Grow: Financial Planning for Life™

Planning for Your Life

NAME ______________________________ **DATE** ______________

OPENING

Question:

What is one thing that you could do that would greatly increase your ability to accomplish your life's goals?

Answer:

FINANCIAL GOALS ACTIVITY

FINANCIAL GOAL	TIMEFRAME *Short-, Mid-, or Long-term*	WHERE WILL YOU SAVE YOUR MONEY?	WITH WHOM WILL YOU SHARE THIS GOAL?
A new phone	*Mid-term goal*	*Savings account*	*My sister*

ARTICLE

Study focuses on strategies for achieving goals, resolutions

Psychology professor Dr. Gail Matthews has advice for those who put 'stop procrastinating' on their list of New Year's resolutions: Share your goals with a friend.

Participants in Matthews' study were randomly assigned to one of five groups.

Group 1 was asked to simply think about business-related goals they hoped to accomplish within a four week block and to rate each goal according to difficulty, importance, the extent to which they had the skills and resources to accomplish the goal, their commitment and motivation, and whether they had pursued the goal before (and, if so, their prior success).

Groups 2-5 were asked to write their goals and then rate them on the same dimensions as given to Group 1.

Group 3 was also asked to write action commitments for each goal.

Group 4 had to both write goals and action commitments and also share these commitments with a friend.

Group 5 went the furthest by doing all of the above plus sending a weekly progress report to a friend.

Broadly categorized, participants' goals included completing a project, increasing income, increasing productivity, improving organization, enhancing performance/achievement, enhancing life balance, reducing work anxiety, and learning a new skill. Specific goals ranged from writing a chapter of a book to listing and selling a house.

Of the original 267 participants, 149 completed the study.

These participants were asked to rate their progress and the degree to which they had accomplished their goals. At the end of the study, only 43 percent of Group 1 either accomplished their goals or were at least half way there. Sixty-two percent of Group 4 accomplished their goals or were at least half way there. However, 76 percent of those in Group 5 either accomplished their goals or were at least half way there.

"My study provides empirical evidence for the effectiveness of three coaching tools: accountability, commitment, and writing down one's goals," Matthews said.

Excerpted from: https://scholar.dominican.edu/news-releases/266/

EXIT TICKET

Question:	Answer:
What goal are you most excited about pursuing?	
Who will you share this goal with?	
Will you share updates on a weekly basis?	
How confident do you feel about accomplishing this goal?	☒ Very confident ☐ Somewhat confident ☐ Not confident at all

EXTENSION

INSTRUCTIONS

Read about four types of estate planning that can help you with your long-term goals: Wills, Trusts, Gifts, and Charitable Donations. Then, answer the questions that follow.

What is Estate Planning?

Estate planning is a way of figuring out what will happen to a person's belongings after they pass or if they cannot make their own decisions. This includes things like money, property, and dependents (meaning anyone they care for physically and financially). While this might seem far away now, estate planning should start while you're still young. You can even start planning as early as 18 depending on your circumstances. There are four types of estate planning to start thinking about: wills, trusts, gifts, and charitable donations.

Wills

Wills are documents that describe to whom you want to leave your belongings and your money when you're no longer around. Wills are really affordable to create, and people can even write wills on their own with online tools. It's a good idea to create a will as an adult once you have your own money and property. This way, you can make sure the important people in your life get your belongings.

Trusts

Trusts are financial relationships involving three people. One person (called a grantor) sets up the trust to transfer property and/or money to another person (called the trustee). The trustee manages the money and/or property. The third person (called the beneficiary) receives the property and/or money at a certain time defined in the trust. People often use trusts to give money to family members and to pass down their belongings to their family's future generations. They can cost thousands of dollars to create, but they offer more privacy and control over how your belongings are given out. Trusts also offer better asset protection and can potentially save you money on taxes.

Gifts

Estate planning gifts are like regular gifts except they usually involve large amounts of money. You can send monetary gifts up to a certain amount without owing tax. This is important to know because any amount you give over the annual tax limit can create expensive tax bills.

Charitable Donations

Charitable donations mean giving money or property to a nonprofit. People can name a charity as a beneficiary of a trust and/or will. This means that when they pass, some money or property will go to the charity. People often do this because they care about the charity and can use these donations to receive certain tax benefits.

QUESTIONS

Describe one situation where someone might use a trust and another situation where someone might use a will.

Would you ever consider charitable donations in your estate planning? Why or why not?

Why might estate planning be especially important for families?