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Dear Educator,

Virginia Credit Union believes that every high school student should be given the opportunity to learn how to manage money. It is our intent to help further the financial education movement by providing a quality, interactive, Standards of Learning based financial education curriculum.

Throughout the research of this project we received continued input and evaluations from teachers and students. The number one thing that teachers requested was quality lesson plans that could be taught within a reasonable time frame. In answer to this request, "Smart Start" was created. This is a comprehensive financial education curriculum that incorporates Personal Finance Standards from the Economics and Personal Finance objectives.

We appreciate all the time and effort that educators invest in the lives of students. It is our hope that "Smart Start" will be used by teachers to help enhance or as the basis for their financial education curriculum. We thank you for teaching students important basic financial principles which will help them be successful citizens.

Sincerely,

A handwritten signature in cursive script that reads "Cherry A. Hedges".

Cherry A. Hedges  
Financial Education Director  
Virginia Credit Union

All the materials and information included in this presentation is provided for educational and illustrative purposes only and is presented with the express understanding that Virginia Credit Union and its employees are not engaged in rendering legal, tax, investment, insurance, or other financial planning advice. Please consult a qualified professional if you have specific questions related to your individual situation.

## **Lesson Index**

### **Lesson 1: Money Wise**

#### Money and Financial Institutions

##### **Objectives**

- EPF.6 The student will demonstrate knowledge of the nation's financial system by
- Defining the role of money
  - Explaining the role of financial markets and financial institutions
- EPF.12 The student will demonstrate knowledge of banking transactions by
- Comparing the types of financial institutions
  - Evaluating services and related costs associated with personal banking
  - Differentiating among types of electronic monetary of transactions
  - Comparing costs and benefits of online and traditional banking

### **Lesson 2: Making the Most of Your Money**

#### Savings and Financial Institution Knowledge

##### **Objectives**

- EPF.10 The student will develop consumer skills by
- Accessing reliable financial information from a variety of sources
  - Explaining consumer rights, responsibilities, remedies and the importance of consumer vigilance
- EPF.12 The student will demonstrate knowledge of banking transactions by
- Preparing all forms necessary for opening and maintaining a checking and savings account
  - Reconciling bank statements
- EPF.13 The student will demonstrate knowledge of credit and loan functions by
- Analyzing credit card features and their impact on personal financial planning
  - Identifying qualifications needed to obtain credit
  - Comparing terms and conditions of various sources of consumer credit
  - Identifying strategies for effective debt management
  - Explaining the need for a good credit rating
- EPF.17 The student will demonstrate knowledge of personal financial planning by
- Identifying short-term and long-term personal financial goals
  - Identifying anticipated and unanticipated income and expenses
  - Examining components and purposes of a personal net worth statement
  - Developing a personal budget

### **Lesson 3: Career Central**

Careers and Taxes

**Objectives**

- EPF.15 The student will demonstrate knowledge of income earning and reporting by
- a) Examining how personal choices about education, training, skill development and careers impact earnings
  - c) Calculating net pay
  - d) Investigating employee benefits and incentives
  - e) Completing a standard W-4 form
- EPF.16 The student will demonstrate knowledge of taxes by
- a) Describing the types and purposes of local, state and federal (income) taxes
  - e) Explaining the content and purpose of a standard W-2 form

**Lesson 4: What a Ride!**

Car Buying

**Objectives**

- EPF.10 The student will develop consumer skills by
- d) Determining the consequences of conspicuous consumption
  - e) Describing common types of contracts and the implications of each
  - f) Demonstrating comparison-shopping skills
- EPF.11 The student will demonstrate knowledge of planning for living and leisure expenses by
- a) Comparing the costs and benefits of purchasing vs. leasing a vehicle
- EPF.13 The student will demonstrate knowledge of credit and loan functions by
- a) Evaluating the various methods of financing a purchase
  - g) Explaining the need for good credit
- EPF.14 The student will demonstrate knowledge of the role of insurance in risk management
- a) Distinguishing among the types, costs and benefits of insurance coverage

**Lesson 5: Home Sweet Home**

Renting vs. Buying

**Objectives**

- EPF.10 The student will develop consumer skills by
- e) Describing common types of contracts and the implications of each
  - f) Demonstrating comparison-shopping skills
- EPF.11 The student will demonstrate knowledge of planning for living and leisure expenses by
- b) Comparing the advantages and disadvantages of renting vs. purchasing a home
  - c) Describing the process of renting housing
  - d) Describing the process of purchasing a home
  - e) Calculating the cost of utilities, services, maintenance and other housing expenses
  - f) Evaluating discretionary spending decisions

**Lesson 6: What a Story**

Inheritance and Investing

**Objectives**

- EPF.10 The student will develop consumer skills by
- a) Examining precautions for protecting against identity theft and other personal information
- EPF.14 The student will demonstrate knowledge of the role of insurance in risk management
- a) Evaluating insurance as a risk management strategy
  - b) Distinguishing among the types, costs, and benefits of insurance coverage, including automobile, life, property, health, and professional liability
  - c) Explaining the roles of insurance in financial planning
- EPF.18 The student will demonstrate knowledge of investment and savings planning
- a) Comparing the impact of simple interest vs. compound interest on savings
  - b) Comparing and contrasting investment and savings options
  - c) Explaining costs and income sources for investments
  - f) Describing how the stock market works

## Pre and Post Test

1. What makes up the greatest percentage of your credit score?
  - A. Amount owed
  - B. Payment history
  - C. New credit
  - D. Length of credit history
2. All of these could be considered income except:
  - A. Car insurance
  - B. Salary
  - C. Allowance
  - D. Birthday money
3. Net Pay is:
  - A. The amount the employee receives in a paycheck after deductions
  - B. The total amount that an employee earns before taxes and other deductions
  - C. Pay that is determined by the employee
  - D. The amount of bonus money an employee could earn
4. Which is considered part of an employee's income tax?
  - A. Medicare
  - B. Sales tax
  - C. Car tax
  - D. Property tax
5. Opportunity Cost is:
  - A. The inability to satisfy everyone's wants at the same time
  - B. Selecting an item from a set of possible alternatives
  - C. What is given up when a choice is made
  - D. The amount of money exchanged for a good or service
6. Which is not an advantage to purchasing a used car?
  - A. Already lost its initial depreciation
  - B. Do not know its history
  - C. Many car lots have a wide variety to choose from
  - D. Price compared to new cars
7. A lessor is:
  - A. A person who rents an apartment or other property
  - B. A person who owns property and rents it out
  - C. A legal document you sign to rent an apartment
  - D. A person who serves papers to people who are being evicted
8. A mortgage is:
  - A. The amount of cash a buyer puts toward a purchase of a home
  - B. A loan used to finance the purchase of a home
  - C. A loan used to finance the rental of a home
  - D. A loan used to pay for a car

9. Savings accounts are usually not:
- A. Low risk
  - B. Easier to access
  - C. High risk
  - D. Insured by an agency of the federal government up to a certain amount
10. Stock represents:
- A. A loan to a company or government
  - B. Always a low risk investment
  - C. A plan used to protect individuals who are concerned about potential risks
  - D. Partial ownership in a corporation

## Pre and Post Test

The pre and post test may be given at the beginning of the unit and at the end.

Answers are:

1. B
2. A
3. A
4. A
5. C
6. B
7. B
8. B
9. C
10. D