

Standard 1: Lesson Plan

Financial Decisions Across Your Lifetime

At a Glance...

This interactive lesson creates an awareness of the need for financial preparedness and planning.

TN Department of Education Content Standard

Personal Finance Standard 1.1:

Define the concept of personal finance. Consider how personal finance concepts fit into key life events or stages and explain the importance of personal financial planning.

Time Required: 50 minutes

Objectives:

- Participants will demonstrate an awareness of appropriate financial tasks associated with specific ages and stages during a lifetime.
- Participants will create groupings of financial tasks associated with specific life stages represented on a timeline.
- Participants will demonstrate an understanding of the necessity of financial planning and management across the lifespan.
- Participants will develop a set of next steps and financial goals related to financial decisions they are likely to face in the next few years.
- Using the questions given them at the end of the lesson, participants will initiate a financial discussion with their parents.

Materials needed:

Financial Task Cards (*make multiple copies and label with group numbers 1-5 or separate by using a different colored paper for each set*).

Ages and Stages Instruction Sheet

Ages and Stages Timeline to be affixed to the floor or wall.

Adhesive tape

Take-Home Discussion Questions handout

Instructions:

Prepare and affix the timeline using the **Ages and Stages Instruction Sheet** provided.

Divide students into groups of 3-4 members.

Distribute one set of **Financial Task Cards** to each group making sure you can identify each group's card set.

Introduce the activity, explaining there are different financial tasks that people need to address at different ages and stages in life.

Instructions: *(continued)*

Ask students to review their group's Financial Task Card set, and through discussion, determine which age or stage of life each card may address.

Remind students that several cards may fit into multiple stages.

Ask students to find the age or stage when MOST people FIRST need to address that task. Ask groups to then place the cards above or below the timeline descriptors to indicate the time they feel that task should be addressed.

After all groups have contributed to the timeline, sort the cards placed at each stage and discuss the stage, the tasks, and the differences between groups' decisions.

Ask students why they chose a particular stage for a task when appropriate.

After the timeline activity, introduce the Take-Home Discussion Questions handout.

Explain to students they are to interview their parents and return to write a paragraph about what they learned.

Closure

After the interview, ask students to write a paragraph explaining their general impressions of the interview and the relevance to financial management throughout the lifetime.

Remind students they do not have to share personal information.

Using the S.M.A.R.T goal format, ask students to create four goals: 1 short-term financial goal (in the next year), 1 long-term financial goal (in the next 3-5 years), 1 education or training goal, and 1 career goal.

Dr. Ann Berry- Professor
Ms. Marci Hethmon, Extension Specialist
Jane Gault-Extension Agent, Retired
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Programs in agriculture and natural resources, 4-H youth development, family and consumer sciences, and resource development.
University of Tennessee Institute of Agriculture, U.S. Department of Agriculture and county governments cooperating.
UT Extension provides equal opportunities in programs and employment.

Ages and Stages Timeline Instruction Sheet

Use the information below to create your timeline.

It is suggested to print and cut apart the following life stages and descriptions then tape together, if desired, to create the timeline.

Growing Into an Adult

Birth to Age 16

This is a time to learn and grow.

Life Prep

Age 16 to Age 24

This is the time to discover your personal life goals.

Early Workforce

Age 22 to Age 30

This is the time to develop working and lifestyle goals.

Family and Household

Age 24 to Age 40

This is the time to create family goals and construct your household.

Mid-life

Age 35 to Age 50

This is the time to achieve work goals and to try to satisfy lifestyle needs.

Established Lifestyle

Age 40 to Age 60

This is the time you start thinking about later life and make efforts to plan for retirement and the future.

Early Retirement

Age 55 to Age 70

This is the time most people are established
are planning to enjoy a comfortable
lifestyle.

Fully Retired

Age 70+

Goals during this time include providing for
the financial care of yourself until death and
make provisions for heirs.

Financial Task Cards

Make multiple copies of these cards with each set on a different color paper (or with each group number marked on the back) in order to distinguish each group's response from another. Additional blank cards have been provided to allow groups or instructors to create their own.

Distinguish between wants and needs	Develop disciplined and responsible money habits
Work part time to earn spending money	Obtain more training or education beyond high school to achieve your work goals
Your first full time job	Open a checking account
Explore options for a job or career	Create savings goals
Open a savings account	Make a down payment on your first apartment

Independently purchase a phone or computer	Make purchases to furnish your first home
Make your first independent vehicle purchase	Independently obtain auto insurance
Set up a routine or system for paying bills	File your own tax return
Establish good credit history	Manage and make adjustments to a 401K
Investment money in the market (CDs, mutual funds, stock funds, etc.)	Develop long-term financial goals

Develop a savings plan	Learn how to use banking services
Save for or pay for a family vacation	Pay for a child's wedding
Save for your wedding	Obtain a loan for a major purchase such as a house or vehicle
Evaluate your current work situation and make changes if necessary	Pay for childcare
Purchase life insurance	Obtain or adjust family health insurance coverage

Create a will	Move from your starter home
Estimate the amount of money you will need in retirement	Finance children's higher education
Begin saving for children's education	Purchase a vehicle for a child
Provide care for a parent	Move yourself or spouse to a retirement facility, assisted living, or nursing care
Implement plans for transfer of assets to heirs	Take out your first home loan

Consider downsizing your home	Re-evaluate your savings plan
Re-evaluate your income needs	Manage your health insurance needs
Evaluate and adjust short-term financial goals	Consider post-retirement employment
Assist adult children by providing occasional minor financial support	Make adjustments to investment portfolio reducing risk
Investigate options to lower tax penalties on income and investments	Financially prepare for home and car maintenance issues

Blank Financial Task Cards

These blanks are provided to allow groups or the instructor to create their own tasks, if desired.

A blank coordinate plane with a horizontal x-axis and a vertical y-axis intersecting at the origin. The axes are represented by thin black lines. There are no tick marks, labels, or grid lines on the axes. The background is white.

Take-Home Discussion Questions

This is your opportunity to interview your parents. Take these questions home and ask your parents to share with you their experiences regarding the topics below.

1. When did you get your first job?
2. Was your first job what you had planned for?
3. When did you purchase your first car?
4. What were the costs associated with caring for your own car?
5. When did you rent your first apartment or home?
6. What was the apartment/home like?
7. When did you buy your first home? (if applicable)
8. What changed, financially, when you had children?
9. What were the biggest expenses associated with having and raising children?
10. When do you plan to retire?
11. What do you plan to do in retirement?
12. In financial terms, what do you wish you had known when you were my age?