Life with Sally

	Total Points Earned
59	Total Points Possible
	Percentage

Name ____________________

Date ____________________

Class ____________________

Part 1: Life with Sally as a High School Student

Directions: Read the following scenario and answer the questions that follow to help Sally develop a personal financial plan.

Sally Smith is a 16 year-old high school junior. She values her family and dreams of having a family of her own. She is very focused on having a successful career in the future. Sally has a part-time job as a lifeguard at the local pool. She makes $250 per month at this job, and her only expense is paying for personal entertainment, such as going to movies with friends. She has not made any plans for after she graduates high school, but she has been saving money from her job to use for her undecided plans after graduation. Sally's mom has helped her manage her money, and she has been able to save $1000 to use for plans after high school. Sally enjoys staying busy, so she is a member of her school's swimming team, orchestra, and choir. Sally enjoys making music and has considered being a music teacher. However, Sally also enjoys taking woodworking classes and has considered a career in woodworking or carpentry.

1. What are three of Sally's values that will affect her personal financial plan? (3 points)

2. What stage of the financial life cycle is Sally currently in (stage 1: basic wealth protection, stage 2: wealth accumulation, or stage 3: wealth distribution)? How will this affect Sally's financial plan? (2 points)

3. Identify three of Sally's current financial life cycle needs. (3 points)

4. How do Sally's current financial life cycle needs affect her personal financial plan? (1 point)

5. Use the information above to help Sally begin developing a financial plan by writing two SMART financial goals for her. (10 points- 5 points for each goal)
    a. Goal 1

    b. Goal 2

6. List a resource that is available to Sally to help her achieve each of her financial goals. (2 points)
    a. Resource for Goal 1

    b. Resource for Goal 2

7. Why is it important for Sally to start her financial planning today? (1 point)

8. Identify three personal values, goals, and/or personal choices which can affect a high school student's financial plan. (3 points)

Part 2: Life with Sally as a Young Adult

Directions: Sally is now 23 years old. After high school, she chose to attend college to become a music teacher. Sally graduated from college last month and has now accepted a full-time job as the Choir director at a local high school. The personal choices she made during college are now affecting her financial plan. Below are two scenarios that reflect the choices Sally could have made during her years in college. Read each scenario and answer the questions that follow to examine how financial planning is influenced by personal choices.

Scenario 1:

During college, Sally decided to put all of her focus into school. She did not have a part-time job, so she used her student loans and credit cards to pay for her living expenses. By the time Sally graduated college she had a very large amount of credit card debt and student loans that she now has to pay back. By only making the minimum payments, she calculated that it will take her ten years to pay back her student loans and credit card debt. With the salary from her new job as a teacher, she has no money left to use for entertainment, savings, or retirement investing after her living expenses, student loans, and credit cards have been paid for each month. Sally decided to take a second job working a few evenings per week, so she can at least have some extra money every month to use for entertainment. She has calculated that she will earn an extra $200 per month that can be used for entertainment, savings, or additional debt repayment.

9. Have Sally's values and goals changed since she was 16 years old? Explain. (2 points)

10. Is Sally in a different financial life cycle stage at this point in her life than she was at 16? If so, how will this affect Sally's current financial plan? (2 points)

11. Have Sally's life cycle needs changed since she was 16? (1 point)

12. Use the information above to create new SMART financial goals for Sally at this point in her life. (10 points- 5 points for each goal)
    a. Goal 1

b. Goal 2

13. How has Sally's financial plan changed since she was 16? (1 point)

14. How have Sally's personal choices affected her financial plan? (1 point)

Scenario 2:
Sally used the lifeguarding skills she obtained during high school to get a part-time job at the recreational center at her college. She started working as a lifeguard and was soon promoted to assistant manager because of her work ethic and excellent grades in her college courses. As assistant manager of the recreational center, Sally received a scholarship every semester to help pay for her school, and she was able to graduate with no student loan debt. With her new job as a teacher, she is able to pay all of her living expenses, as well as put money into savings and her retirement plan every month. She has given herself a budget of $100 per month for entertainment and other personal expenses.

15. Have Sally's values and goals changed since she was 16 years old? Explain. (2 points)

16. Is Sally in a different financial life cycle stage at this point in her life than she was at 16? If so, how will this affect Sally's current financial plan? (2 points)

17. Have Sally's life cycle needs changed since she was 16? (1 point)

18. Use the information above to create new SMART financial goals for Sally at this point in her life. (10 points- 5 points for each goal)
    a. Goal 1

    b. Goal 2

19. How has Sally's financial plan changed since she was 16? (1 point)

20. How have Sally's personal choices affected her financial plan? (1 point)