



FBLA FINANCIAL LITERACY INDIVIDUAL PROJECT

Project Deadline: Must be approved in badging system by adviserno later than March 24, 2023

For Future Business Leaders of America, it is essential to learn how to make **smart monetary decisions** and master the **basics of financial literacy**. Finance is an enormous sector of the business economy and a fundamental aspect of daily life. It is important for high school students to become fiscally aware and to master the skills of efficient money management as they transition from school to career.

MUST COMPLETE ALL ACTIVITIES

Activity #1 Spending Habits: Include a list of all items that you spent money on for one (1) week and their prices. Provide a 100-word summary on how might you alter your spending habits in order to better manage your money?

Activity #2 Purchases: Examine three (3) major purchases that you made or from which you benefited (if the purchases were made by someone else) in the past year and determine if you would consider them a “want” or a “need”. Briefly explain how you would be able to live without these items in your life and then write a 100-word summary as to why it is important to determine the differences between wants and needs.

Activity #3 Credit vs. Debit:

- Explain the difference between a credit card and a debit card.
- Define the following credit terms:
 - Annual Percentage Rate
 - Billing Cycle
 - Late Fees
 - Accrued Interest
- Briefly explain the following about credit scores:
 - What is a credit score?
 - Why is it important to know your credit score?
 - How is your credit score determined?
 - How do you increase your score?
 - How do student loans affect your credit score?

Activity #4 Savings Define the following financial options and provide one advantage and one disadvantage of each one.

- Bank savings account
- Checking account
- Mutual Funds
- Money market funds

- ROTH IRA
- 401K
- 72% compounding rule

Activity #5 Investments Create a table that defines, in your own words, the following financial terms

- Bonds
- Stock
- Dividend
- Blue Chip
- Capital Gain
- Exchange, Index, NASDAQ

Activity #6 Understanding Investments:

- What are public companies?
- How does the stock market function and what are the benefits of investing in stocks?
- What are the drawbacks or risks of investment?
- What are the differences between individual, mutual, and index funds and what are advantages and disadvantages of each one?

Activity #7 Cryptocurrency

- What is Cryptocurrency?
- What is Bitcoin?
- What is a Blockchain?
- What is the difference between crypto and stocks?

Activity #8 Financial Literacy (Select ONE option)

Option #1 Attend an In Person or Virtual Financial Literacy workshop. Describe what you learned during the workshop. How will this information help you make better financial choices in the future? Include a photo of yourself with the workshop presenter along with your write up. This option may be completed at an FBLA sanctioned event.

Option #2 Interview a financial consultant (private consultant, a bank, a credit union) about how youth can improve their financial literacy. Include the 5 questions below along with two of your own. Include the name and job title of the person interviewed along with the questions and responses and a description of how you can improve your financial literacy.

- a. What is the most efficient means of saving for college tuition and expenses?
- b. What is the most important financial consideration when deciding whether to take out a college loan?
- c. What should teens consider when creating a financial budget?
- d. What situations are most likely to get young people into financial trouble?
- e. What should a young person understand about debit and credit cards?