

St. Louis Fed [Personal Management Merit Badge](#) Resource Guide

Note: Resources with an asterisk (*) can be assigned as online learning assignments through the Econ Lowdown online learning portal: <https://www.econlowdown.org/>.

Resources to meet Requirement 1

Wealth Creation for All (Video)*

“Wealth Creation for All” is the second video in the Tools for Enhancing the Stock Market Game™: Invest it Forward™ series. This video emphasizes the importance of developing the saving habit early. It explains the importance of establishing an emergency fund first and then moving on to making investments. “Wealth Creation for All” suggests investing in the capital markets to meet financial goals. The video explains the concept of risk vs. return, what capital markets are, and how we all can participate in them.

<https://www.stlouisfed.org/education/tools-for-enhancing-the-stock-market-game-invest-it-forward/episode-2-wealth-creation-for-all>

Making Choices and Identifying Costs (Lesson Plan)

Students are introduced to the PACED decisionmaking model and grid as a guide to making personal finance choices. The grid is used to evaluate product choices based on ratings from *Consumer Reports*® and to demonstrate trade-offs and opportunity costs.

<https://www.stlouisfed.org/education/making-personal-finance-decisions-curriculum-unit/making-choices>

Resources to meet Requirement 2

Making a Budget—It Is All Spending! (Lesson Plan)

Students discover that all elements of a budget are essentially spending on goods and services. They are shown a process for establishing a budget.

<https://www.stlouisfed.org/education/making-personal-finance-decisions-curriculum-unit/making-a-budget>

Budget Trade-Offs—A Penny Here and a Penny There (Lesson Plan)

Students participate in an activity that illustrates that budgeting is really an allocation problem. They must decide how to allocate limited income among many alternatives, which requires trade-offs. For the activity, students are given pennies representing monthly personal income to allocate for their living expenses—to purchase goods and services for housing, food, transportation, and so on.

<https://www.stlouisfed.org/education/making-personal-finance-decisions-curriculum-unit/budget-trade-offs>

Resources to meet Requirement 3

Time Preference—Why It Is Hard to Save (Lesson Plan)

Students investigate the decision to save as a choice between spending now or spending later and how people's natural preference to enjoy goods and services now affects this decision.

<https://www.stlouisfed.org/education/making-personal-finance-decisions-curriculum-unit/time-preference>

The Amazing \$2,000 Pizza (Video)*

Episode 3 of the Continuing Feducation Video Series, "The Amazing \$2,000 Pizza," emphasizes the importance of using credit cards responsibly.

<https://www.stlouisfed.org/education/continuing-feducation-video-series/episode-3-the-amazing-pizza>

Resources to meet Requirement 4

Growing Money—Compound Interest (Video with Discussion Questions)*

In this first episode of the No-Frills Money Skills Video Series, economic education specialist Kris Bertelsen explains compound interest, or "Growing Money."

<https://www.stlouisfed.org/education/no-frills-money-skills-video-series/episode-1-growing-money-compound-interest>

Diversification and Risk (Lesson Plan)

Students are given a portfolio of investments, and they assess the relative risk associated with the products in their portfolios. They later determine which savings and investment instruments might be most suitable for clients of different ages and economic status.

<https://www.stlouisfed.org/education/diversification-and-risk>

Resources to meet Requirement 5

Get Into Stocks (Video with Discussion Questions)*

"Get Into Stocks" is the third video in the Federal Reserve Bank of St. Louis series, No-Frills Money Skills. Through the story of a local ice-cream cart owner trying to expand her business, students learn about the process by which companies become publicly owned and traded by issuing stock. Students learn key terms, such as capital gains and dividends, and discover how the prices of stocks are affected by how successful a company is in its respective industry.

<https://www.stlouisfed.org/education/no-frills-money-skills-video-series/episode-3-get-into-stocks>

Mutual Benefit (Video with Discussion Questions)*

In the fifth episode of the No-Frills Money Skills Video Series, “Mutual Benefit,” students learn what investment companies are and how mutual funds work. The video shows the difference between savings and investing and the importance of understanding risk versus reward.

<https://www.stlouisfed.org/education/no-frills-money-skills-video-series/episode-5-mutual-benefit>

Evaluating Investment Options (Lesson Plan)

Students use the PACED decisionmaking model to investigate the trade-offs involved in choosing an investment.

<https://www.stlouisfed.org/education/making-personal-finance-decisions-curriculum-unit/evaluating-investment-options>

Resources to meet Requirement 6

Understanding Car Insurance: Paving the Way (Video)*

“Understanding Car Insurance: Paving the Way” is the seventh video in the Federal Reserve Bank of St. Louis series, No-Frills Money Skills. This episode uses a radio talk show format to explain various aspects of car insurance. From the responses to questions from callers, students learn several key concepts and terms related to car insurance. The content for these videos was reviewed by members of the Missouri Insurance Education Foundation.

<https://www.stlouisfed.org/education/no-frills-money-skills-video-series/episode-7-car-insurance>

Insurance: Protecting Yourself from Damage (Video)*

“Insurance: Protecting Yourself from Damage” is the sixth video in the Federal Reserve Bank of St. Louis series, No-Frills Money Skills. This episode begins with examples of activities with varying amounts of risk and introduces insurance, explaining how it is used to transfer or reduce risk. With a story about a homeowner, students learn several key insurance-related concepts and terms. The content for these videos was reviewed by members of the Missouri Insurance Education Foundation.

<https://www.stlouisfed.org/education/no-frills-money-skills-video-series/episode-6-insurance>

Is Insurance Worth Buying? (Lesson Plan)

Students learn about insurance options and possible risks. They play a game where they first choose levels of insurance coverage and then face random events. They track the cost of their insurance choices (premiums plus lost investment income) and the benefit of their choices (loss reduction) based on each event drawn. They determine whether the insurance choices they made were financially beneficial and why insurance may be a good idea regardless.

<https://www.stlouisfed.org/education/making-personal-finance-decisions-curriculum-unit/insurance>

Resources to meet Requirement 7

It's Your Paycheck Lesson 8: So How Much Are You Really Paying for that Loan?*

Students learn what a payday loan is and the high cost involved in using such a loan. Working in groups, students calculate an annual percentage rate (APR) on a short-term loan.

<https://www.stlouisfed.org/education/its-your-paycheck-curriculum-unit>

The Amazing \$2,000 Pizza (Video)*

Episode 3 of the Continuing Feducation Video Series, "The Amazing \$2,000 Pizza," emphasizes the importance of using credit cards responsibly.

<https://www.stlouisfed.org/education/continuing-feducation-video-series/episode-3-the-amazing-pizza>

Understanding How a FICO Credit Score is Determined (Video)*

Episode 1 of the Continuing Feducation Video Series, "Understanding How a FICO Credit Score is Determined," provides a short overview of credit scores—how they are determined and why they are important.

<https://www.stlouisfed.org/education/continuing-feducation-video-series/episode-1-understanding-how-a-fi-co-credit-score-is-determined>

Note: Requirements 8 and 9 Focus on Time Management

Resources to meet Requirement 10

Saving for College (Video)*

Growing up means making big decisions, and decisions about college are among the most important. The second episode of the Continuing Feducation Video Series, "Saving for College," follows high school student Martina as she learns about the basics: investing in human capital, factors to consider when choosing a college, and ways to fund higher education.

<https://www.stlouisfed.org/education/continuing-feducation-video-series/episode-2-saving-for-college>

It's Your Paycheck Lesson 1: Invest in Yourself (Lesson Plan)*

Students are divided into groups to produce name tents. Each of four groups in the classroom produce name tents in a different way to highlight different levels of human capital. The students identify ways in which people invest in human capital and the link between investment in human capital and earning income.

<https://www.stlouisfed.org/education/its-your-paycheck-curriculum-unit>