

## Financial Literacy and Personalized Learning Plans

A Personalized Learning Plan (PLP) can be envisioned as a student's road map (minimally beginning in grade 7) as they progress through their educational experience, informing choices through those years and beyond. PLPs not only help articulate and clarify students' goals and needs but also are a reflection of the importance of student agency in learning as they work to meet graduation proficiencies. PLPs can be for any level student and for any topic of interest that is appropriate for each particular student. The concept of personal finance lends itself well to a PLP as students, even in the elementary grades, begin thinking about 'what they want to be when they grow up'. These goals can be captured in a PLP and whether a student wants to plan for college, the military or work after graduation, financial literacy concepts can help the student be successful. Be it through job search and interview skills, career planning, understanding the college loan process, or simply learning how to budget to purchase the car that will transport them to a workplace, personal finance concepts will help facilitate the achievement of PLP goals.

This document is a non-exhaustive list of financial literacy PLP topics for grades 7-12. Each topic is a starting point to elicit interest for the student. The teacher and student would then both need to make a plan to support the student's learning such as identifying resources, narrowing the topic focus, methods of sharing student learning, timeline of project, etc. The topics fall under the major areas of financial literacy as laid out through the Jump\$tart Standards.

### Spending and Saving

1. Choose a savings goal and create and implement a savings plan to achieve the savings goal. This can be adapted to student age and financial access. Some examples of savings goals include:
  - a. Car
  - b. College
  - c. Phone
  - d. Bike
  - e. Skateboard
  - f. Electronic game

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2. Develop a system for keeping and using financial records.
  - a. Students can explore free financial software to track their spending. Students will create an evaluation tool that measures software attributes that are important for them and show examples of how they used it to track their spending.
  - b. Students create their own spreadsheets that track their spending.
  - c. Students create their own financial tracking system with a paper-based system.
3. Describe and evaluate how to use different payment methods.
  - a. Students will explore the costs, benefits, and risks associated with checks, stored value cards, debit cards, gift cards and online and mobile payment systems.
  - b. Students can explore the various features and costs of similar financial products/tools offered by different financial institutions.
4. Apply consumer skills to spending and saving decisions.
  - a. Develop and utilize a plan to comparison shop and potentially finance a car purchase.
  - b. Develop and utilize a plan to comparison shop and potentially finance a college education.
  - c. Explore different job fields and their associated schooling and salaries.
    - i. Create a budget or spending plan based on researched income and expense calculations from the projected income and spending goals for the student and different jobs/careers. Compare and contrast the entry cost to the jobs/careers and their lifetime earning potentials.
  - d. Students interview employees from various financial institutions to find out what they do and evaluate whether or not this is a job they might be interested in considering.

## **Credit and Debt**

1. Students could analyze the costs and benefits of various types of credit.
  - a. Students can explore the advantages and disadvantages of different college loans. (This could be part of the exploring college and careers PLP ideas.) Students could explore fixed interest and variable interest as well as deferred interest and their impacts on total loan costs.
  - b. Students can explore the advantages and disadvantages of different car loans. (This could be part of the exploring spending and saving PLP ideas).
  - c. Students can learn about credit reports and their impact on loan costs.
    - i. Students can create a financial plan to improve one's credit score based on what variables go into a credit report and each variable's impact on the final report score.

2. Explore a borrower's rights and responsibilities related to credit reports.
  - a. Students can explore what credit reports are and their impact on one's financial health. Students can take this knowledge and tie it to analyzing the costs of loans and how these variables impact one's savings plan for large ticket items such as a car, house, or college loans.
3. Students can explore techniques to improve their debt management.
  - a. Students could learn what tools and resources are available to help people make better financial decisions such as: consumer credit counseling agencies, the Consumer Financial Protection Bureau, developing a financial plan, and investigating how student loan obligations differ from other forms of debt.
4. Students can explore the major consumer credit laws.
  - a. Students can expand on creating a financial plan or improving debt management by learning about their rights and responsibilities for debt collections, and/or learn about various forms of bankruptcy and their impact on one's financial health.

## **Employment and Income**

1. Students can explore job and career options. (This can be tied into some of the PLP ideas under spending and saving as well.)
  - a. What jobs are available, what do they pay, what are the entry requirements to get a particular job.
    - i. This can expand into college selection, college loans (impact of student loans on a financial plan), financial plan based on lifetime earnings and job entry requirements.
    - ii. Students can explore several jobs and determine the cost of entry and their return on investment to gain entry into the particular job field.
    - iii. Students can focus on one particular job and explore the best way to gain entry into that particular job field by comparison shopping. (Expand on the spending and saving PLP ideas.)
2. Compare sources of personal income and compensation.
  - a. Students can learn about how the top 1% of the population earn most of their money. Students can learn about estate planning, trusts, and wills as a part of personal financial planning.
  - b. Students can explore the top earning career fields and each one's requirements. Students could explore the return on investment for time and money associated with each career field.
3. Tax considerations on net-income.
  - a. Students can explore state and federal taxes and their impact on income and savings. Students can consider taxes and their impact on creating a financial plan for retirement.

## Investing

1. What is investing and how does it build wealth and help to meet financial goals.
  - a. Students can interview or intern with a financial advisor.
  - b. Students can explore strategies for investing as part of a personal comprehensive financial plan.
  - c. Students can investigate the impact of tax shelters, time, value of money, and employer matching.
2. Students can learn about diversification of assets, financial advisor fees, different retirement savings plans and health savings accounts (HSA), and tax shelters as part of a personal comprehensive financial plan.
3. Students can learn about how one purchases and sells investments.
  - a. This can be tied into learning about an investment plan with evaluations tools or metrics to measure one's investment plans success.
  - b. Students can investigate the pros and cons of investing with a financial company/advisor or through one's self. This can include learning about:
    - i. Direct purchase
    - ii. Employer-sponsored retirement plans
    - iii. Investment clubs
    - iv. Investment professionals
    - v. Online brokers
4. Students can explore what laws and agencies exist for protecting investors and regulating financial markets.
  - a. Students can learn about the history of financial regulation and market volatility.
  - b. Students can learn about how and why the Consumer Financial Protection Bureau came into existence.
  - c. Students can learn about how and why the Securities and Exchange Commission came into existence.

## Risk Management and Insurance

1. Students can identify the common types of risks and basic risk management practices such as why do people need health insurance. What is the cost of health insurance and what are the potential costs of being underinsured?
  - a. What is gap insurance for a car loan and what are the potential impacts of not having it?
  - b. What are the most common types of risk associated with people in various age groups? How should these various risk factors come into one's decision making with creating a personal comprehensive financial plan?
  - c. Students may want to explore the costs of healthcare in America and compare the cost and its portion of our country's total gross domestic product compared to other first world countries.

2. What is property and liability insurance and what are the potential costs of not having it?
3. What variables should be considered and how should they be weighed when considering:
  - a. Long term care
  - b. Life insurance (How much is too much and how do you know it?)
  - c. Disability insurance
  - d. What government programs exist for people with low financial means?
    - i. Students can explore Medicaid, Medicare, and social security programs. What are they? How and whom do they help? How are the programs funded and do the programs do enough help for enough people?

## **Financial Decision Making**

1. Recognize the responsibilities associated with personal financial decisions.
  - a. Students could interview family members about how they make personal financial decisions and ask what variables they consider when making decisions.
2. Students can explore how to use reliable resources when making financial decisions.
  - a. Students can research and create a list of financial resources that are considered to be reliable for decision making. Students must determine what makes a resource reliable and use that standard in their decision making.
3. Summarize major consumer protection laws.
  - a. Students may want to explore consumer protection laws and finance law in general.
  - b. Students can interview accountants or lawyers and learn how the law impacts business decisions.
4. Make criterion-based financial decisions by systematically considering alternatives and consequences.
  - a. Students may want to analyze various financial plans and evaluate which ones are good and which ones could be improved upon by identifying criterion-based metrics.
5. Students can learn how to apply communication strategies when discussing financial issues.
  - a. This indicator is completed by just communicating one's financial PLP to an authentic audience in a manner that is appropriate.

6. Students can learn about the requirements of contractual obligations.
  - a. What are the impacts of contracts?
  - b. How do contracts work and why do they exist?
  - c. Does one need a lawyer when making financial decisions when a contract is involved?
7. Control personal information.
  - a. Students can interview people regarding how they protect their personal information.
  - b. Students can learn about software tools that are utilized to protect one's private information and compare and contrast the various features of the platforms to determine which is the most effective and why. This could include how one may restrict access to the 3 major credit agencies to reduce the risk of people opening financial accounts without one's authorization.

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