

Financial Literacy!



Intros

Alexander Burke



Senior at ARL
Centennial High School

Shriya Menon



Junior at ARL
Howard High School

Alice Jacob



Junior at ARL
Marriotts Ridge High School



Warm Up!

What is your favorite color?



Homework Review:

What is your goal?

What is your financial goal?

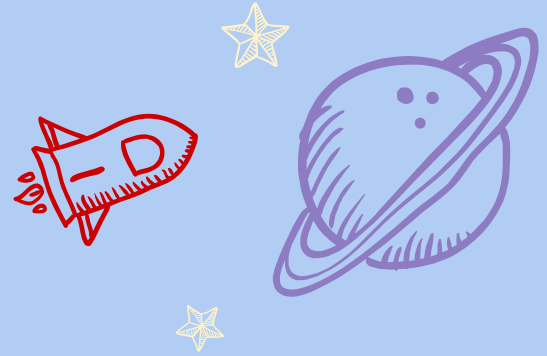


Smart Goals

What is it? How can I create financial goals using the acronym?



Why should I use SMART?



SMART goals can help you with budgeting and make it easier to buy items!



What does SMART mean?

S



Specific

M



Measurable

A



Attainable

R



Relevant

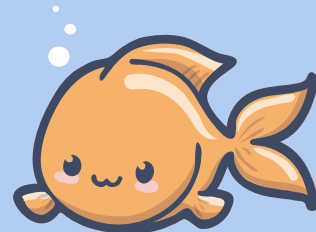
T



Time Based



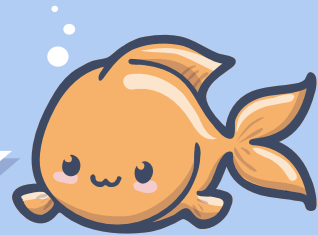
Specific



S - Specific

Create a goal that is clear as well as a goal you can reach

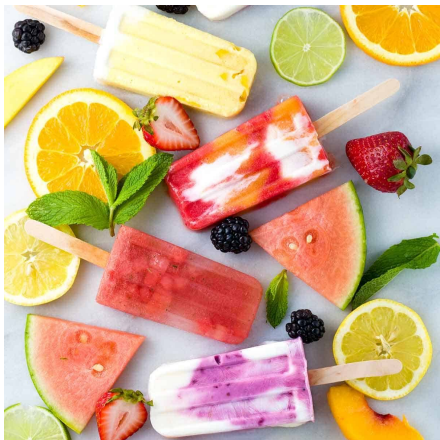
- DO NOT say, “I want a popsicle.”
 - This is too general because there are a lot of different candies.
- INSTEAD say, “I want a **strawberry** popsicle”
 - More specific cause you’re telling clearly what kind of candy you want



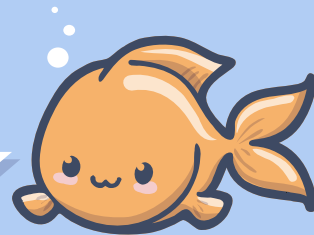
You try!

Which goal is more specific?

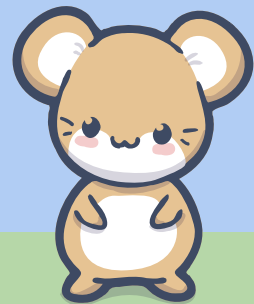
I want to get some
popsicles



I want three rainbow
popsicles



Measurable



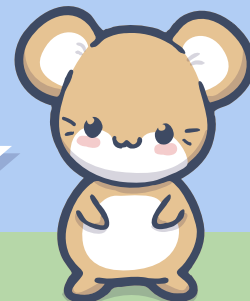
M - Measurable

How will you know when you're reaching your goal?

Measurable Goal: I will earn at least a 18/20 on my Math exam so I can get an A

Not a measurable goal: I will earn a good enough grade for an A

Include MEASUREMENTS and exact AMOUNTS... this also includes WHEN you want the goal achieved by.



Achievable



A - Achievable

14

Think: Is it possible for you to achieve? Do you have enough time to do it?

Not achievable: I want to buy a billion starbursts by tomorrow.



Achievable: I want to buy 2 starbursts by the end of the week.



You Try! : Which one is Achievable?

Buying a million dollar house today with 12 dollars from chore money



Buying a \$10 soccer ball after 1 month with 12 dollars from chore money



Relevant



R - Relevant

Asking yourself: Is it important? Is it worth spending your money and time on?

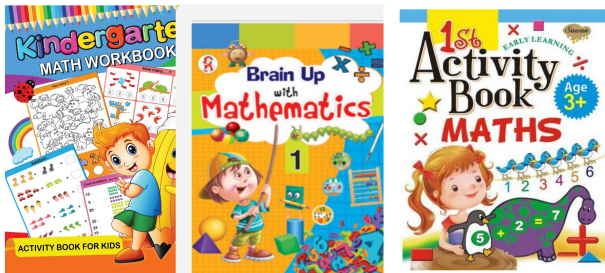
- Jack has no erasers in his pencil case and has \$10 to spend.

Which one should he buy?

\$10 of erasers

OR

A stuffed animal



You try!

It is winter time and Jenny is very cold!

Which one should she ask her parents to buy?

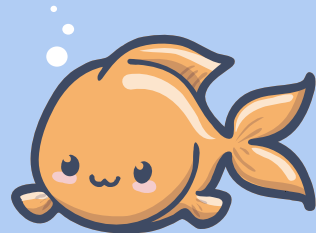
A Winter Coat



New swimsuit



Timely



T - Timely/Time Bound

Think: When do you think you will be able to reach your goal?

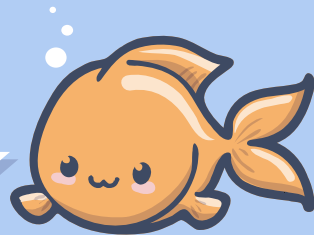
Jimmy has \$0 right now, but his parents will give him \$50 next week for his birthday.

What should be his goal?

Buy the bicycle today?



Or buy it in one week?



Let's test your memory!

A quick review!



What does the M in SMART stand for?

Measurable or Managable?



What is the best way to keep track of your goals?

Budgeting!



Guess how much money is in the jar!

Max saves
\$1 in his jar
every day
for 3 months



He will
have about
\$100!



Imagine it is raining money and you collect \$100...

What would you buy?



Budgeting helps
with this!



Budgeting Breakdown

What is a budget?

A budget is when you estimate how much money you can spend and/or save to reach a goal. Like buying something you want or saving money.

A budget makes buying things like candy and stuffed animals easier!



It will also help you more as you get older!



Question 1:

An example: If Jimmy is paid 5 dollars a month and, wants to buy a Squashmallow for \$15 how long will he have to save/budget his money to get the Squash Mallow?

Jimmy is paid \$5 a month and, the Squashmallow is \$15
How many months will it take for \$5 to equal \$15?

- $\$5 + \$5 + \$5 = 3 \text{ months}$

Jimmy will have to budget 5 dollars every month for 3 months



Question 2:

If Jimmy is is paid 5 dollars a month and, wants to buy a Squashmallow for \$15 BUT now wants to have \$2 a month to buy candy how long will he have to save his money? How much can he save per month?

Jimmy is earning \$5 a month but,
2 of those dollars are spent on candy per month so,

- $\$5 - \$2(\text{candy}) = \$3 \text{ per month}$

Squish mallow = \$15

Jimmy is saving \$3 per month

How many months does it take for \$3 to = \$15?

$\$15 - \$3 - \$3 - \$3 - \$3 - \$3 = 5$ so,

it will take 5 months to save enough money



Question 3:

For example if Jimmy is paid 7 dollars a month and, wants to buy a Squashmallow for \$16. But he wants to have \$2 a month to buy candy AND put an extra \$3 a month in his savings account. How long will it take for Jimmy to buy the Squash Mallow? Also, when he buys the squash mallow how will he have spent on candy?

Squish mallow = \$16

Jimmy is budgeting \$2 per month ($\$7 - \$2 - \3) = \$2

How many months does it take for \$2 to = \$16?

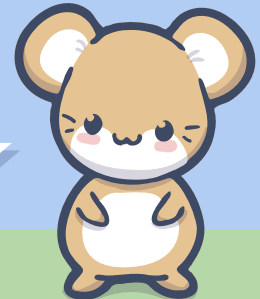
$\$2 + \$2 + \$2 + \$2 + \$2 + \$2 + \$2 + \$2 = 8$ times so,
it will take 8 months to save enough money

\$2 is spent on candy per month

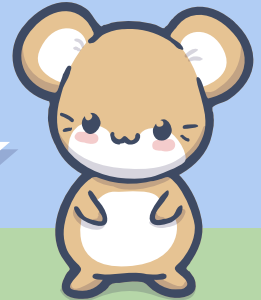
If it takes 8 months for him to budget for the Squishmallow then

\$2 (for the candy) for 8 months = $\$2 + \$2 + \$2 + \$2 + \$2 + \$2 + \$2 + \$2 = \$16$

So, over 8 months Jimmy will spend \$10 on candy



Bonus question: Where does money come from



The ATM is actually where your parents **put** money.

- They put money in the ATM and it goes to their “Bank Account”
 - An account on the internet that holds all their money
- When they need money they take money out of their account from the ATM - a withdrawal



Let's test your new knowledge!

Type in "Kahoot.it"



Questions and
cool things you've
been doing?



That's a wrap!

Any questions?

