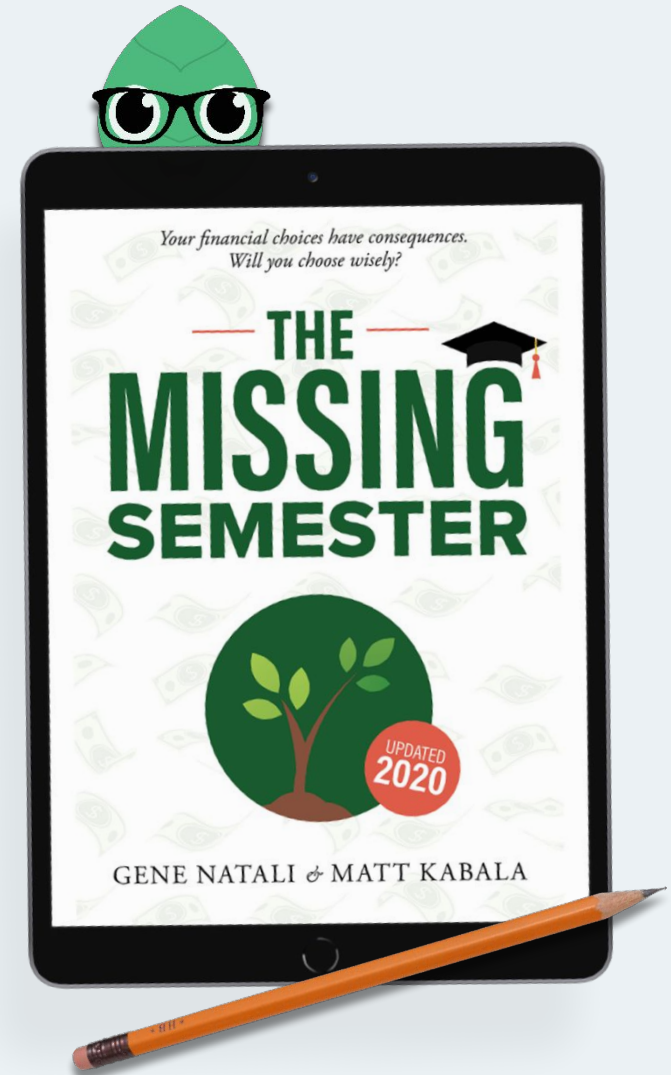


THE MISSING SEMESTER

CHAPTER DISCUSSION QUESTIONS



TROUTWOOD

BEFORE READING

- What does it mean to take control of your financial future?
- Explain: The more money you earn, the more money you spend.

CHAPTER 2: THE REST OF YOUR LIFE STARTS NOW

- What does it mean “Do not let your spending dictate your saving.”
- Where does the average American spend his/her paycheck? Discuss the categories.
- Why is making an informed decision to save money important?

CHAPTER 3: UNDERSTANDING DEBT

- Agree or Disagree: Debt can be used as a tool to achieve a quality of life that might otherwise be unobtainable.
- Explain the mindset: Don't let your lifestyle determine your debt.
- Explain the 4 Keys to Preserving Your Freedom from Debt
 1. Know Your Debt
 2. Manage Your Debt
 3. Have Only One Credit Card
 4. Understanding Principal and Interest

CHAPTER 4: STUDENT LOANS

- Agree or Disagree: It is more important to focus on the interest rate instead of the loan amount.
- Explain this mindset: What is the maximum payment I can make? (versus, what is the minimum payment?)
- What are the benefits of paying more than the minimum? How can this affect your future savings?

CHAPTER 5: CREDIT CARD(S)

- Agree or Disagree: Credit cards can be a valuable tool if used wisely.
- What are some simple rules when using credit cards?
- Explain: Building great credit takes time; ruining credit is easy.

CHAPTER 6: LET'S TALK ABOUT CAR LOANS

- Explain: “Everyone drives a used car.”
- What are the real costs of owning a car?
- Agree or Disagree: Know how much car you can afford.
- What does it mean by: “The longer you finance, the more interest you will pay.”
- Agree or Disagree: A car is an investment.

CHAPTER 7: TAKE OWNERSHIP OF YOUR FUTURE

- Agree or Disagree: Any job is better than no job.
- Identify a financial choice and its possible consequences
- Agree or Disagree: Waiting for the right job is more important to your financial success.
- What kind of life do you want to have?

CHAPTER 8: COST EFFECTIVE CAREER MOVES

- Agree or Disagree: Let your career determine your advanced degree, not the reverse.
- What is considered more valuable than an advanced degree?
- What is an advanced degree alternative? How can this be a wise financial decision? Explain.

SCENARIO: TWO CANDIDATES, ONE DEGREE

You are a Human Resource Talent Recruiter. You have two applicants for the same entry level position; both have excellent internship experience, skills are the same, but one has an advanced MBA degree, and one doesn't.

Which one would you hire? Why?

CHAPTER 9: INVESTING, AND WHY IT MATTERS

- How does compound interest work?
- Why is it important to take advantage of your employer-sponsored 401(k) plan?
- Why should you never cash-out your retirement plans early?
- As it relates to investing, at your age, what is on your side?
- What are two simple rules for you to remember when it comes to investing?

SCENARIO: WHICH PATH WILL YOU CHOOSE?

You have graduated from college and are unable to find a job in your field.

- ✓ Choice #1: You take on a job well below your education and skill set.
- ✓ Choice #2: You continue searching for the right job.

What choice will you make?

On the next slide, continue to make choices...

SCENARIO-WHICH PATH TO CHOOSE?



	LIVING CHOICES	SAVINGS AND INVESTMENT CHOICES	TRANSPORTATION CHOICES
PATH 1	LIVE WITH FAMILY; NO COST	PAY ALL BILLS FIRST, IF MONEY IS LEFT, THEN SAVE	CONTINUE TO FIX THE CAR YOU CURRENTLY HAVE
PATH 2	LIVE WITH FRIENDS AND SPLIT THE RENT	SAVE A SMALL PERCENTAGE FIRST AND THEN PAY BILLS	BUY A NEW CAR WITH A 72-MONTHS LOAN PAYMENT BECAUSE IT IS LOW PAYMENTS
PATH 3	RENT A SMALL APARTMENT	FOCUS ON PAYING OFF STUDENT LOANS THEN START SAVING AND INVESTING	BUY A 2 TO 3-YEAR-OLD USED CAR

DISCUSSION QUESTIONS

- What does it mean by: Don't let your spending dictate your saving?
- Explain: Expect and prepare for the unexpected.
- How can a budget impact your financial success?
- What is “house poor”?
- How can the *Rule of 72* impact your financial progress?
- Agree or Disagree: You are responsible for your action—and for your inaction.

REFLECTIVE ESSAY

1. Select three concepts you have learned.
2. Write an essay on how you see your future self applying these three concepts.