



FINANCIAL LITERACY

Key Terms

- Assets
- Compound Interest
- Diversification
- Equity
- Expenditures
- Fixed Costs/Expenses
- Index Fund
- Liabilities
- Rate of Return

Discussion Questions

1. What is the hardest part about creating and sticking to a budget?
2. Do you think the 50/30/20 rule is appropriate? Why or why not?
3. Why is it important to start saving early?
4. What is the relationship between risk and reward in terms of investing? How much risk are you willing to take?
5. What is the risk of NOT saving and investing?
6. Do you have a credit card? What was Mr. Bahnsen's guidance for how to use one?
7. Why is it very different to borrow money to purchase an asset (like a house) versus borrowing money to buy pizza, clothes, vacations – consumable items that will be gone or used up before you pay the debt?
8. Why does Mr. Bahnsen say that staying out of credit card debt is the best gift a young person (or ANY person, for that matter) can give themselves?
9. If compound interest and the time value of money can work for you in investments, how can it work against you in debt, like with credit card debt?



See the back of this card for instructions on how to access the Teacher's Guide for this program.



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To access the Teacher's Guide on this DVD:

Insert the DVD into your computer (you must have a DVD-ROM drive to access this area). If your computer auto-plays when a disc is inserted, it will open into your DVD player. You'll need to exit out of the DVD player program before proceeding with the following steps.

1. **PC users:** Go to "My Computer" or "This PC," right-click your DVD/CD icon and select OPEN.
Mac users: Double-click the DVD/CD icon on your desktop.
2. Double-click the Bonus Features folder.
3. Double-click on Teacher's Guide.pdf.
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