



Are You Financially Literate

EPISODE #301

LESSON LEVEL

Grades 6-8

KEY TOPICS

- Entrepreneurship
- Financial literacy
- Money management

LEARNING OBJECTIVES

1. Learn the value of financial literacy.
2. Understand reasons for budgeting.
3. Recognize the importance of saving.
4. Learn financial terms.

EPISODE SYNOPSIS

Understanding how to manage your money before you get to high school will make you even more successful when you head to college or move out on your own. Explore the skills of goal setting, budgeting, saving, and money management that make you Financially Literate!

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **JumpStart Coalition for Personal Financial Literacy**.

Financial Responsibility and Decision Making

Standard 1: Take responsibility for personal financial decisions.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Planning and Money Management

Standard 1: Develop a plan for spending and saving.

Standard 6: Develop a personal financial plan.

Saving and Investing

Standard 1: Discuss how saving contributes to financial well-being.

Aligned to *Voluntary National Content Standards in Economics* from the **Council for Economic Education**.

Standard 2: Decision Making

Standard 14: Entrepreneurship

Aligned to **Common Core State Standards Initiative's** standards for *Literacy in History/Social Studies, Science and Technical Subjects*.

Standard 1: Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.

Standard 4: Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.

Standard 7: Integrate and evaluate content presented in diverse formats and media, including visually and quantitatively, as well as in words.

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LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what equipment is required to show the episode in your classroom and request it if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Students will need a pen or pencil and copies of the activity worksheets. Have fun!

Screening

Introduce the series and the episode. Explain that Biz Kid\$ is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money. Prior to playing the episode, lead your students in a discussion with the preview questions on this page.

About the Episode

Understanding how to manage your money before you get to high school will make you even more successful when you head to college or move out on your own. Explore the skills of goal setting, budgeting, saving, and money management that make you Financially Literate!

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- What does being “financially literate” mean to you?
- Have you ever set goals?
- What items are on your personal budget?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

In this episode, the Biz Kid\$ listed five important steps to becoming financially literate: Save money, set financial goals, budget your money, spend less than you earn, and use credit wisely. They met some entrepreneurs who knew how to manage their money, and became successful in business. You can do it too, Biz Kid\$, so let’s get started!

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they’ve learned with their families.



FAMILY ACTIVITY SHEET

Episode Synopsis

Understanding how to manage your money before you get to high school will make you even more successful when you head to college or move out on your own. Explore the skills of goal setting, budgeting, saving, and money management that make you Financially Literate!

Activity Suggestions

In this episode, the Biz Kid\$ listed five important steps to becoming financially literate: Save money, set financial goals, budget your money, spend less than you earn, and use credit wisely. Does your family use a budget? Do you have short term, medium term, and long term financial goals as a family? With your child, discuss how you allocate your money, and what your goals are.

Help your child create their own budget and set some financial goals that they can work toward personally. Track your progress together, as a family, for both your child's personal financial goals and your family's financial goals. This will help your student learn how to make wise financial choices, spend less than they earn, and make saving a habit.



Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Budget
- Credit card
- Credit report
- Debit card
- Financial goal
- Financial literacy
- Floating
- Insufficient Funds Fee (NSF)
- Penalty
- Savings account

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. People who are _____ are probably not financially literate because they don't have any money in their _____.
2. If you make a _____ it will help you reach your _____.
3. A person who spends more money than they have will end up paying a _____, sometimes called an _____.
4. A person who has _____ will know the difference between a _____ and a _____.
5. Your _____ is like your report card for how you manage your money.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- In this episode, we saw the largest student-run credit union in the U.S. at Georgetown University. When was the first credit union opened in the U.S.? What is the purpose of a student-run credit union, and how is it different from other credit unions?

Mathematics

- In this episode, Austin's budget included \$60 per month for crystal unicorn figurines, because they make him happy. If Austin took half of that money, and put it into a savings account instead, how much would he have in his savings account at the end of one year if the interest rate on the savings account is 3% annually? (Hint - Remember to calculate the compound interest too!)

Economics

- In the United States, if we spend more than we have in our account, instead of a fee or penalty, we have a "deficit" in our national budget. Using the internet or a local library, find out what the current balance is of the United States' national deficit. What suggestions would you have for the government to help them stay within their budget?

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #2:

FINANCIAL LANGUAGE

WORKSHEET FOR STUDENTS

Directions

In this episode, one of the Biz Kid\$ is learning six different languages so he can travel the world. But what he really needs to learn is the language of money.

Be financially literate, and match the word on the left with the word on the right that means the same thing.

- | | |
|---------------------------|--------------------|
| 1. Credit | Obligation |
| 2. Debit | Earnings |
| 3. Penalty | Trade |
| 4. Barter | Credit Union |
| 5. Staff | Economic recession |
| 6. Bull market | Product |
| 7. Mortgage | Agent |
| 8. Benefit | Facts |
| 9. Budget | Gift |
| 10. Capital | Loan |
| 11. Cash | Deduction |
| 12. Donation | Plan |
| 13. Commodity | Economic boom |
| 14. Data | Advantage |
| 15. Debt | Money |
| 16. Broker | Essential |
| 17. Financial institution | Fee |
| 18. Income | Coins |
| 19. Need | Home loan |
| 20. Bear market | Employees |

Have students discuss these ideas and share their answers with the class.



Activity #3:

MANAGE YOUR MONEY

WORKSHEET FOR STUDENTS

Directions

In this episode, the Biz Kid\$ learned how money works and how to manage it. Now it's your turn.

Your budget is \$300 per month, and you have to put some money into each of these four categories: save, spend, invest, and donate.

1. Save - How much money will you save out of the \$300? What is your long-term savings goal? How long will it take you to reach that goal if you save the same amount each month and do not spend it?

2. Spend - How much money will you spend out of the \$300? Make a list of everything that you would buy.

3. Invest - How much money will you invest of the \$300? Investments are opportunities to grow your money, such as a Certificate of Deposit or other financial instrument. What would you invest your money in?

4. Donate - How much of the \$300 will you donate? What individuals or organizations will you donate this money to?

Have students discuss these ideas and share their answers with the class.



BIZ TERMS DEFINITIONS

- *Budget*: A spending plan for managing money during a given period of time.
- *Credit card*: Plastic cards that allow users to make purchases using borrowed money.
- *Credit report*: A document that summarizes how many loans and credit cards you have, what their limits are, and whether or not you pay on time.
- *Debit card*: A bank card that looks like a credit card but it takes money directly from your checking account to pay for the entire purchase all at once.
- *Financial goal*: A target that you plan to work toward and accomplish that has to do with money.
- *Financial literacy*: An understanding of how money works, and the ability to manage your own money.
- *Floating*: Living from paycheck to paycheck with no savings for emergencies or long-term financial goals.
- *Insufficient funds fee (NSF)*: A penalty for spending more money than you have in your account, also called a Non-Sufficient Funds (NSF) fee.
- *Penalty*: A fee for breaking the terms of an account or agreement.
- *Savings account*: An account you have at a financial institution that helps you accumulate and save money, while earning interest at the same time.



Produced by: *Biz Kid\$* LLP

Funded by:



Co-Produced by:



Distributed by:

