

You Are How You Organize: Keeping and Using Financial Records

SUBJECT(S): Personal Finance

GRADE LEVEL(S): 9, 10, 11, 12

≡ **NBEA STANDARD(S):**

- Personal Finance, I. Personal Decision Making
- Personal Finance, III. Managing Finances and Budgeting
- Personal Finance, VI. Banking and Financial Institutions

≡ **RELATED ARTICLES:**

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TOPIC/COMPETENCY: Spending: Paper based strategies for keeping and using financial records

CEE National Standard:

II Buying Goods and Services, Standard 7 [Grade 4]

Jump\$tart National Standard:

Standard 2. *Develop a system for keeping and using financial records.*

Common Core State Standard:

CCSS.ELA-LITERACY.RST.9-10.4

CCSS.ELA-LITERACY.RI.11-12.1

LESSON TITLE: “You Are How You Organize!”

CONTENT STATEMENT: What factors can affect a person’s net income?

LEARNING OBJECTIVE: Understand the importance of organizational skills and how they relate to financial well-being.

ESTIMATED TIME: 50 minutes classtime; 50+/- minute assessment at home

MATERIALS NEEDED: Internet access for instructor; Projector; [Guided Notes Worksheet](#); Calculators for students; [Take Charge Today Blank Template for Statement of Financial Position](#). [Answer Key for Guided Note Worksheet](#), Assessment Instructions

KEY VOCABULARY/TERMS: [Budget](#), [Interest Deduction](#), [Medical Savings Accounts](#)

[Net Worth](#), [Assets](#), [Liabilities](#)

WHY THIS MATTERS TO YOU NOW: There are financial consequences to managing money poorly. Being organized is necessary to prevent unnecessary fees, like paying your cell phone payment late.

Activities: 5-10 minutes.

- Motivational hook / activity – Create interest in the material; Answer the question: “Why do I need or want to learn this material?”
 - Write this quote on your chalkboard/type it on your Interactive White Board for display: **“A place for everything; everything in its place”**
 - Ask students who they think might have written this famous quote.

- Answer: Benjamin Franklin.
- Now ask students to visually think about the condition (organization) of their bedroom before they left for school today. Use some descriptors to say out loud and ask for students to raise their hand if any of these adjectives describes their bedroom...

*Harmony *Chaos *Disarray *Order *Tidy *Unholy Mess 🙄

Ask students if they think the way they organize their bedroom reflects upon how they organize other aspects of their life.

Show this video clip (if Internet and Projector are available) from the Ellen Degeneres show about a celebrity whose organizational habits did indeed have an effect on her life.

<http://www.ellentv.com/videos/0-1a8uskqp/>

- **Comprehension** – 15-20 minutes *Assign half class to read Article 1, half Article 2

Reading for Comprehension – Read your assigned article:

- 1) “What Does Your Disorganization Say About You?”
<https://thespacemaster.wordpress.com/2011/02/07/what-does-your-disorganization-say-about-you/>
 - A) Students will choose three (3) of the eleven (11) statistics to include in their Guided Notes worksheet after reading this article.
 - B) The instructor will randomly ask students to share a summary of the article with the rest of the class & what information caught their attention.
- 2) From the Consumer Financial Protection Agency: Four Elements Define Financial Well-Being <http://www.consumerfinance.gov/blog/four-elements-define-personal-financial-well-being/>

1. A) Students will add these four (4) elements to their Guided Notes after reading.
2. B) Then the instructor will debrief this activity by asking students to share a summary of the article & their thoughts about 4 elements by asking open-ended questions and ask

for examples to share with other classmates.

3) The instructor will continue the lecture (and students will finish the one (1) page Guided Notes) with a list of financial documents you should file/organize and how long to keep them. (See Answer Key for Guided Notes)

4) Students will write down in their Guided Notes Worksheet common examples of formulas and terms associated with financial documents: Net Worth, Income and Expenses, Monetary Assets , etc...

*You are also encouraged to show students definitions on the Smart Board or Interactive White Board of Knowledge@Wharton Glossary terms that have written and/or video explanations.

- **Practicing** – Activities for students to practice what they are learning – 15 minutes
 - Example: PRACTICE completing a Statement of Financial Position

Using a life-based scenario, ask students to complete the Statement of Financial Position in their Guided Notes worksheet, pointing out how this helps an individual determine their net worth for one moment in time. (Source: SoFP adapted from www.takecharge.today@arizona.edu)

- **Assessment** – (complete at home) Go over instructions in class 5-10 minutes. Instructor should explain assessment and pass out guidelines for completion and answer questions related to this task

To demonstrate that the personal finance student is aware of the content associated with Paper Based Financial Documents and the Power of Organizing Skills allow each individual student to choose from the following essay activities :

1. A) Read the Knowledge@Wharton article about growing Consumer Debt in China <https://globalyouth.wharton.upenn.edu/articles/credit-in-china-a-culture-of-consumer-spending/>. Students will write a one page essay reflecting how not having a budget/spending plan and relying on credit cards to make purchases can impact an individual's financial well-being. Relate how strong organizational skills and habits could help someone who is unorganized in their financial life.

1. B) Provide the student with the handout “**Roadmap for Important Papers**” <http://www.extension.umn.edu/family/personal-finance/consumer-protection/docs/roadmap-for-important-papers.pdf> and ask them to sit down with a parent/guardian to have a homebound discussion about the contents of this paper worksheet designed to help organize your financial documents. Students will interview their parent/guardian and take notes during the discussion with them about the organization and filing of their family’s financial documents. Then, write a one page essay citing content from the interview with their parents about the Roadmap document and how they organize their files. Require the essay to include direct quotes from the parent/guardian about how they might use this in their own lives, or if they currently are using something similar to this document; where they keep their important financial papers (File Cabinet? Safe Deposit Box? Fireproof Box?)

Apply/Going Further/Homework – Learners will conduct one of two activities as a “Going Further” Assignment at home:

1. A) Create a Statement of Financial Position for them; list the value of their current assets and liabilities and have their parent sign off on the form. (See blank handout)