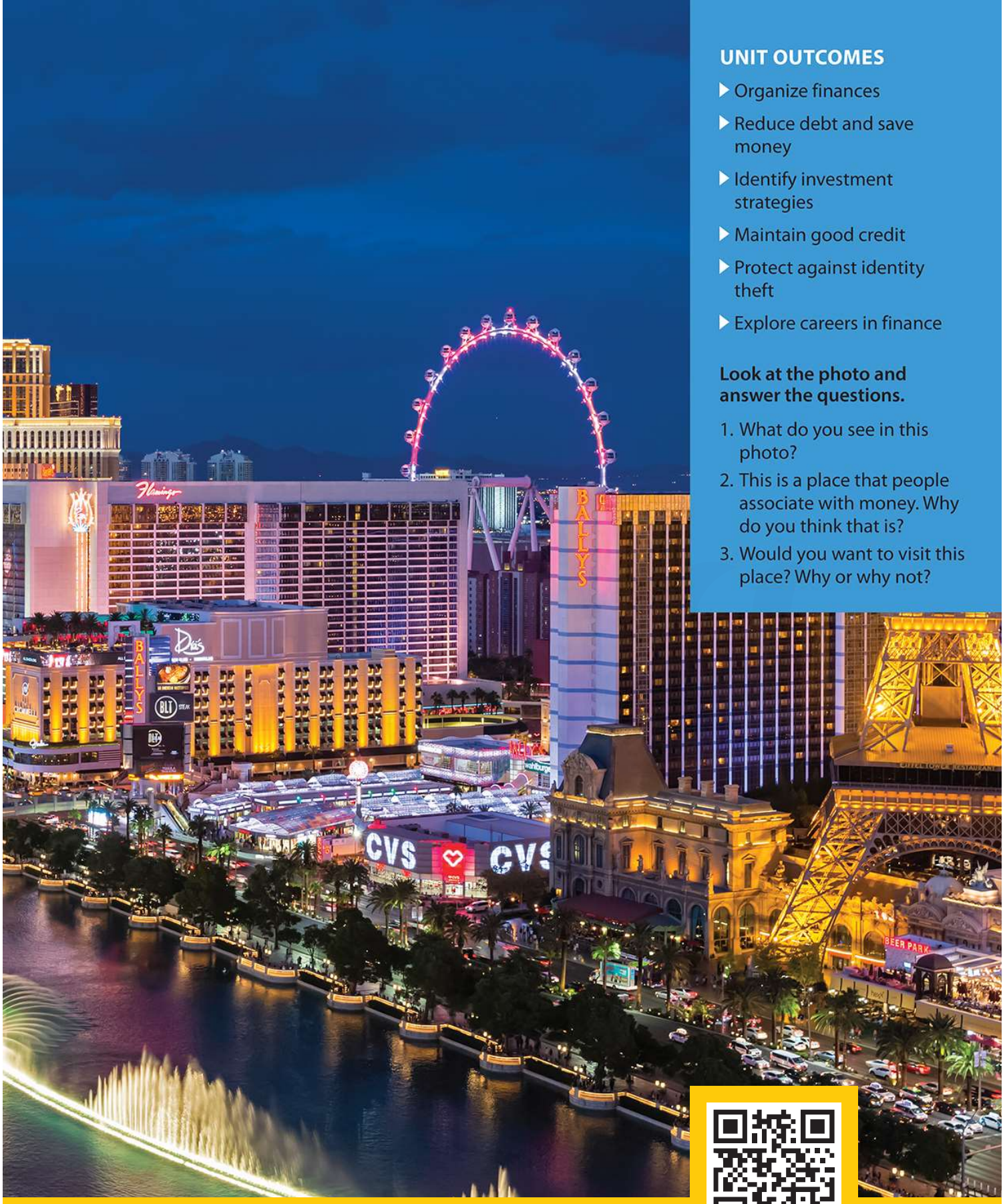
2 Personal Finance



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UNIT OUTCOMES

- Organize finances
- Reduce debt and save money
- Identify investment strategies
- Maintain good credit
- Protect against identity theft
- Explore careers in finance

Look at the photo and answer the questions.

1. What do you see in this photo?
2. This is a place that people associate with money. Why do you think that is?
3. Would you want to visit this place? Why or why not?

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Vocabulary Builder

A **Read Kimla's list of financial goals.**

1. I need to stop *impulse buying* and pay off my credit cards.
2. I want to stop *living paycheck to paycheck* and save enough money for a down payment on a house.
3. I want to increase my *purchasing power* by putting $200 a month into an emergency savings account.
4. I want us to start *living within our means*, so I can start giving $25 a month to charity.

B **INFER** **What does each italicized expression in A mean? Discuss the expressions with your classmates.**

C **Often, if you try to understand the meaning of the individual words in a new phrase, you can understand the phrase. Try to figure out the meanings of these phrases with a partner.**

1. budget cut
2. buy in bulk
3. remote deposit
4. commit fraud
5. electronic payment
6. current income
7. delinquent accounts
8. online banking
9. unauthorized transactions

D **Work with a partner. Choose three expressions from C and make sentences.**

Life ONLINE When you need to pay a friend or family or even a business and you don't have cash on you, you can use an app on your phone to send them money from your bank. Do you use any apps like these? If so, which ones?

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E **INFER** **Read the sentences. Try to figure out the meanings of the underlined words.**

1. The company declared <u>bankruptcy</u> when it ran out of money.

   Bankruptcy means _____.

2. I took out a loan at the bank and used my house as <u>collateral</u>.

   Collateral means _____.

3. The thought of starting a business was <u>daunting</u>, but he decided to do it anyway.

   Daunting means _____.

4. <u>Inflation</u> was so great that bread cost twice as much in June as it did in May.

   Inflation means _____.

5. His <u>investment</u> in the stock market has made him a millionaire.

   Investment means _____.

6. The company has no <u>liquid</u> assets; therefore, it can't pay its bills.

   Liquid means _____.

7. The <u>penalty</u> for filing my income tax late was a fine.

   Penalty means _____.

8. He <u>periodically</u> reviews his budget and makes changes when necessary.

   Periodically means _____.

9. Investing money in the stock market might be <u>risky</u> because you could lose it.

   Risky means _____.

F **Look back at Kimla's financial goals in A. Using some of the phrases from C, write four of your own financial goals.**

1. _____
2. _____
3. _____
4. _____

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LESSON 1

Getting Organized

GOAL ▶ Organize finances

A **Look back at the goals you wrote in F. Rewrite your financial goals, giving each one a time frame.**

By the end of next year, I will have paid off my credit cards.

1. _____

2. _____

3. _____

4. _____

B **CALCULATE** **Think about how you spend your money. Answer the questions on a separate piece of paper.**

1. Did you go on vacation last year? How much did it cost?
2. How much do you spend during the holidays or on family birthdays every year?
3. How often do you get your hair cut? How much does it cost?
4. What do you spend on transportation each month? Do you have a bus pass, ride a bike, drive a car?

C **Listen to a financial planner talking about how to organize personal finances. Write down the most important points.**

1. _____

2. _____

3. _____

4. _____

5. _____

D **Compare your notes in C with a partner. Add any important points you missed.**

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E **ANALYZE** **After meeting with a financial planner, Kimla and her husband looked at all of their bank statements, credit card statements, ATM records, and receipts. Look at the spreadsheet that they created. What do they still need to calculate?**

MONEY OUT		
	Annual	Monthly
Mortgage / Rent	_____	$2,200
Home maintenance	_____	$250
Renters' insurance	$1,200	_____
Gas / Electric	_____	$225
Water	_____	$70
Phone	_____	$130
Food / Restaurants	_____	$500
Medical / Dental	_____	$145
Auto expenses	_____	$450
Tolls / Fares / Parking	_____	$120
Clothes / Shoes	$1,200	_____
Dry cleaning	_____	$45
Hair / Manicure / Facial	_____	$75
Kids' school / Sports	$1,800	_____
Training / Education	$300	_____
Income taxes	$23,150	_____
Internet	_____	$50
Credit cards / Loans	_____	$850
Subscriptions	$48	_____
Entertainment	_____	$125
Cable / Streaming	_____	$150
Vacations	$2,100	_____
Hobbies	$180	_____
Gifts	$800	_____
TOTAL	_____	_____

Calculations

To calculate annual expenses, multiply monthly expenses by 12:

250	15	55	1300
×12	×12	×12	×12
3000	180		

To calculate monthly expenses, divide annual expenses by 12:

3000 ÷ 12 = 250 180 ÷ 12 = 15

_____ ÷ 12 = 55 _____ ÷ 12 = 1300

F **Calculate Kimla and her husband's annual and monthly totals.**

G **Together, Kimla and her husband make $97,375 annually before deductions. Answer the questions.**

1. How much do they have left over annually?

   _____

2. How much do they have left over each month?

   _____

3. Do you think Kimla and her husband live within their means? Why?

   _____

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H In the spreadsheet in **E**, some expenses are *fixed* (stay the same every month) and others are *variable* (change from month to month). With a partner, make a list of Kimla and her husband's fixed and variable expenses.

Fixed	Variable

I Look back at Kimla's financial goals in **A** in Vocabulary Builder. How much money does she want to start saving each month for emergencies and giving to charity? Does she have enough in her budget for these items? If not, which expenses do you think Kimla and her husband can cut back on?

J Make a spreadsheet like the one in **E**, listing all your monthly and annual expenses. Next to each expense, write *f* for a fixed expense or *v* for a variable expense. Look at the spreadsheet to get you started.

	Annual	Monthly
Mortgage / Rent (f)		
Home maintenance (v)		
Gas / Electric (v)		
Water (v)		

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LESSON 2

Managing Money

GOAL ▶ Reduce debt and save money

A **Read the ad.**

Too Much Debt?

Do you live within your means or do you live paycheck to paycheck?
Do you owe money to a bank or another person?

We Can Help!

The first thing we will help you do is make a budget. It is important to plan out your monthly expenses so you know where your money is going each month. Our advisors will help you get on track so you can make some cuts to your monthly budget. These cuts will allow you to pay off your debt faster. We'll show you how to get rid of bad debt by paying off your higher interest and long-term debts first. We'll help you analyze your credit reports and discuss ways to boost your credit rating. We'll also teach you some helpful tips; here's one: Credit card interest is calculated daily, so if you make your payment earlier than the due date, you'll actually save interest! If there are some debts that you just can't pay, we'll contact the creditors and arrange settlements for you.

How can you afford not to let us help you? **Click here.**

B **Answer the questions about the ad with a partner.**

1. Who do you think wrote the ad? _____
2. What is the purpose of the ad? _____
3. Would you click on the bottom of the ad? Why? _____

_____

4. The ad mentions different ways to help people reduce debt. List four suggestions.

   a. _____

   b. _____

   c. _____

   d. _____

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C **Read the tips on how to save money.**

Tips For Saving Money

- Avoid impulse buying.
- Shop for bargains, not designer labels.
- Buy a used car instead of a new one.
- Buy generic products rather than brand names.
- Start or join a carpool.
- Think before you buy: *Do I really need this?*
- Buy groceries at the market, not the convenience store.
- Increase your insurance deductible.
- Make meals at home instead of eating out.
- Make your own coffee in the morning.
- Pay your credit card in full each month to avoid paying interest.
- Plan ahead for food purchases so you can buy in bulk.
- Shop around for the best prices.
- Turn the heat temperature down in the winter and the air-conditioning temperature up in the summer.
- Check price comparison sites.
- Use a money-saving app.
- Use a budgeting app or spreadsheet.

D **ANALYZE** **Do you already follow some of the tips in C? Choose the ones you are familiar with. Underline the ones you would like to follow in the future.**

E **Listen to Kimla and her husband, Samir, talk about saving money. Write *T* if a statement is true or *F* if a statement is false.**

1. Kimla buys designer clothes. _____
2. Samir had been buying his coffee at a coffee shop. _____
3. Kimla had been paying high interest on credit cards. _____
4. Samir had been looking at new cars. _____
5. Kimla turns off the air conditioner before she goes to bed. _____
6. Samir called the insurance company to increase their deductible. _____
7. Kimla has never bought generic products. _____
8. Samir collects coupons. _____

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F **Study the chart.**

Past Perfect Continuous					
First Event in Past					Second Event in Past
Subject	***had***	***been***	**Verb + *-ing***		
Kimla	had	been	buying	designer clothes	before she started bargain hunting.
Samir	had	been	buying	coffee at a coffee shop	before he began making it at home.
They	had	been	paying	a lower deductible	before they called the insurance company.

Uses

- We use the past perfect continuous to talk about an activity that was happening for a while before another event happened in the past. For the more recent event, we use the simple past.
- Remember to use a comma if you begin the sentence with the second event. *Before she started bargain hunting, Kimla had been buying designer clothes.*

G **Think about your past behavior and how you have changed it to reduce debt and save money. Write four statements.**

I had been eating out for lunch every day before I started making my lunch at home.

1. _____
2. _____
3. _____
4. _____

H **Write four ways in which you can change your behavior to reduce debt and save money.**

Tomorrow, I will start making my lunch at home.

1. _____
2. _____
3. _____
4. _____

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LESSON 3

Investing Wisely

GOAL ▶ Identify investment strategies

A **In a small group, look at the words and phrases. Write your own definition for those you know. Find the meanings of those you don't know.**

capital gains	inflation	net appreciation	purchasing power	value
convert	liquid	penalty	risky	vehicle

B **COMPARE** **Look at your meaning for *vehicle*. Is it the same as this definition?**

vehicle *n.* a way in which something is accomplished

C **PREDICT** **Based on the words and phrases you defined in A, what do you think the article in D is about? Discuss your ideas with your classmates.**

D **Read the article about investing money.**

Due to inflation, money is worth less and less each year, so by not investing your money, you are actually losing money. In order to prevent inflation from destroying the value of your money, you should invest. Let's take a look at some basic kinds of investments.

An investment can make you money in three basic ways. First, an investment can earn current income. *Current income* is money that you receive periodically, for example, every month or every six months. An example of an investment that provides current income is a certificate of deposit (CD) because interest is paid to your account periodically. A second way that an investment can make money is through *capital growth*. This is when the amount of money you have invested grows in value over time. When you sell the investment, you get your money back plus any increase in value. Examples of capital growth investments are stocks and other assets that you own, such as your home. Finally, a third way that an investment can earn income is through a combination of current income and capital growth. Examples include rental property and stocks that pay *dividends*, that is, extra or bonus amounts of money.

There are many different ways to invest your money, but let's look at five of the most widely used investment vehicles.

Probably the most popular investment vehicle is the savings account, which offers low minimum deposits, liquidity (the ability to withdraw and deposit whenever you want), and insurance protection. Because of these features, savings accounts pay relatively low interest rates. Another investment vehicle that is somewhat

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similar to a savings account in that it offers insurance protection and low interest rates is a certificate of deposit (CD). A CD requires that you put money in and leave it for a certain amount of time—three months, six months, a year, etc. Usually, the longer the amount of time you keep it in, the higher the interest. CDs are not perfectly liquid because early withdrawal of funds from a CD often results in a penalty. Another type of investment is a mutual fund where a number of investors put their money together to buy specific investments. Some mutual funds invest in stocks, some in bonds, and some in real estate. The mutual fund investor owns shares of the fund, not the actual stocks, bonds, or property purchased by the fund. Most likely, when a person thinks of investing, he or she probably thinks of the stock market. Ownership of a stock represents ownership of a *claim* on the net earnings of a company. Therefore, stock earnings depend on how well the company is doing. Stocks can be quickly converted to cash by selling them on the stock market, but because the price of stocks changes daily, there is no guarantee that you will get back the money that you paid for the stock. And finally, property or real estate is a popular investment because it can produce returns in two ways: current income and net appreciation (capital gains). You can receive current income if the property is used, such as in situations where tenants are renting it or if crops are grown on the land. Net appreciation occurs if the property increases in value during the time that you own it. A major disadvantage of real estate and rental property is that they are not very liquid; it takes time and resources to turn them into cash. It may take many months to sell a piece of property.

So, which investment will be best for you? Only you can decide. Think carefully about your financial situation, how much money you can or want to invest, and how soon you will need access to the money.

E **Discuss these questions with a partner.**

1. Do you invest your money? If so, how do you invest it?
2. What investment vehicles would you like to try?
3. Would you say you are conservative with your money? Why or why not?

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F **Use the ideas you have learned about investment strategies in this lesson to complete the sentences. Each sentence may have more than one answer.**

1. If you invest your money, you can _____ it over time.
2. The _____ of stocks is based on the earnings of the company.
3. Savings accounts and mutual funds are not very _____.
4. It is not easy to _____ real estate into cash.
5. Savings accounts are very _____. You can get the cash whenever you need it.
6. My favorite investment _____ is _____ (your own idea).

G **Read the article in D again and complete the outline.**

I. Inflation

A. _____

II. Investments make you money.

A. Current income (CDs)

B. _____

C. _____

III. Popular investment types

A. _____

B. _____

C. Stocks

D. _____

E. _____

H **SUMMARIZE** **On a separate piece of paper, write a one-paragraph summary of the article in D using the notes from your outline in G.**

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LESSON 4

Credit

GOAL ▶ Maintain good credit

A **In a small group, discuss the questions.**

1. What is credit?
2. What makes credit good or bad?
3. How can you find out if you have good or bad credit?
4. If you have bad credit, how can you improve it?

B **Read the article. Underline the main ideas.**

The Four Keys to Great Credit

Your credit history can make or break you when trying to convince lenders you're a good risk. Here's how to build the best record you can—before you need it.

Open checking and savings accounts. Having bank accounts establishes you as part of the financial mainstream. Lenders want to know you have a checking account available to pay bills, and a savings account indicates you're putting aside something for the future.

Get your credit report—if you have one. Next, you need to find out how lenders view you. Most lenders base their decisions on credit reports, which are compiled by companies known as credit bureaus. You are entitled to a free credit report from each of the three major bureaus each year. Typically, a credit report includes identifying information about you, such as your name, address, social security number, and birth date. The report may also list any credit accounts or loans opened in your name, along with your payment history, account limits, and unpaid balances.

Fix any errors or omissions. Some credit reports include errors— accounts that don't belong to you or that include out-of-date or misleading information. You should read through each of your three reports and note anything that's incorrect. Negative information, such as late payments, delinquencies, liens, and judgments against you, should be dropped after seven years. A bankruptcy can stay on your report for up to ten years.

(continued)

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Add positive information to your report. The more information you can provide about yourself, the more comfortable lenders may feel extending credit to you. Here's a list of items to consider:

- Are your employer and your job title listed?
- Is your address listed and correct?
- Is your social security number listed and correct?
- Is your telephone number listed and correct?
- Does your report include all the accounts you've paid on time?

Establish credit. There are three common routes for establishing new credit:

1. Apply for department store and gasoline cards. These are usually easier to get than major bank credit cards.
2. Consider taking out a small personal loan from your local bank or credit union and paying the money back over time. The bank may require you to put up some collateral—such as the same amount you're borrowing, deposited into a savings account.
3. Apply for a secured credit card. These work like the loan described above: You deposit a certain amount at a bank, and in return you're given a Visa or MasterCard with a credit limit roughly equal to the amount you deposited.

Once you've got credit, use it correctly. Charge small amounts on each card—but never more than you can pay off each month. You need to use credit regularly to establish your credit history, but there's usually no advantage to paying interest on those charges. Once you've been approved for one card or loan, don't rush out and apply for several more. Applying for too much credit will hurt, rather than help, your credit.

C **Imagine you are a financial advisor. Write advice based on the questions. Then share your advice with a partner.**

1. What can I do to establish good credit?

_____

_____

2. What should I look for in my credit report?

_____

_____

3. How can I add positive information to my credit report?

_____

_____

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D With a partner, read the article in **B** again and underline six words or phrases you do not understand. Find out their meanings and then write a sentence with each one.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

E On a separate piece of paper, write an outline of the article in **B**. Then write a summary.

F Think about your own credit. What are four things you need to do to help establish or maintain your credit?

1. _____
   _____
2. _____
   _____
3. _____
   _____
4. _____
   _____

Language Center

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LESSON 5

Identity Theft

GOAL ▶ Protect against identity theft

A **Listen to three people talk about their financial problems. What happened in each case? Take notes below each photo.**







1. _____ 2. _____ 3. _____

_____ _____ _____

_____ _____ _____

B **Have you ever had a problem similar to the ones in A? If so, what did you do about it? Tell your classmates.**

C **In a small group, discuss the questions.**

1. What is identity theft?
2. Are you familiar with the words *smishing*, *skimming*, *phishing*, and *vishing*? What do you think they mean?
3. What are some things a person who steals your identity might do? Come up with some ideas in addition to the three in **A**.
4. What can you do if someone steals your identity?

Life ONLINE

One of the more common ways to steal a person's identity today is through fake websites. A fake website can look almost exactly like the real website which makes people more likely to provide their personal information.

To check that a website is legitimate:

1. Double check the URL. A fake website may have one different letter or maybe the wrong domain (.net instead of .com).
2. Look for the lock to make sure the website is encrypted, or secure.

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D **Listen to an interview with a member of the Federal Trade Commission (FTC). In each question, one answer is NOT correct. Choose the incorrect answer.**

1. What is identity theft?
   a. when someone uses your credit card number without permission to buy things
   b. when someone steals your name and social security number to commit crimes
   c. when someone commits fraud using your personal information
   d. when someone asks you for your personal information
2. What are some ways thieves steal your identity?
   a. phishing
   b. stealing
   c. changing your name
   d. skimming
3. An example of bank fraud is . . .
   a. when someone takes out a loan in your name.
   b. when someone gets a driver's license in your name.
   c. when someone opens an account in your name.
   d. when someone creates counterfeit checks using your account number.
4. How can you find out if your identity has been stolen?
   a. cancel credit card accounts
   b. monitor bank accounts
   c. check credit reports
   d. check bank statements
5. What should you do if your identity has been stolen?
   a. notify creditors
   b. file a police report
   c. try to find the thief
   d. check credit reports
6. How can you help fight identity theft?
   a. educate friends and family about identity theft
   b. be aware of how information is stolen
   c. monitor personal information
   d. donate money to the Federal Trade Commission

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E **SUMMARIZE** **Using the information in D, work with a group to write a summary about identify theft.**

F **In your group, use your summary to prepare a presentation that will educate your classmates about identity theft. Answer the questions.**

1. What information will you present to the class? _____

2. How will you present your information? (orally only, orally and visually, etc.)

3. Who will present which part of the information? (Everyone in your group must participate.)

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LESSON 6

Explore the Workforce

GOAL ▶ Explore careers in finance

A **Look at the list of common financial careers. What do you think each person does? Brainstorm and make notes with a partner.**

Career	Job Description	Median Salary
Accountant		
Actuary		
Credit Analyst		
Financial Analyst		
Financial Planner		
Stock Trader		

B **Listen to a career counselor advise a student who is thinking about a career in finance. Adjust your job descriptions and fill in the median salary information.**

C **List the careers in order from the highest salary to the lowest salary.**

1. _____ 2. _____

3. _____ 4. _____

5. _____ 6. _____

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D **Of the careers in A, which one sounds the most interesting to you? Why?**

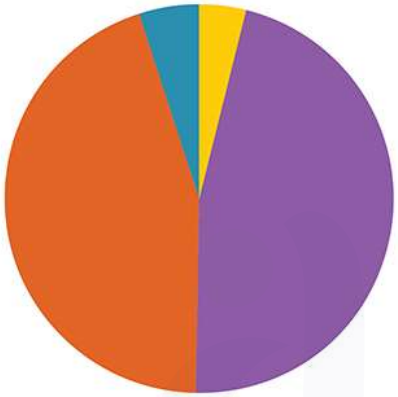
_____

_____

_____

E **There are a few different areas where people with finance experience can work. Look at the pie chart and answer the questions.**

Finance Jobs by Sector



Education 4%
Public 47%
Private 45%
Government 5%

Public Company vs. Private Company

A public company is publicly traded on the stock exchange which means individual investors can own a piece of the company. A private company is owned by one or a few individuals.

1. Where are the best job opportunities for a finance professional?

   a. government b. education c. private companies d. public companies

2. Where should you NOT go looking for a job if you need one right away?

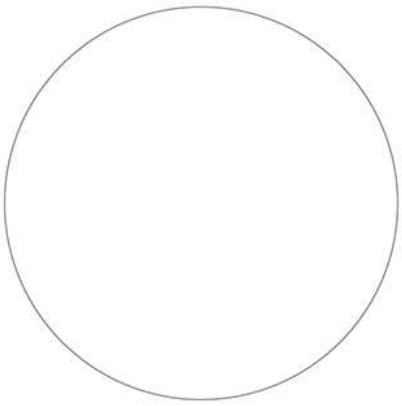
   a. private companies b. public companies

   c. schools d. none of the above

F **Create a pie chart with the data. Add a legend.**

Bachelor's 77%
Master's 11%
Associate 8%
High School Diploma 1%
Other Degrees 3%

_____



_____

_____

_____

_____

_____

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G **What do you think the best title for your pie chart would be? Write it above the graph.**

H **What skills are needed for careers in finance? Discuss the terms in the box and try to figure out what each one means.**

communication skills critical thinking skills detail-oriented entrepreneurial mindset interpersonal skills research skills	strong analytical skills strong communication skills strong decision-making skills strong interpersonal skills strong problem-solving skills strong reasoning skills

I **Think about what you know about the finance careers and write the skills you think are needed for each career.**

Career	Skills Needed
Accountant	
Actuary	
Credit Analyst	
Financial Analyst	
Financial Planner	
Stock Trader	

J **REFLECT** **In your notebook, write the skills from H that you have.**

K **What skills would you like to work on? Make a list in your notebook.**

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Review

A **Joao makes $95,000 a year. Complete his spreadsheet with the missing amounts. Then answer the questions.**

MONEY OUT		
	Annual	Monthly
Rent	_____	$2,200
Home maintenance	_____	$150
Renters' insurance	$1,200	_____
Gas / Electric	_____	$220
Water	_____	$40
Phone	_____	$120
Food / Restaurants	_____	$400
Medical / Dental	_____	$140
Auto expenses	_____	$890
Clothes / Shoes	$1,125	_____
Hair / Manicure / Facial	_____	$125
Training / Education	$700	_____
Income taxes	$17,560	_____
Internet	_____	$75
Credit cards / Loans	_____	$975
Entertainment	_____	$425
Cable / Streaming	_____	$140
Vacations	$2,500	_____
Gifts	$795	_____
TOTAL		

1. How much does he have left over each year? _____
2. How much does he have left over each month? _____
3. Do you think Joao lives within his means? _____
4. What suggestions would you make for cutting his spending?

a. _____

_____

b. _____

_____

c. _____

_____

d. _____

_____

B **Write four tips for saving money.**

1. _____ 2. _____

3. _____ 4. _____

C **Complete each statement with the past perfect continuous and the simple past.**

1. Erika _had been buying_ (buy) lunch every day before she _started_ (start) making it at home.

Learner Log

I can organize finances.
☐ Yes ☐ No ☐ Maybe

I can reduce debt and save money.
☐ Yes ☐ No ☐ Maybe

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2. Duc _____ (charge) his credit cards to their maximum limits before he _____ (cut) them up.

3. Before the Ingrams _____ (buy) a new car, they _____ (lease) a used one.

4. We _____ (live) beyond our means before we _____ (organize) our finances.

5. Before she _____ (research) insurance rates, she _____ (spend) too much on auto insurance.

D **In your notebook, write four things you have learned about investing. Share your ideas with a partner. Add two ideas that your partner came up with.**

E **Answer the following questions by yourself or with a partner.**

1. What is credit? _____
2. What can you do to establish good credit? _____
3. What makes credit good or bad? _____
4. How can you find out if you have good or bad credit? _____
5. If you have bad credit, how can you improve it? _____
6. What should you look for in your credit report? _____
7. How can you add positive information to your credit report? _____

F **Read each scenario. In your notebook, write what you think happened and what the person should do to fix the problem.**

1. Marcia tried to withdraw money from her account, which had over $1,000 in it the last time she checked, but the bank said she had insufficient funds.
2. Marco noticed some unfamiliar charges on his credit card statement.
3. The IRS contacted Ekaterina and said she never paid income tax on a second job, which she didn't have.

Learner Log	I can identify investment strategies.	I can maintain good credit.	I can protect against identity theft.
	☐ Yes ☐ No ☐ Maybe	☐ Yes ☐ No ☐ Maybe	☐ Yes ☐ No ☐ Maybe

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Vocabulary Review

A **A *synonym* is a word that has the same meaning as another word. Look at the words and choose a synonym from the box.**

bargain	counterfeit	delinquent	expense	risk
convert	debt	earnings	fraud	worth

1. income _____
2. fake _____
3. late _____
4. scam _____
5. cost _____
6. good deal _____
7. money due _____
8. liability _____
9. change _____
10. value _____

B **Look back in the unit and find three new terms you learned (other than the words in A). Write a sentence using each of these terms.**

1. _____
2. _____
3. _____

C **Complete each sentence with an appropriate word or phrase. In many cases, more than one word or expression will work.**

1. There are many ways in which people can steal your identity. Two of them are _____ and _____.
2. A safe way to invest your money is by investing in _____.
3. A riskier way to invest is by investing in _____.
4. One good way to establish credit is _____.
5. Another way is _____.
6. If your identity is stolen, you should _____.

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Financial Assistance

SOFT SKILL ▶ Collaboration

A **These two agencies are run by the government and can give people financial assistance. Discuss the questions with your classmates and teacher.**

- FDIC (Federal Deposit Insurance Corporation) Consumers and Communities
- FTC (Federal Trade Commission) Consumer Protection

1. What do the FDIC and the FTC do? How can they help?

B **Search the sites of the agencies in A for more information. Click on the topics you find interesting in the consumer section of each site. Write what you find.**

1. What are some consumer resources on the FDIC website? _____

_____

_____

_____

2. How can you report fraud on the FTC website? _____

_____

_____

C **Search each issue and find a website that has the information needed. Write the URL on the line. Then answer each question.**

1. impostor scams

   URL: _____

   What is an impostor scam?

2. stopping telemarketing calls

   URL: _____

   How can you stop telemarketers from calling you?

3. unemployment insurance fraud

   URL: _____

   What are the warning signs of an unemployment insurance fraud?

COLLABORATION:

Verify Your Sources

When doing research, it is important to check that the information you are using comes from a reliable source. Here are some tips to keep in mind:

- Check the URL of the site. Sites with ".edu" and ".gov" are generally reliable sources.
- Don't rely solely on individual blogs, online forums or Wikipedia.
- If the data is published by an author, check who they are, what their credentials are, if their opinions are supported by facts, and who their audience is. You can also check the "About Us" section of a site to check for potential conflicts of interest.

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Reading Challenge

A **PREDICT** **In a group, discuss the words. Which ones are familiar to you? What do they mean?**

affiliate marketing	content creator	podcast
blogger	passive income	side hustle

B **Complete the statements with one of the words from A.**

1. She became a _____ that writes about parenting after the birth of her third son.
2. I need to find a _____ so I can make more money.
3. My mom is always listening to financial _____.
4. We are renting the room above our garage to give us some _____.
5. _____ is when you buy something from a link on a person's website, which gives them a commission.
6. Javier is one of the top _____ at his company.

C **Read about Jannese Torres and pay special attention when you see vocabulary from B. Review B and check your answers.**

D **Choose the best answer.**

1. Why did Jannese become an entrepreneur?
   a. She got fired from her job.
   b. She was tired of working for someone else.
   c. She had a lot of student loan debt.
   d. all of the above
2. According to the reading, why did Jannese start a personal finance podcast?
   a. She didn't get into culinary school.
   b. She wanted to generate passive income.
   c. She wanted to share the FIRE concepts that she learned.
   d. She wanted to see more Latinas talking about business.

E **What does FIRE mean?**

_____

_____

F **Find Jannese's podcast and listen to an episode. What did you learn?**

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Jannese Torres

Yo Quiero Dinero

Jannese Torres is the creator and host of an award-winning podcast about personal finance called *Yo Quiero Dinero*, which translates to *I Want Money*. But as a kid, she did not know anything about money. She had to learn how to manage money as an adult. When she was 25, still in school, and working at a job she hated, she got fired. That experience caused her to rebuild her life. She decided that she wanted freedom from working for someone else. She had always been passionate about food and cooking, so she thought about going to culinary school but realized she would be working for someone else again. So, she learned everything she could about blogging and ended up starting her own business, which turned out to be the beginning of her journey as an entrepreneur.

At the time, Jannese owed over $39,000 in student loans, so she figured out how to pay them off by doing side hustles. From listening to podcasts, she had learned about the concept of FIRE (Financial Independence / Retire Early). She wanted to be able to generate passive income but also wanted to find a way to make money doing what she loved. This led her to start her online career as a content creator, more specifically, a food blogger. She began sharing her family recipes on a website and social media, where she was able to make money through sponsored content, affiliate marketing, and display ads, which eventually led her to a six-figure income.

Jannese eventually created her own personal finance platform because she wanted to see more Latinas in podcasting talking about wealth and business. She had been listening to personal finance podcasts for years before she started implementing the FIRE concepts into her finances and became financially independent. She was surprised that everyone didn't know about investing to reach financial freedom, so she decided to create a podcast that she wanted to listen to. And that's how *Yo Quiero Dinero*, a podcast to "start the conversation about building wealth in the Latinx community," was born.

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