

Miya plans for her future

Students experience an interactive adventure about how to build and protect wealth over time and then answer questions about what to consider when planning for the future.

Learning goals

Big idea

The spending and savings decisions you make today affect your financial security tomorrow.

Essential questions

- How can I begin to build wealth today for tomorrow?
- How can different types of investments impact long-term financial growth?

Objectives

- Explain how to build wealth by creating a financial plan and by saving and investing money
- Understand the basics of the Thrift Savings Plan (TSP) and consider how the TSP fits into plans for the future

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

- Financial knowledge and decision-making skills

Grade level: High school (11-12)

Age range: 16-19

Topic: Save and invest (Choosing how to save, Investing)

School subject: JROTC/ROTC (Servicemembers)

Teaching strategy: Blended learning, Cooperative learning, Personalized instruction

Bloom's Taxonomy level: Remember, Understand, Apply

Activity duration: 75-90 minutes

National Standards for Personal Financial Education, 2021

Earning income: 8-1, 8-5, 12-1, 12-10

Spending: 8-1, 12-1, 12-9

Saving: 8-1, 8-2, 8-4, 8-5, 12-6, 12-7, 12-9

Investing: 8-1, 8-7, 12-3, 12-6, 12-8, 12-9, 12-14

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

ABOUT

Misadventures in MONEY MANAGEMENT

PRESENTED BY THE CONSUMER FINANCIAL PROTECTION BUREAU

Misadventures in Money Management (MiMM) educates, advises, and trains future and current servicemembers and their families critical financial decisions and consumer rights. The program is available for use by all of the U.S. Armed Forces. MiMM follows the stories of seven servicemembers, each covering a different financial topic:

- Angela - Debit, credit & credit scores
- Cruz - Car buying tactics
- Dirk - Smart spending
- James - Impulse purchases
- Miya - Budgeting, saving & investing
- Sonya - Emergency relief & researching
- Xavier - Debt advice & student loans

MiMM focuses on some of the unique problems and solutions that servicemembers experience.

What students will do

- Complete an online, interactive adventure independently or as a group.
- Use a Thrift Savings Plan calculator to answer questions about how their savings choices now can impact their future financial well-being.
- Identify their savings and investment priorities and steps they can take to achieve their goals.

TIP

If your students have access to computers or tablets with Internet access, they can also complete the adventure as homework. Direct them to <https://mimm.gov/>, where they can complete the entire program, get a certificate of completion, and email their unique certificate to you or print it out. Students can only get a certificate for completing the entire program, not when they finish each character's story.

Preparing for this activity

- ☐ While it's not necessary, completing the "Picturing your future self" activity first may make this one more meaningful.
- ☐ Print copies of all student materials for each student, or prepare for students to access them electronically.
- ☐ Become familiar with the Misadventures in Money Management (MiMM) online graphic novel at <https://mimm.gov/>.
- ☐ Review Miya's MiMM adventure. If time permits, it may be helpful for you to complete Miya's MiMM adventure on your own before class.

- Note that while Miya's MiMM adventure covers different scenarios, this activity mainly focuses on the scenario where she's learning how to invest.
- Visit the Thrift Savings Plan's "Maximize your savings" page at <https://www.tsp.gov/making-contributions/maximize-your-savings/> and become familiar with the "Customize your savings" section.
- Decide if you want students to complete Miya's MiMM adventure as a whole class, in small groups, or individually.
 - If you choose to complete the adventure as a whole class, obtain a computer with Internet access, a projector or smartboard, and speakers.
 - If you choose for students to complete the adventure in small groups or individually, provide them with headphones to manage the noise.

What you'll need

THIS TEACHER GUIDE

- **Miya plans for her future** (guide)
[cfpb_building_block_activities_MiMM_miya-plans-for-her-future_guide.pdf](#)
- A computer with Internet access, a projector or smartboard, and speakers (if you choose to complete the online portion as a whole class)

STUDENT MATERIALS

- **Miya plans for her future** (worksheet)
[cfpb_building_block_activities_MiMM_miya-plans-for-her-future_worksheet.pdf](#)
- Computers or tablets with Internet access
- Headphones (if you choose for students to complete the online portion in small groups or individually)

Exploring key financial concepts

To reach long-term financial goals that may take five or more years to achieve (such as buying a home, starting a business, or retiring), some people rely on investing. Investments can increase in value over the years, and generally, the earlier you invest, the more time your investment has to grow. One important advantage that young people have is time. They usually have more time to allow an investment to increase in value than older people. Congress created the Thrift Savings Plan (TSP) as a retirement savings and investment plan for members of the military

and federal government employees. It's like the 401(k) plan of a private corporation. Servicemembers in the Blended Retirement System (BRS) can choose to direct a percentage of their paycheck before taxes are taken out to their TSP account. The military automatically contributes to servicemembers' TSP accounts and matches 5% of what servicemembers pay into their TSP account. This means that when a servicemember puts money into their TSP account, the military puts the same amount in the account, up to 5% of the servicemember's pay.

Teaching this activity

Whole-class introduction

- Introduce the Misadventures in Money Management (MiMM) program if students aren't familiar with it.
 - MiMM is an online graphic novel in which students make decisions for the characters as they move through the story. CFPB created the program to educate, advise, and train current and future servicemembers on critical financial decisions.
 - The program focuses on some of the unique problems and solutions that servicemembers experience.
- Explain to students that they'll explore the MiMM character of Miya.
- Ask students to share some long-term financial goals that people set aside money for.
 - Answers may include buying a house, paying for college, buying a new car, or retiring.
- Read the "Exploring key financial concepts" section to students.
- Be sure students understand key vocabulary:
 - **Budget:** A plan that outlines what money you expect to earn or receive (your income) and how you will save it or spend it (your expenses) for a given period of time; also called a spending plan.
 - **Compound interest:** When you earn interest on both the money you save and the interest you earn.
 - **Inflation:** Inflation occurs when the prices of goods and services increase over time.

TIP

Because financial products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

NOTE

It's important to emphasize that all investments, even savings products, have some level of risk. These risks include how readily investors can get their money when they need it; how fast their money will grow; whether they can lose some, all, or in some cases, more than their initial investment; and how inflation, taxes, market conditions, and other external factors may affect the value of their investment.

- **Interest:** A fee charged by a lender, and paid by a borrower, for the use of money. A bank or credit union may also pay you interest if you deposit money in certain types of accounts.
 - **Investment:** Something you spend your money on that you expect will earn a financial return.
 - **Investment fees:** What you pay to use investment products and services.
 - **Long-term goals:** Goals that can take more than five years to achieve.
 - **Rate of return:** The profit or loss on an investment expressed as a percentage.
 - **Risk:** Exposure to danger, harm, or loss.
 - **Return:** The profit or loss on an investment.
 - **Savings:** Money you have set aside in a secure place, such as in a bank account, that you can use for future emergencies or to make specific purchases.
 - **Short-term goals:** Goals that can take a short time, or up to five years, to reach.
 - **Taxes:** Required payments of money to governments, which use the funds to provide public goods and services for the benefit of the community as a whole.
- Tell students that after they complete the “Making Money from Time Itself” section of Miya’s adventure, they’ll use an online calculator to experiment with different salaries, contributions, and timeframes to see how much they can expect to save.
 - Visit the Thrift Savings Plan’s “Maximize your savings” page and show students what they can expect in the “Customize your savings” section.
 - Be sure to clarify that the calculations are simplified to illustrate how investments can grow over time. In the real world, investment values rise and fall and returns are affected by many factors, including inflation, investment fees, and taxes.

TIP

Visit CFPB’s financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual or group work

Completing the online, interactive adventure at <https://mimm.gov/>

- Click “Explore a topic” and then “Budgeting, saving, & investing” to access Miya’s adventure.

- Explain that while Miya’s adventure covers different scenarios, this activity mainly focuses on the scenario where she’s learning about how to invest and more about the TSP.
- Students can complete Miya’s adventure as a whole class, in small groups, or individually.
 - If you choose to complete it as a whole class:
 - Use the decision points in Miya’s story to spark discussions and decide as a class what choice to make.
 - Help students build their understanding by reviewing the additional information that comes up throughout the adventure.
 - If students work in small groups or individually:
 - Move among the students to check on the decisions they’re making and what they’re learning from their choices.
 - Encourage students to pause at each decision point and reflect on what happened to Miya as a result of that choice.
 - Help students build their understanding by encouraging them to click on the suggested resources and additional information that come up throughout the adventure. The suggested resources help students gather additional information to complete each character’s final challenge.

Completing the worksheet

- Distribute the “Miya plans for her future” worksheet to each student.
 - Let students know that answers to the “Learning from Miya’s experience” questions can be found by clicking on the “What is the Military Thrift Savings Plan” link in the “Past, Present, Future: Building Wealth” objective.
- Students can work independently, in pairs, or in groups of three or four to complete the “Learning from Miya’s experience” and “Digging deeper” portions of the worksheet.
- Be sure students are familiar with what they’re expected to do in the “Digging deeper” section. Under “Customize your savings”:
 - **Age:** Enter a number between 20 and 60.
 - **Salary:** Enter a number between \$1,000 and \$400,000.
 - **Pay frequency:** Select a pay frequency from the drop-down menu.
 - Click “Customize” to see their results. Note their anticipated contributions, agency/service match, and balances in Scenario 1 on their worksheets.

- Repeat the process for Scenario 2.
 - Note that students can also adjust the assumed rate of return after they calculate their savings.
 - Be sure students understand that for most investments, the rate of return isn't guaranteed. Most investments involve risk, and it's possible to lose some or all of your money.
- Students can complete the reflection questions on their own.

Wrap-up

- Bring the class back together.
- Ask volunteers to share their answers to the "Learning from Miya's experience" and "Digging deeper" sections of the worksheet.
- Ask volunteers to share their answers to the reflection questions.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topics of saving and investing, including choosing how to save or investing. Suggested activities include "[Miya builds her wealth](#)," "[Discovering the benefits of investing early](#)," and "[Investigating investing](#)."

Measuring student learning

Students' answers on their worksheets and during discussion can give you a sense of their understanding.

The answer guide on the next page provides possible answers for the "Learning from Miya's experience" section of the "Miya plans for her future" worksheet. **Keep in mind that students' answers may vary.** The important thing is for students to have reasonable justification for their answers.

Answer guide

Learning from Miya's experience

1. What is the Thrift Savings Plan (TSP)?

The TSP is a government-sponsored savings and investment plan.

2. How can you add money to your TSP?

The TSP is like a 401(k) plan where private-sector employees make contributions. You can contribute any percentage of your base pay up to a limit set by the IRS. You can also contribute a percentage of any incentive or special pay, again up to whatever limit the IRS sets.

3. What are the benefits of the TSP?

Possible answers include:

- **Your contributions may be matched depending upon your service's policies. That means if you contribute a certain percentage of your paycheck up to 5%, your employer will provide a matching contribution. If you don't contribute to your TSP, you're leaving money on the table.**
- **Your contributions are taken out pre-tax, which means you pay less withholding tax.**
- **Your contribution is tax-deferred, which means you don't pay federal and, in most cases, state income tax until you withdraw the money.**
- **You can diversify your investment into different funds.**
- **You can transfer money from some retirement savings plans into the TSP and transfer out into another retirement savings plan when you leave federal service.**

Digging deeper

Answers may vary.

Reflection questions

Answers may vary.