience
- dollar costs
- payment options
- negotiations of prices and terms
- the consequences of conspicuous consumption
- opportunity cost
- costs and benefits.

Teaching Tips

1) Marginal benefit is the change in total benefit resulting from an action. Marginal cost is the change in total cost resulting from an action. Have students identify the marginal benefit of buying and consuming additional granola bars. Contrast this with the marginal cost of acquiring additional granola bars. Remind students that as one consumes more and more of the same thing, diminishing marginal utility sets in. Explain that with each purchase, it's helpful to ask, "What are the benefits I'm going to get from this?" and "What are the costs--that is, what are the benefits I would get from the thing I'm giving up, my opportunity cost?" "Would I rather have a fourth pair of running shoes or would something else give me more benefits?"

2) Remind students, as long as the marginal benefit of an activity exceeds the marginal cost, people are better off doing more of it; if the marginal cost exceeds the marginal benefit, they are better off doing less of it. Ask if any students lift weights. If you go to the gym, do you lift the same weight over and over for an hour? Why not? (At some point, the marginal benefits of additional lifts would not be helpful; they might in fact make you quite sore.) You would experience diminishing marginal utility. Ask students for examples of how this would apply to spending decisions.

3) Ask students how they ordinarily make shopping decisions. Is it important to do research before buying? (*In some cases, it can be very important—for expensive and complex products. In the case of some simple or inexpensive products, it may be less important and therefore the cost of the time required for research may not be worth the benefits that can be achieved; but*

some kinds of research are readily available, such as comparing unit prices of products at the grocery store. The savings may be considerable and therefore make it worth the effort even for simple and inexpensive products.) What are some other methods of research, besides comparing unit prices at the grocery store? *(Discussions with friends and relatives about the value and convenience of products; online research; in-store research)*

Is all information that's available, equally reliable? *(No.)* How can people evaluate the reliability of information about products? *(They can consider the motives of the entity providing the information.)* Is the information from the seller? Sellers want happy customers, but they also have an incentive to encourage sales. Does the seller have a reputation for providing reliable information? Is the information from an independent source such as Consumer Reports? Is it from online customer reviews? If so, do the reviews indicate how long the customer has owned the product? A person who has had the product only a short time won't be able to evaluate the product's durability. Which customers are most likely to submit reviews? *(Those who are the most unhappy or the most happy with the product.)*

4) Is it important to evaluate the seller from whom you are considering buying? *(In cases where the product does not have a long track record, or is nonstandard (for example, with used products, or custom services), it can be very important.)* How can one find out about the reputation of a seller? *(Better Business Bureau; Virginia Department of Agriculture and Consumer Services Complaint Database; people you know who have done business with the seller)*

5) Introduce the idea of negotiation. Do all products and services have set prices? *(While we are familiar with buying things at set prices, some items can be negotiated as to prices or terms. Priceline is one example, in which buyers can bid on hotel rooms. Negotiation is the rule with auto purchases. And home purchases also typically involve negotiation as to both price and terms.)* Is research important if you plan to negotiate with a seller? Where can you get information to help you negotiate? *(Consumer Reports and others offer information about auto dealers' costs; online public records have information on sales prices and tax assessments for homes.)*

6) Introduce the seven-step method for comparing products and making purchase decisions in the Financial Fitness for Life lesson below. Refer to the Teacher Guide and discuss the steps involved in researching a purchase. Assign students in teams of 2-4 to research products such as those listed in the lesson, or appropriate alternatives. The teacher may wish to separate the research portion of the process from the decision making, and have the students use the PACED model on Day 2 to arrive at decisions, after students have reported on their research.

Lessons and Resources

[Financial Fitness for Life Grades 6-8 Lesson 17: Comparison Shopping, student exercise 17.2](#)

Econedlink Lesson. PACED Decision Grid.

<https://www.econedlink.org/resources/dynamic-decision-making/>

Consumer Reports

www.consumerreports.org/

Tips for Being a Savvy Consumer

<http://www.usa.gov/topics/consumer/smart-shopping/tips.shtml>

Better Business Bureau

<http://www.bbb.org/>

Virginia Department of Agriculture and Consumer Services

<http://www.vdacs.virginia.gov/>

Priceline. This booking site is a clever way to allow students to research global prices.

<http://www.priceline.com/>

Video:

“Economic Decision-making” page from VCEE. <https://vcee.org/economic-decision-making-ms-and-hs/>

EPF.10 The student will develop consumer skills by
e) describing common types of contracts and the implications of each

Day 1 - Understanding contract basics

Content Knowledge

Various types of contracts affect consumers. Before signing a contract, one needs to understand the provisions in it and how they may affect the signer, because they are enforceable by law. Contracts often contain an explicit right to rescission, but the length of time may vary. Many young people need a cosigner to enter into a contract.

Vocabulary

Contract – A formal agreement between parties that specifies what each party is going to do in return for receiving something from the other party.

Co-Signer – A party to agrees to become part of a contract, guaranteeing payment if one of the parties defaults.

Rescission – A part of many contracts that allows one or the other party to change their mind and void the contract within a specified period of time.

Virginia Board of Education Framework

Various types on contracts impact consumers.

A contract is a binding legal agreement that is enforceable by law.

Examples of contracts include

- movie rental memberships
- property rentals
- cell phone agreements
- online contracts (e.g., for networking space, cell phone ringtones)
- payday loans
- title loans
- rent-to-own agreements.

There are legal consequences for failure to comply with contract requirements.

Implications and related concepts include

- three-day rescission period
- circumstances requiring co-signatures
- legal ramifications of adults (e.g., roommates) sharing financial responsibilities involving a contract

Teaching Tips

1) Explain that once a person qualified to enter into a contract, does so in writing, and something is exchanged, the contract ordinarily is enforceable by law. Because of its legal effect, a person who is considering entering into a contract needs to read and understand all of the provisions of the contract before signing. In the case of online transactions, a “signature” can be electronic. The teacher may wish to use lesson one from the Contract and Consumer Law lesson series (link below) teach contract basics.

2) Obtain and review examples of movie rental/streaming memberships, property rentals, cell phone agreements, online contracts (e.g., for networking space, cell phone ringtones), payday loans, title loans, and rent-to-own agreements, pointing out any rescission provisions and enumerated penalties for breaching the contract

3) You may want to invite a lawyer or a loan officer to address the class. Have the guest discuss circumstances in which a co-signer may be required.

4) Explain that in the case of property rental contracts; ordinarily the person (lessee) who signs the contract with the owner is entirely responsible to the owner, even if the lessee shares the apartment with others. The presence of others having the use of the apartment does not relieve the lessee from fulfilling all obligations set out in the contract.

5) Using lesson six from the Contract and Consumer Law lesson series (link below), have students read about sample consumer cases and produce a Powerpoint to present the issues.

Lessons and Resources

Focus Institutions and Markets Lesson 2: Property Rights and Contracts as Economic Institutions

Lesson Series: Contract and Consumer Law

<http://docs.plea.org/pdf/ContractAndConsumerLaw.pdf>

Virginia Attorney General, Residential Landlord-Tenant Issues

<https://oag.state.va.us/13-resource/634-residential-landlord-tenant-issues?highlight=WyJsYW5kbG9yZCJd>

Cancel a Purchase Under the Three-Day Cooling Off Rule

<http://www.usa.gov/topics/consumer/smart-shopping/home-shopping/3day-rule.shtml>

Your Rights When Shopping From Home

<http://www.usa.gov/topics/consumer/smart-shopping/home-shopping/rights.shtml>

Virginia Council on Economic Education

EPF.10 The student will develop consumer skills by

j) explaining consumer rights, responsibilities, remedies and the importance of consumer vigilance

Day 1 - Consumer rights, responsibilities and remedies

Content Knowledge

Consumers have rights, responsibilities, and remedies. They also have a responsibility to be vigilant.¹

Virginia Board of Education Framework

Consumers have the right

- to be informed
- to be safe
- to choose
- to be heard
- to have avenues for redress of consumer grievances (e.g., state and federal agencies, consumer protection laws, private groups such as Common Cause and Better Business Bureau).

Consumer responsibilities include

- verifying receipts and statements
- contesting an incorrect bill
- maintaining consumer vigilance
- safeguarding against fraud.

Remedies should include

- maintaining awareness of the rights and responsibilities of minors
- contesting an incorrect bill
- registering a consumer complaint.

Consumer skills include comprehending and using

- consumer protection laws, such as those related to product recalls and product labeling
- government agencies responsible for enforcing consumer protection laws
- private groups that work for consumer protection.

Teaching Tips

1) Ask students if they have ever felt mistreated or cheated in a business transaction. What do they think they can do? What do they think their rights are? The teacher may wish to project the webpage Filing Consumer Complaints (below) and go over some of the terms with which the

students may be unfamiliar, such as third parties, consumer advocacy, fraud and scams, and trade associations.

2) Ask students whether they are aware of anyone being seriously harmed or killed as a result of using a product. If a person experiences harm from a product, what should a person do to help prevent harm to others? (*Report: problems with drugs to the US Food and Drug Administration; problems with other unsafe products to Consumer Product Safety Commission*)

Are there other consumer grievances that one should report to help the public? (*Potential, attempted, or accomplished identity theft, telemarketing, email spam, debt collection, data breach, and credit reporting should be reported to the Federal Trade Commission Bureau of Consumer Protection*)

3) Assign students to research the sites listed below and then write letters of complaint using the template provided at the Filing Consumer Complaints site.

Lessons and Resources

Financial Fitness for Life, Lesson 18 - Consumer Credit Protection

Filing Consumer Complaints

<http://www.usa.gov/topics/consumer/complaint.shtml>

US Food and Drug Administration reporting

<http://www.fda.gov/Safety/ReportaProblem/default.htm>

Consumer Product Safety Commission reporting

<http://www.cpsc.gov/>

Federal Trade Commission

<https://www.ftccomplaintassistant.gov/>

EPF.10 The student will develop consumer skills by

g) maintaining a filing system for personal financial records

k) examining precautions for protecting identity and other personal information

(BUS6120.048) (BUS6120.052)

Day 1 - Protecting yourself

Content Knowledge

Protecting oneself requires maintaining records of transactions, and vigilance against identity theft and other kinds of fraud.

Virginia Board of Education Framework

EPF.10g: A well maintained filing system gives one access to personal records when needed.

A well maintained filing system includes ease of storage retrieval and shredding of documents.

Manual and electronic are the primary types of filing systems.

Systems can have numeric, chronological, and/or tickler access.

EPF.10k: Types of identity theft change regularly. Consumers must be aware of current methods and how to protect their identity.

Ways to avoid becoming a victim may include

- safeguarding financial documents
- refusing to give personal information to phone or e-mail solicitations
- shredding documents that contain personal information
- using secure Internet sites
- being aware of surroundings when making financial transactions
- immediately reporting theft or loss of identification, checks, credit cards, and personal financial documents and data
- checking financial statements regularly

Teaching Tips

1) Explain basic types of filing systems – alphabetical by place purchased, categorical by type of purchase, chronological by date purchased. Explain the advantages and disadvantages of each. Ask students to consider which they feel would be most useful to them and ask them to explain their thinking.

2) The lesson “Coming to grips with your finances” describes a filing system and has excellent handouts detailing what to keep and what to discard.

3) Have students use the internet sources listed below to research and report on credit card fraud and protective measures one should take in using the internet.

4) Direct students to the identity theft prevention sites below. Have them produce powerpoints or videos to explain how to protect oneself from identity theft.

Lessons and Resources

Financial Fitness for Life, Lesson 19 - Don't Be Scammed

Coming to grips with your finances--lesson 2
<https://files.eric.ed.gov/fulltext/ED364714.pdf>

Guide to online protection:
<https://www.vita.virginia.gov/commonwealth-security/awareness-toolkit/citizen-awareness/guide-to-online-protection/>

Avoiding ID and credit card fraud: <http://www.idbylandau.com/v/vspfiles/resource/avoiding-id-and-credit-fraud.html>

Philadelphia Federal Reserve Bank: Protecting Yourself from Identity Theft
<https://www.philadelphiafed.org/-/media/consumer-resources/publications/protecting-yourself-against-identify-theft.pdf>

Federal Trade Commission Identity Theft Site: <http://www.ftc.gov/bcp/edu/microsites/idtheft/>

EVALUATION DAY