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## DISCUSSION GUIDE

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**GRADE:** 7

**MONTH:** MARCH

**THEME:** USING MONEY

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### PATERSON PATHWAYS:

CLEAR, CAREFUL, AND CREATIVE PLANNING FOR LIFE BEYOND HIGH SCHOOL

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#### USING THIS DISCUSSION GUIDE:

Paterson Pathways is a life skills and planning curriculum for students in grades 6 through 8. This Discussion Guide is part of the Paterson Pathways series. It has been designed to be taught in a single, weekly “advisory” class period.

This *Grade 7 March* packet includes:

- A weekly **Discussion Guide**,
- Ready-to-copy **student Reflection**, and
- A **Resource Guide** with background information for advisors.

#### DISCUSSION GOALS:

Help students learn about banking services.

Help students learn to balance a checkbook.

#### ESSENTIAL QUESTIONS:

What are my financial goals?

How can I use money wisely?

**WEEK 1:****REVIEW STUDENT'S ACTIVITY PLANS**

At last month's advisory session, students were asked to think about the activities that will help "Build a Better Community." Also, an Service Worksheet *REFLECTION* once their citizenship goal was completed. They were told to explain what activities they are involved with at school and how they are responsible.

**Discuss what they've proposed to do.** Discuss again why it's important to get involved at school and what it means to be a good citizen. You might want to remind them that getting involved will help them:

- **Stand out (in a good way!)** by making a positive contribution.
- **Pursue their interests** and get better at something they already enjoy (soccer, chess, or photography, for instance).
- **Prepare for life in high school and beyond** by demonstrating their interests and skills.

**Discuss contributing money as well as time as a way of Building a Better Community.** Have students consider the use of money for service not just for their own personal gain. How can they help someone financially? What does it take to raise money for a "good cause"? Have students give ideas on how they could fundraise for a charity? What charity have they heard of? What does the charity do?

**MATERIALS  
NEEDED:**

**Student portfolios.** Students will need access to their portfolios at each advisory session.

*Service Worksheet* reflection from February.

## WEEK 2:

**DISCUSS BANKING SERVICES**

This month's Paterson Pathways discussion theme will be about using money wisely. This will help students manage their money wisely now and will help them prepare for life after high school, when they'll be making much larger financial decisions. Your 7<sup>th</sup> grade students will begin this ongoing series about using money wisely by learning about banking.

There are many purposes of a bank. Banks are intended to help people save money, as well as lend money to a borrower. Borrowing money is utilized with expensive purchases, like college or buying a car or house. There are many different types of savings programs that people can have. Also, there are a couple different ways how you can borrow money from a bank. The **BANKING** reflection will help make the options clear.

Learning how to use what a bank has to offer is a good way of becoming more financially responsible. It is very important to understand all the different aspects of banking, especially savings and borrowing.

- Distribute the **BANKING** reflection to your students.

Review the first page of the reflection with your students. Focus your discussion in particular on **why** someone would want to budget:

- **To save for the future.** If your students want to buy a car someday, or rent their own apartment or take a big vacation or go to college, or even just have money to buy clothes or go out with friends, they need to plan carefully for how they will spend their money so that they have enough left over to do what they want. Some goals might even require your students to save money over many months. Discuss how a bank will help them do that.
- **To borrow money for something you cannot otherwise afford.** Discuss how you (and your students) – like most people – want more things than you (or they) can afford. What should you do? Explain how a bank can help your students eventually borrow money for major purposes, like college.

Ask students if their parents use a bank. If so, which one? Why do they think there are so many different types of banks? How many can they name?

**MATERIALS  
NEEDED:**

**Student portfolios.** Students will need access to their portfolios at each advisory session.

**BANKING** reflection. Please make copies for students.

## WEEK 3:

**BALANCE A SAMPLE CHECKBOOK**

Have students turn to the *BALANCING A CHECKBOOK* reflection. It asks students to develop a sample checkbook of expenses.

Review the details of the purposes for a bank. Have students recall the different uses and types of banks. Also, have students recall the different types of savings programs offered by banks. Lastly, have students recall the different ways to borrow money; make sure you highlight the advantages and disadvantages of borrowing.

Then have students work in small groups or a whole group to enter the information provided and calculate the final checkbook balance (an answer key is included in your lead advisor's **Resource Guide**)

**Balance a sample checkbook.** Once students open a bank account, use a debit card, or get a job, they will need to learn to keep track of their money. This exercise will help students balance a sample checkbook. Turn to the *BALANCING A CHECKBOOK* reflection and review the details of the checkbook balancing exercise.

**MATERIALS  
NEEDED:**

**Student portfolios.** Students will need access to their portfolios at each advisory session.

*BALANCING A CHECKBOOK* reflection

**STUDENT  
PRODUCTS:**

Your students will be expected to create one product from this discussion:

*BALANCING A CHECKBOOK* reflection

**WEEK 4:****REVIEW BANKING**

During this month's advisory session, students learned about the many purposes of banks and how to balance a check book.

Ask students to bring their completed *BANKING and BALANCING A CHECKBOOK* reflections to the lesson.

- Discuss what they learned about banking. Why is it important to establish a bank account? What ways can you save money and what options are available to borrow money?
- Give students time to add their reflections to their portfolios.

**MATERIALS  
NEEDED:**

**Student portfolios.** Students will need access to their portfolios at each advisory session.

*BANKING and BALANCING A CHECKBOOK* reflections. Students should access their completed reflections.

**STUDENT**

**PRODUCTS:** **Update portfolio.** Each student should update his or her portfolio by adding completed *BANKING* and *BALANCING A CHECKBOOK* reflection and checking it off on their *PORTFOLIO CHECKLIST*.



## REFLECTION

### BANKING

#### MARCH – 7<sup>TH</sup> GRADE

Name: \_\_\_\_\_

#### WHY USE A BANK?

People use banks for two reasons: to **save money** and to **borrow money**.

#### SAVING MONEY

Banks can help you save money. Plus, banks **pay you money** (called interest) for using your money.

- **Checking/debit accounts.** People store money they need every day in their checking accounts. They spend the money by writing checks or using a debit card.
- **Savings accounts.** Savings accounts are for money you don't need right away. Most people keep a savings account to store money for emergencies.
- **Longer-term savings.** Do you have extra money you'd like to save? Banks have many other types of accounts (such as certificates of deposit or money market accounts) for money their customers won't need for six months or a year. These accounts offer higher interest.
- **Retirement savings.** Many banks also offer people a way to save for their old age (through Individual Retirement Accounts or other savings accounts). These accounts may offer a guaranteed interest rate or they may be risky – it's your choice.
- **Investments.** Some banks also let you invest your money in businesses or in the stock market. These investment accounts are not guaranteed. If the business or stock you invest in fails, you lose money; if it succeeds, you earn money.

#### BORROWING MONEY

Banks also let people borrow money. Banks **charge you money** (called interest) for using their money.

- **Credit cards.** People use credit cards to buy things. You can repay your credit card bill in full each month. Or you can repay it a little at a time – but you'll have to pay a very high interest rate.
- **Personal loan, car loan, or home equity loan.** Sometimes you need money for something bigger, such as a new car or a home improvement. To do that, you can get a loan from the bank. With this type of loan, you pay the bank a little each month – both toward **principal** (or the money you borrowed) and **interest**.
- **Mortgage.** Banks also offer bigger loans, called mortgages, for people who are buying a home. You usually pay these loans off over 30 years or more.




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## REFLECTION

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## BALANCING A CHECKBOOK

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### MARCH – 7<sup>TH</sup> GRADE

Name: \_\_\_\_\_

If you write checks or use a debit card, you cannot spend more money than you have in your account. If you do, your debit card will not work, and you may be charged large “**overdraft**” fees by the bank.

How do you keep track of the money in your account? It’s a simple matter of addition and subtraction. You just have to stay organized.

Why don’t you try it? Imagine that you have a checking account and use both checks and a debit card. Here are your transactions for the last half of January. Enter them into the “checkbook” below:

- Your beginning balance is \$150.
- On January 15<sup>th</sup>, you write check #1150 to your school for \$10 for two tickets to movie night.
- On January 16<sup>th</sup>, your neighbors pay you \$75 for dog-sitting and you deposit it in the bank.
- On January 17<sup>th</sup>, you use your debit card to pay \$80 for a new pair of shoes.
- On January 17<sup>th</sup>, you use your debit card to pay \$10 for your monthly music subscription.
- On January 20<sup>th</sup>, your parents pay you \$20 in allowance and you deposit it in the bank.
- On January 25<sup>th</sup>, you write check #1151 to your school for \$10 for a ticket to the school play.
- On January 28<sup>th</sup>, you use your debit card to pay \$15 for a movie ticket and popcorn.
- On January 29<sup>th</sup>, your parents pay you \$20 in allowance and you deposit it in the bank.
- On January 30<sup>th</sup>, you use your debit card for \$25 for pizza with your friends.

**SAMPLE CHECKBOOK**

Complete the checkbook below. The first several entries have been made for you:

Check or Receipt #	Date	Description of Transaction	(-) Amount of Withdrawal	(+) Amount of Deposit	BALANCE
					\$150.00
1150	15-Jan	School movie night (2 tickets)	\$10.00		\$140.00
	16-Jan	Payment for dog-sitting		\$75.00	\$215.00

What is your checkbook balance on January 30<sup>th</sup> after your dinner with your friends? Do you still have money in your account?




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## RESOURCE GUIDE

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### BACKGROUND INFORMATION FOR LEAD ADVISORS AND INTERESTED TEACHERS ON:

#### GRADE 7 – MARCH USING MONEY

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#### USING THIS RESOURCE GUIDE:

Each Paterson Pathways discussion guide includes a *Resource Guide* for advisors. The *Resource Guide* has been prepared as a handy reference to give you more information on the following topics:

- **Essential Questions.** Each Paterson Pathways discussion guide is built around a theme, and each theme includes two Essential Questions. Focusing on these Essential Questions will help your students retain information from this discussion.
- **New Jersey Curriculum Content Standards Requirements.** Each Paterson Pathways discussion guide is based on benchmarks from the relevant grade's Grade Level Expectations.
- **ASCA Standards.** Each Paterson Pathways discussion guide is based on American School Counselor Association (ASCA) standards.
- **Community-building Opportunities.** The *Resource Guide* suggests several community-building opportunities related to each discussion. You and your students can pursue them if you wish.
- **Additional Activities.** The *Resource Guide* also suggests supplemental activities for your group if you have more time, or if you want to devote more attention to a particular theme.

#### ESSENTIAL theme

Each Paterson Pathways discussion guide is built around a theme. Each

**QUESTIONS:**

repeats each year to help organize the curriculum and, through this annual repetition, to help students retain key points about the lessons they are learning.

Each month's theme includes several "Essential Questions." These questions inform the content of the discussion guide and the student assignments, building on the theme to help students remember the key points from the discussion. These essential questions will also be used later in the year to help students organize their presentations for their student-led conferences.

This month's theme is **Using Money**. The Essential Questions are:

- What are my financial goals?
- How do I use money wisely?

Even if your students do not use money of their own, they will soon want to (or, perhaps, need to). Students may want to save money for a big purchase, such as a skateboard, or to participate in a school trip; they might want to have spending money to go out with friends or to buy clothes or music; in a few years, they might want to buy a car or a computer, or pay their share of the family's auto insurance to be allowed to drive the family car; and once they turn 18, your students will be eligible to get credit cards or loans in their own name... whether or not they're ready to handle the responsibility wisely.

Helping young people learn to use money wisely is an important life lesson. Each March, Paterson Pathways addresses this issue with topics of increasing responsibility related to budgeting, saving, using credit, and setting financial goals. As with other Paterson Pathways discussions, self-reflection is a key goal: the discussions strive to help your students decide what they want to do with their money and then give them the tools to allocate their money wisely.

This discussion will introduce students to the concept of banking and balancing a checkbook. They will learn how banking can be used as a motivational and planning tool, both to help them control spending help set savings goals.

Focus on the two essential questions as you lead students through the discussion. What are their financial goals? And how can they use money wisely.

**COMMUNITY-BUILDING OPPORTUNITIES:**

Part of the aim of the Paterson Pathways curriculum is to help students grow into a larger role in their community. Each discussion guide in the Paterson Pathways curriculum highlights opportunities to

help students to think about or actually take on a larger role in either the school community or the larger community in which they live.

**This discussion has a somewhat introspective focus because it is about students' individual choices about using money and setting financial goals.** By understanding how to use money wisely – and how financial decisions will ultimately affect all aspects of their lives – your students will be well-prepared for life beyond high school.

There are a number of ways your group can use this discussion as a community-building experience, however:

- **Help students find out how to open a bank account.** Have your students research the banks in the surrounding areas. Have students inquire on what types of savings programs each of the bank offers. Have students find out what type of account would work best for them? In addition, teachers can make-up sample deposit and withdrawal slips to have students practice filling one out correctly. This way student will have a general idea on how to interact when at the bank.
- **Help raise money for a charity.** An important part of learning to use money wisely is learning that many people in your community and around the world have less money than your students, no matter what your students' situation. Help students research and select a charity or charitable event, and then raise money to benefit that charity. They can open an account in a local bank to help organize the donations. Incorporating a bank can help student keep track of exactly how much money they have and how far away they are then their goal.
- **Have a parent, guidance counselor, or financial professional talk with students about the importance of banking their money.** Banking for a 7<sup>th</sup> grader may seem premature, however students are eligible for bank account once they can sign their names and read the materials. Invite someone from the local banks to come to school and educate students on the different types of accounts that are available.

## ADDITIONAL ACTIVITIES:

If you have accomplished all the activities outlined in this discussion guide and want additional activities for your students, you may wish to:

- **Research Banks-** How long have people been using banks? Where was the first bank? What happened to banks when the stock market crashed, leading to the Great Depression? Could something like that happen again?
- **Coordinate with your school's math teachers** to develop additional banking exercises for students during math class.



- **Ask students to discuss their banking plans with their family, parents, or guardians.** Ask students to learn more about how their families utilize a bank.

**NJCCCS****MATHEMATICS**

- 4.1.7 A1 Extend understanding of the number system by constructing meanings for the following: Rational numbers, percents, and whole numbers with exponents
- 4.1.7 A4 Compare and order numbers of all named types.

**LANGUAGE ARTS**

- 3.4.7 A1 Demonstrate active listening behaviors in a variety of situations (e.g., one-on-one or small group).
- 3.4.7 A2 Demonstrate active listening by analyzing information, ideas, and opinions to determine relevancy.

**ACSA STANDARDS:**

The Paterson Pathways curriculum is based on the American School Counselor Association (ASCA) National Model, to provide teachers and students with a clear way to integrate school counseling and academic achievement. This discussion guide focuses on the following ASCA Standards:

**ACADEMIC DEVELOPMENT**

- A: C1 Relate school to life experiences (Understand that school success is the preparation to make the transition from student to community member).

**PERSONAL and SOCIAL DEVELOPMENT**

- PS: B1 Self knowledge applications (Identify long and short term goals, and identify alternative ways of achieving goals).