

Ho-Chunk Nation Education Department  
Financial Literacy Learning Objectives  
Per Capita Distribution Ordinance

**Daily Finances**

**Budget**

What is a Budget?

- Define budgeting
- Explain the value of creating and maintaining a budget
- Understand what information is needed to develop a budget

The Anatomy of a Budget

- Review an example of a young adult budget
- Understand and explain gross income, taxes withheld from pay and net income
- Identify how to incorporate savings goals into your budget

Your Spending Choices in Your Budget

- Define fixed and variable expenses
- Understand how to track expense

Budgeting Activity

- Review and understand gross income, tax deductions, and net income
- Make real life fixed and variable spending decisions
- Make decisions between needs and wants when allocating your spending
- Create a savings plan for short, intermediate, and long-term goals and see how your money has the potential to grow over time
- Revise your initial budget to ensure you have the savings plan you want in place

Selecting a Budgeting Tool

- Understand and explain the benefit of using a budget tool
- Review and utilize a good budget tool to get you started on your personal budget and savings plan
- Learn about other budgeting tools that may help you stay on course and stick to your budget

**Credit**

What is Credit?

- Define credit
- Explain how credit works

- Recognize that money that is borrowed must be repaid with interest
- Identify common purchases that consumers make with credit

#### Credit Cards: How Do They Work and How Should You Use Them?

- Explain how credit cards work
- Identify fees that credit cards charge
- Recognize that paying just the minimum payment will raise the amount of money the borrower must pay back

#### Choosing a Credit Card

- Identify factors to consider when choosing a credit card
- Recognize that different needs will influence the factors to be considered
- Identify options that first-time credit card users have for getting for their card

#### Your Credit Score: What Is It and Why Is It Important?

- Identify the factors used in your credit score
- Explain why your credit score matters
- Explain how to get your credit report

#### The Effects of Bad Credit

- Identify the effects of having a bad credit score
- Identify areas of your life that can be affected by poor credit

#### Loan Application and Credit Score (Activity)

- Distinguish what factors affect the calculation of a credit score
- Contrast three different credit scenarios to determine the best candidate to have their loan approved
- Explain how to build and maintain a good credit score

#### Tips for Improving Your Credit and Credit Score

- Identify responsible uses of credit
- Identify ways to improve your credit score
- Identify ways to dispute an incorrect credit report inquiry
- Understand the various sections of a credit report

#### How Collection Agencies Work

- Understand what to expect and how to respond if a collection agency contacts you regarding an outstanding debt
- Identify the limits placed on collection agencies
- Explain why it is in your best interest to work with collection agencies

### **Taxes**

#### Payroll Taxes: Social Security and Medicare

- Understand that Social Security and Medicare taxes come out of your paycheck

- Identify who pays Social Security taxes

#### Federal and State Income Taxes

- Recognize where federal and state taxes come from
- Explain the purpose of the W-4 form
- Recognize that you may be exempt from state taxes

#### Ways to Lower Your Income Taxes

- Identify several ways to reduce your income taxes

#### Your Tax Return

- Identify the parts of a typical tax return
- Identify income that needs to be reported on your tax return
- Explain how tax withholding works

#### Exemptions, Deductions, Adjustments, and Credits on Your Income Tax Form

- Explain how personal exemptions work
- Explain the difference between itemized deductions and the standard deduction
- Explain the difference between deductions and credits

#### Tax Simulation Activity

- Fill in a hypothetical 1040EZ tax return using information on a W-2 form

### **Predatory Lending**

#### What is Predatory Lending?

- Recognize signs of a predatory loan
- Identify several types of predatory loans

#### How Do Payday Loan Work, Who Uses Them, and Why?

- Identify services offered by payday lenders
- Identify the average borrower of a payday loan
- Identify reasons why people take out payday loans

#### Advantages and Disadvantages of Payday Loans

- Explain why people choose them over traditional sources of loans
- Identify advantages of using payday lenders
- Identify disadvantages of using payday lenders

#### How Expensive Are Payday Loans?

- Identify costs
- Identify penalties
- Illustrate/Explain how costs and/or penalties can add up

## Should Payday Loans Be Avoided?

- Identify effects on your credit
- Identify effects on your finances
- Identify alternatives to payday loans
- Compare and contrast payday lenders to using a bank or credit union

## Housing

### Independent Living

- Identify benefits of living independently
- Identify benefits of living with others

### Renting: Pros and Cons

- Identify advantages of renting
- Identify disadvantages of renting

### Renting: What You Need To Know

- Identify factors to consider when selecting an apartment or house to rent
- Evaluate lease terms
- Explain why it is important to have renter's insurance
- Identify your responsibilities as a renter

### Owning a Home: Pros and Cons

- Identify advantages of owning a home
- Identify disadvantages of owning a home

### Owning a Home: What You Need To Know

- Understand how knowing how long you plan to live in the home will affect your decision to buy
- Evaluate the affordability of buying a home
- Identify the costs (buying, maintenance, taxes, etc.) involved in owning a home
- Understand how paying home costs can affect your ability to meet other goals in life
- Find a place in your budget for home costs
- Determine whether it is more advantageous to rent or own a home

## Vehicle Acquisition

### Preparing To Buy a Vehicle

- Define the type of vehicle to meet your needs and budget
- Describe what costs to factor into your budget to purchase and maintain the vehicle
- Determine factors involved in buying versus leasing

## Building Your Vehicle Budget

- Explain what factors to consider regarding leasing or owning a vehicle
- Explain the responsibilities of owning and using a vehicle
- Explain options for paying for a vehicle, including a loan payment that fits your budget
- Estimate ongoing costs for insurance, gas, and maintenance

## Choosing a Vehicle

- Explain how to research potential vehicles
- Evaluate the quality of a vehicle
- Identify how to negotiate a fair price
- Understand how to register your vehicle

## Insurance and Maintenance for Your Vehicle

- Identify why auto insurance is needed
- Evaluate what type of coverage to obtain and how to purchase it
- Recognize how to maintain your vehicle in good running condition

## **Managing Your Money at a Bank or Credit Union**

### Establishing a Relationship with a Bank or Credit Union

- Explain what factors to consider when selecting a Financial Institution
- Explain the benefits of establishing a relationship with a Financial Institution
- Understand how to research Financial Institutions to find the right one for you

### How to Choose Bank Accounts to Meet Your Needs

- Explain the various methods of making deposits and withdrawal transactions
- Describe why you should consider telling your Financial Institution you want to “opt out” of debit card overdraft protection
- Explain how to use a savings account to help you achieve short- to intermediate-term goals

### Understanding Bank and Credit Union Fees

- Identify the various fees a Financial Institution could charge you on your accounts
- Explain how to avoid most fees a Financial Institution could charge you on your accounts

### Opening Accounts at a Bank or Credit Union

- Explain what kind of information is required to open an account at a Financial Institution
- Describe how debit cards work and how they connect to your checking account

### Check Cashing Stores

- Explain how check cashing stores make money when you use their services to cash checks
- Compare the services of a bank or credit union to those of a check cashing store

### Managing Your Bank Accounts Responsibly

- Describe why record keeping is an important part of managing your day-to-day finances
- Explain the most common discrepancies between your checkbook register and what your bank statement or online balance shows
- Understand and describe the various online banking tools available from most Financial Institutions and how they can help you manage your daily finances

### Overdrafts on Your Checking Account

- Explain what an overdraft is and how it occurs
- Identify how overdraft fees can cost someone a lot of money due to mismanaging their account
- Describe an overdraft protection program

### Checkbook Simulation Activity

- Complete a record keeping activity that mirrors a real-life scenario of balancing a checkbook
- Describe why the timing of cash flows impacts their account balance
- Identify discrepancies between a check register and bank statement

## Getting Started

### Lifestyle Planning/Setting Financial Goals

#### Exploring How to Put Your Trust Fund and Per Capita Payments to Work

- Understand the opportunity to plan how you use your trust fund and per capita payments to shape your future
- Consider how to balance using your money for saving, spending, and sharing
- Evaluate different scenarios for using your money to understand the tradeoffs between investing more versus spending more

#### Choose Your Path after High School

- Describe the potential paths available after high school graduation
- Explain the potential financial impact (costs and income opportunity) each path has on your future
- Understand how to determine the net dollar amount you will be responsible for financing for your college expenses

#### Setting Financial Goals

- Explain the SMART goal process
- Identify how to set short-, intermediate-, and long-term financial goals
- Explain how to calculate the amount you will need to save to reach a financial goal
- Access a tool to help set financial goals

#### Your Financial Goal Roadmap

- Explain the tradeoffs that exist when you choose wants over needs
- Access a tool to use to assist in writing out your financial goals and creating your financial roadmap
- Identify the importance of monitoring and revising your financial goals

## Long-Term Planning

### Risk Management and Insurance

What is Risk and How Can We Reduce the Costs of Risk?

- Define risk
- Identify ways to reduce risk

How Insurance Covers the Costs of Risk

- Identify financial tools that reduce the costs of risk
- Explain how insurance works
- Explain how insurance reduces risk

Forms of Insurance

- Identify forms of insurance

How to Shop for Insurance

- Identify factors to consider when shopping for insurance

### Retirement

Why You Should Start Thinking About Retirement Now

- Explain the value of saving money for retirement

Determining Your Retirement Goals and Resources

- Identify personal, family, and community goals for retirement
- Describe what retirement means to you

What Types of Retirement Plans Are Available?

- Identify and explain several common types of retirement accounts

How Social Security Works

- Explain how Social Security works
- Explain how to estimate your retirement and/or disability benefits
- Explain how survivors' benefits work

What Risk Might You Face in Retirement?

- Identify common retirement risks
- Explain how to handle those risks

## **Investments**

### Reasons to Invest

- Describe investing and why it is important
- Explain compounding and the time value of money
- Identify the importance of accumulating assets to provide you income during retirement

### Types of Investments: Cash

- Describe a cash investment and its risk/return profile
- Explain what types of goals should be aligned with cash investments

### Types of Investments: Bonds

- Describe a bond investment and its risk/return profile
- Explain what types of goals should be aligned with bond investments
- Identify the three major categories of bonds

### Types of Investments: Stocks

- Describe a stock investment and its risk/return profile
- Explain what types of goals should be aligned with stock investments
- Explain the difference between a capital gain and a dividend

### Diversification and Mutual Funds

- Describe diversification and how it can impact your investment strategy
- Describe a mutual fund and its benefits to investors
- Identify the types of fees and expense you pay to purchase and own a mutual fund
- Explain what a stock index fund is

### Asset Allocation

- Describe asset allocation and how it can impact your investment strategy
- Identify the variables that drive your asset allocation strategy
- Review sample asset allocation strategies for conservative, moderate, and aggressive investors

## **Choosing a Financial Advisor/Planner**

### What is a Financial Advisor/Planner?

- Define financial planning
- Identify types of financial planners

### What Do Financial Planners Do?

- Identify services offered by financial planners
- Explain the value of having a financial plan

- Explain how financial planner works with you
- Recognize that your needs and goals will change over time and that your financial plan should change accordingly

#### Where Can You Find a Financial Planner?

- Identify places where financial planners work

#### How Are Financial Planners Compensated?

- Identify ways that financial planners are compensated

#### Questions to Ask Your Financial Planner

- Identify questions to ask a financial planner

## **College and Career Readiness**

### **Education and Employment**

#### Education

- Identify the most common post-secondary education options
- Obtain valuable resources to help you with the college process

#### Paying for College

- Identify forms of financial aid
- Distinguish forms of financial aid from each other
- Explain what financial aid is not
- Identify people and places you can consult to find information about scholarships

#### Employment

- Identify important benefits that a job can provide for you

#### Getting into the Job Market

- Identify people and resource that can help you find a job
- Participate in a mock job interview

#### Writing your Resume

- Create your own resume

### **Consumer Protection against Fraud**

#### What is Fraud?

- Define fraud
- Identify examples of fraud
- Explain briefly how different types of fraud work

#### How to Resist Fraud

- Identify actions you can take to avoid getting scammed by a fraud

#### What Protections against Fraud Are You Entitled To?

- Identify federal and state government protections
- Identify legal recourses through the judicial system

#### What is Identity Theft and What Forms Does It Take?

- Define identity theft
- Identify examples of identity theft

- Identify the effects of identity theft on your credit, your tax information, your medical records, your family, your job, the legal system, etc.

#### How Can Your Identity Be Stolen?

- Identify preventive measures that lessen the chance that your identity will be stolen

#### What to Do If Your Identity Has Been Stolen

- Identify several important actions to take after an identity theft
- Identify the various parties you should contact after your identity has been stolen