Financial Education Curriculum Overview

The NFEC financial literacy curriculum, online learning & presentations are engaging and fun, yet also meets core educational standards. The programming has been widely recognized for its ability to connect with students and inspire participants of all ages and socioeconomic backgrounds to take positive financial action.

- Financial Psychology
- Savings, Expenses & Budgeting
- Account Management & Team Members
- Loans & Debt
- Credit Profile
- Income
- Economic & Government Influences
- Risk Management & Insurance
- Investing & Personal Financial Planning
- Education & Skill Development
This chapter gives you an in-depth look at the psychological factors that affect how we handle our personal finances. The first topic discusses how money is tied to human needs and emotions. A second section explores how and by whom we are influenced when developing our money management habits, and how to find qualified information sources. Then the concept of behavioral finance is presented, and you will examine your own attitudes, beliefs, and behaviors related to personal finance. The Model of Behavior Change is explained in Topic 4.4, defining the six stages we go through as we progress toward adopting positive money management habits. The final topic offers an introduction to financial goal-setting – how to write good goals, break them down into achievable action steps, and track progress.

Lessons in This Chapter:

- Needs, Emotions, Money & The Connection
- How Financial Behaviors & Attitudes Form
- Identifying Your Financial Behaviors
- Molding Positive Financial Behaviors
- Turning Dreams Into Goals & Plans
For most people, money management is closely tied to their emotions and emotional states. That’s because money has powerful effect on all human needs. This topic presents Abraham Maslow’s Hierarchy of Needs theory, Robert Plutchik’s Wheel of Emotions theory, and how those theories relate to financial decision-making. The pleasure/pain principle is discussed in the context of personal finances.

How Financial Behaviors & Attitudes Form

This topic discusses how and from whom we obtain our financial information and habits. People often seek money knowledge and advice from others such as family, friends, or colleagues who may not be informed sources. In this topic you will learn how to avoid outside influences that may develop bad money habits, and how to identify qualified financial mentors.
This topic presents the concept of behavioral finance, which is rooted in economics as well as cognitive and behavioral psychology. Explore your own attitudes, beliefs, and behaviors related to money management, and whether you tend to run specific mental “money scripts” that may lead to irrational financial behaviors.

This topic introduces the Model of Behavior Change that defines the six stages a person goes through along the path toward adopting positive financial habits. If you understand the stage of change where you currently fall, you can take steps that may help you progress to the next stage, and eventually you may reach the point where positive financial actions become habit.
Goal-setting lies at the heart of financial planning. In this topic, you will be introduced to the goal-setting process – from daydreaming about the lifestyle you desire, to creating a rough plan, to developing well-written goals and breaking them down into achievable action steps. An activity will guide you to begin writing solid goals that will form the basis for your long-term financial plan.
This chapter introduces the basic aspects of budgeting and how budgeting benefits your progress toward attaining your desired lifestyle and reaching your financial goals. You will understand how savings forms the foundation of your financial planning, and learn the components of a savings plan. In a further topic, you will comprehend the importance of evaluating every purchase based on whether it is a “need” or a “want” and know how to calculate opportunity cost.

As the chapter continues, you will be introduced to the three primary types of expenses and tactics for reducing monthly payments toward those expenses. Action steps for creating a solid budget and automating financial accounting systems to facilitate regular review and revisions are provided. The last two topics in the chapter cover the processes involved with two major expenses individuals typically encounter during their lifecycles – automobile purchase and renting a home.

Lessons in This Chapter:

- Budgeting Fundamentals & Overview
- Setting Savings Goals & Creating a Savings Plan
- Prioritizing Expenses & Opportunity Cost
- Identifying and Reducing Your Expenses
- Create Your Budget & Automate
- Analyzing Your Budget & Addressing Gaps
- Major Expenses - Automobile
- Major Expenses - Renting a Home
- Homeownership Budgeting
This topic is designed to introduce you to the concept of budgeting and how creating a strong budget benefits you and contributes to your lifestyle choices. The definition of a budget, its main components, how it helps you, where to start, and the potential consequences of not budgeting are covered.

The foundation of your personal finance planning and achieving your financial goals is built upon savings. This topic addresses the three main components of a savings plan – emergency fund, short-term savings, and long-term savings – and helps you identify targets for each component. In an activity, you will create an individualized savings plan toward reaching your specific personal finance goals.
Prioritizing Expenses & Opportunity Cost

Distinguishing between your “needs” and your “wants” has value for making wise financial decisions. This topic leads you to begin evaluating every purchase based on whether you honestly need it. Examples of needs and the powerful influences on us to purchase our wants are presented. The topic also defines the concept of opportunity cost and illustrates how it factors into our financial decisions.

Identifying & Reducing Your Expenses

This topic covers the three types of expenses – fixed, periodic, and variable – and offers some options for lowering the monthly amounts you pay. Various strategies for evaluating and assessing your options, and then taking action steps to reduce expenses, are discussed.
The primary reason to create a budget is to build savings. That way you have money to spend on the things you want now, but also ensure that you have enough set aside to reach your long-term goals. In this topic, you will take the appropriate steps to create a workable budget and automate your financial accounting to make regular review and adjustment easy.

Developing a budget is just the beginning of your financial planning. Reaching your goals will require reviewing your budget on a regular schedule and making adjustments as your income, expenses, and priorities change. This topic covers three important ratios that help you analyze how well your budget is working, and where you can make improvements: your savings rate, Debt Service Ratio, and housing expense ratio.
Knowing all the implications and planning carefully for a vehicle purchase has potential to save you huge amounts of money and time. This topic clarifies the vehicle buying process and all the expenses involved with vehicle ownership. Evaluating all the possibilities and developing a well-thought-out plan will ensure that any automobile purchase you make aligns with your long-term goals.

Renting a home or apartment represents a major expense that takes up a high proportion of your budget. That’s why you should approach the renting process with careful planning. This topic presents all the costs and procedures involved in renting a property, along with tips and guidelines for acquiring a rental that’s right for you and fits your budget.
Real property is a major investment, and many costs beyond the down payment and mortgage payment are associated with the purchase, ownership, and sale of a home. This topic details those costs and guides you to prepare a realistic budget for home ownership.
This chapter covers the essentials of how to set up and manage accounts with a financial institution, and why and how to establish a trusted team of financial advisors. The first topic guides you in selecting the financial institution that matches your needs and goals. Then you are introduced to the process of setting up a central system to automate all your account transactions, which helps you save money and protect your credit. In a third topic, you learn the differences between debit cards and credit cards and how that information relates to your personal finance management. Finally, you will understand why having a trusted team of advisors is important to your financial future, and know how to select your team members.

Lessons in This Chapter:

- Choosing Where to Bank
- Banking Essentials & Management
- Debit Cards vs. Credit Cards
- Building a Trusted Team
Choosing Where to Bank

Financial institutions are not all created equal. When selecting the institution with which you want to build a relationship, there are many factors to consider based on your financial goals and what is most important to you. This topic presents those factors and encourages you to evaluate your current financial accounts in comparison with account options available at other institutions.

Banking Essentials & Management

This topic discusses automating your accounts with a financial institution. Setting up a central system that automatically deposits your paycheck, pays your bills, transfers funds, and manages investments is a huge step toward getting your personal finances in order. This process potentially saves you time and money, protects your credit, and enables you to manage your money professionally.
Debit Cards vs. Credit Cards

This topic clarifies the differences between debit cards and credit cards. This information is important to organizing your personal finances because there are benefits and drawbacks to using each type of card. Knowing the difference can help you decide how to use them to your advantage.

Building a Trusted Team

As much as you need to gain high-level financial knowledge and make your own decisions, you will be more successful if you also can draw upon the knowledge of a trusted team of financial advisors. This topic presents the team members you are likely to need, why each one is important, and how to select them.
Most people will probably borrow money in some form during their lives. This chapter covers the ins and outs of loans and debt. The first topic discusses the different types of debt and when debts may be considered “good” versus “bad” debts. Then the basic loan calculations are covered including principal, interest, payment intervals, terms, and amortization. The risks and consequences of various types of debt are covered in the third topic, with tips for mitigating debt risk.

The fundamentals of loan qualification are presented in topic 4, providing guidelines to remove some of the anxiety from the process of taking out a loan. Next, strategies for developing a workable debt payoff plan are discussed. Credit cards, their potential advantages and drawbacks, form the topic of the next section. Automobile loan and lease options, how lenders qualify borrowers for auto loans, and how car loans can fit into one’s financial plan are presented. Finally, the various types of home mortgages, their qualification requirements and terms are detailed, along with the process of negotiating a home loan.

Lessons in This Chapter:

- Types of Debt
- Loan Fundamentals
- Risk of Debt
- Loan Qualification
- How to Pay Off Debt
- Credit Cards 101
- Automobile Financing - Loan & Lease Options
- Qualifying for a Home Loan
Most people are likely to take on some type of debt during their lifetimes. This topic discusses different types of debt and situations in which each type of debt may be considered “good” debt versus “bad” debt.

In this topic you will learn the fundamentals of how loans are calculated. The basics of loan principal, interest rates, payment intervals, and repayment terms are discussed, followed by an introduction to the concepts of compounding interest and loan amortization.
Risk of Debt

Every debt poses risk and carries potential negative consequences. This topic discusses the specific risks posed by various types of debt, and offers tips to mitigate those risks in each case. An activity has you calculate your Debt Service Ratio to help point up areas where you might benefit from modifying your budget.

Loan Qualification

This topic covers the basic steps involved in qualifying for and taking out a loan. Knowing these steps can help take some of the anxiety out of the loan process. Since most people will have to take out a loan at some point in their lives, having a blueprint for the process can be a helpful tool to make loan qualification and negotiation less stressful.
Getting clear of debt is an important contributor to one's financial health. This topic presents several strategies for paying off debts, and guides you through the process of creating a viable debt payoff plan.

Credit cards are unique financial instruments that allow you to borrow money to pay for goods and services now, and pay back the amounts of those purchases over time. This topic covers the basics of credit cards, their potential benefits, how they can be used to your advantage, and how to avoid running into credit card debt problems.
Automobile Financing - Loan & Lease Options

Many variables go into the terms of an automobile loan. In this topic, you will be introduced to the various loan and lease options, understand what lenders look at to qualify you for a car loan, and weigh the options against your short- and long-term financial goals.

Qualifying for a Home Loan

Several options for home mortgages are available, with different qualification requirements and terms. This topic details those options and describes the factors lenders consider when qualifying borrowers for a home loan. The step-by-step process of negotiating and entering into a mortgage agreement is covered.
This container focuses on credit, how credit affects your personal financial situation, and how to get and maintain good credit. First you receive an overview of the term 'credit' and how it is applied. Then you will understand the value of having a good credit history and situations that can have negative impact on your credit. You will be introduced to the components of your credit profile – credit history and credit score – and how they are derived. You will learn how to obtain a copy of your credit report, review your credit score, and create a credit plan. Strategies and actions for addressing errors on your credit report and improving your credit score are presented. Finally, the types of identity theft are discussed, along with ways to prevent and handle situations where your identity is stolen.

Lessons in This Chapter:

- Credit Profile Basics
- Benefits & Consequences of Credit
- Understanding Your Credit Profile
- Access Your Credit Report
- Addressing Problems with Your Credit
- Identity Theft Protection
This topic provides an overview of the term 'credit' and the various ways in which that term is used. The basics of buying on credit and developing one's credit profile are also covered.

Building and keeping good credit saves you money and has positive effects on many areas of your life. This topic discusses the value of having a good credit history and covers some of the common situations that lead to negative credit.
Your credit profile comprises two main components: your credit history and your credit score. This topic presents the information the credit bureaus compile to generate your credit history, and covers the two grading systems used to assign you a credit score based on that history. Tips for getting or keeping good credit are offered.

Once you understand how your credit scores are calculated and what they represent, the next step is to create a credit plan. This topic shows you how to get a copy of your credit report, review your credit score, and develop a personal plan to stay on top of your credit history.
Addressing Problems with Your Credit

Your credit score has profound effect on your future lifestyle and financial options. This topic presents strategies for reviewing your credit report and addressing errors or inaccurate information that may be driving down your score. Action steps you may take as needed to repair your credit history and improve your credit score are presented.

Identity Theft Protection

Identity theft is an increasingly prevalent problem that can have negative impact on your credit score and financial situation, and cause you great stress. This topic discusses the various types of identity theft in detail. Key strategies to prevent your identity from being stolen, and to prepare for and deal with identity theft crimes when they occur, are presented.
Most people must establish some source of income in their lives. This chapter covers various ways to generate income, along with some strategies for securing and possibly supplementing one’s income. The first topic discusses finding fulfilling work in alignment with one’s dreams and passions. In the second section, we cover the rapid, recent advances in globalism and technology that affect job and income security.

The third topic presents steps individuals may take to maximize their earning potential, including considering benefits as part of a total compensation package, evaluating and enhancing one’s position in the job market. The next section expands on these strategies by discussing how to obtain salary increases from current employers and methods for seeking out and obtaining new employment opportunities. Finally, the chapter concludes with a topic about ways to find additional active income streams including second jobs, freelancing, and starting one’s own business.
Aligning Your Passion with Income Sources

If you get a job doing something you love, you will move closer toward achieving your dreams in life. This topic explores how to identify the things you feel passionate about, and then locate fulfilling employment that aligns with those passions.

Minimizing Income Security Threats

The economy is becoming increasingly global and technological advances are occurring at a breathtaking pace. Given these rapid advances, the risk of having a job automated or outsourced can be high depending on your occupation. This topic discusses some of the rapid changes that have occurred in recent decades, and presents tips and guidelines for assessing and maximizing your income security.
There are steps people can take to insure that they receive the maximum possible compensation for their chosen professions. In this topic we cover what goes into a total compensation package, how to evaluate where you stand in the current job market, and action you may take to maximize your total compensation.

There are two ways to maximize your income potential: get a raise from your current employer, or seek a new position with higher compensation. In this topic, you will learn how you can increase your value to employers and leverage your accomplishments to increase your income. The topic also covers strategies to ask for a raise, seek out and land new employment.
Many people seek additional income streams beyond their primary jobs or careers, and an extra income source can have multiple benefits. This topic covers three pathways toward gaining a second income through “active income” opportunities: getting a second part-time job, doing freelance or contract work, and starting your own business.
Nearly all citizens are subject to various forms of taxation by their governments. Taxes represent a sizable component of most people's budgets, but often are overlooked because they usually are deducted automatically. This chapter covers the various types of taxes one should consider for financial planning purposes.

The first topic provides an overview of taxes and why it's important to find a trusted tax professional to help file your government tax returns. Mandatory income taxes, including those imposed by federal, state, and local governments, are discussed in the second topic. Consumption taxes – levied upon the purchase of goods and services – are the topic of the next section, followed by the various taxes to which investments may be subjected. Finally, the concept of inflation is presented and the importance of calculating the effects of inflation when developing a budget and investment strategy.

**Lessons in This Chapter:**

- Introduction to Taxes
- Income Tax
- Consumption Tax
- Investment Tax
- Inflation: Understanding & Planning
Introduction to Taxes

Taxes form a large piece of most people’s budgets, but because they usually are paid by employers on our behalf, we often overlook their impact. This topic discusses several types of taxes, the definitions of basic tax terms, common tax issues into which people fall, where your tax dollars go, and why you should identify a trusted tax professional to help file your tax returns.

Income Tax

Several different types of taxes are levied upon income by the federal, state, and local governments. This topic details the various types of income tax and how they are calculated. Taxes form a significant and mandatory portion of a person’s budget, so it’s important to understand how they work.
Consumption Tax

Consumption taxes are levied by state and local governments on the sales of goods and services. The primary forms of consumption tax are sales and excise taxes. This topic discusses these types of taxation, and the importance of considering their potential effects on your budget.

Investment Tax

In addition to income and consumption taxes, your investments also are subject to various types of taxation. This topic reviews the various investment taxes and how they are levied, so you can become informed to ask the right questions and work with your tax adviser to make tax-efficient investment decisions.
Inflation is an economic term meaning broad increases in the prices of goods and services that are sustained over time. It’s important to understand inflation and its effects to build a viable budget and investment plan. This topic covers the basics of inflation and its impact on your long-term financial planning.
Every day and with every decision, we encounter some type of risk. Insurance is a product that helps us manage our risk. This chapter starts by covering the basics of risk evaluation and management. It goes on to demonstrate how insurance reduces financial risk by protecting us against unpredictable losses. Insurance companies evaluate the amount of risk an individual poses in order to calculate how much they will charge for coverage.

Two further topics offer comprehensive information about the types of insurance policies available, and how to evaluate your protection to determine the coverage you need. A guide for selecting dependable insurance companies and agents is offered, along with tools for keeping your policies current. The chapter continues with a topic that discusses estate plans and how to develop a plan that distributes your property and assets after you pass away, and wraps up with a section on disaster preparedness to prepare you and your family for the challenges of natural disasters.

Lessons in This Chapter:

- What Are My Risks & How Do I Manage Them?
- How Insurance Helps Reduce Risk
- Types of Insurance & Which You Should Consider
- Selecting an Insurance Company & Managing Your Policies
- Estate Planning
- Disaster Preparation
Every decision we make carries some level of risk. This topic offers four strategies for risk management and discusses how they work. Evaluating your personal risks and developing tactics to manage them is an important part of your financial planning process.

Insurance is a product that reduces your financial risk by protecting you against unpredictable loss. This topic introduces the basic concepts of insurance, explains how they work and how insurance companies determine what your coverage will cost you.
This topic provides a detailed, comprehensive guide to understanding the four primary types of insurance policies available. The information presented can help you evaluate your current insurance policies to determine whether you are sufficiently protected against financial risk now, or whether you may need to purchase additional coverage.

- Auto
- Renter’s
- Homeowner’s
- Health
- Life
- Disability
- Long-Term Care
- Umbrella

Having the right insurance coverage to protect you and your family against major loss is one of the key components of your financial plan. This topic focuses on the primary types of personal insurance and details the important kinds of policies in each of those categories. Ways to select a dependable insurance company and agent are presented, along with suggestions regarding how best to manage your insurance policies and keep them up-to-date.
An estate plan is a set of legal steps and documents that set forth what will happen to your property and assets after you die. This topic covers the seven components of estate planning and discusses the implications of various decisions you may make during estate plan development.

Natural and man-made disasters are occurring more frequently, and taking steps to prepare yourself and your family to cope with an emergency is critical to your physical safety and financial well-being. This topic presents guidelines for protecting your household to meet the challenges of a disaster in your area.
This chapter offers a comprehensive overview of investment processes and how investing fits into one's personal financial planning. Topics introduce the motivations and preparation associated with investing. You will understand why people decide to invest, how to determine your risk tolerance level, and how to calculate your net worth.

The basics of the stock market, investing and retirement savings vehicles are also covered. Individual Retirement Accounts (IRAs), employer-sponsored retirement plans, fundamental investment principles and how to compare options based on return on investment (ROI). You will be introduced to various asset classes and how they may fit into a diversified investment portfolio.

**Lessons in This Chapter:**

- Why People Invest
- Investment Risk
- Assessing Your Net Worth
- Identifying Your Future Needs
- Investment Preparation
- Personal Retirement Plans
- Employer Sponsored Retirement Plans
- Investment Basics
- Understanding Compounding Interest
- Types of Investments & Risk Tolerance
- How the Stock Market Works
- How People Participate in the Stock Market
- The Stock Market: Types of Investment Strategies
- Investing in Bonds
- All About Annuities
- Real Estate - Risks & Rewards
Why People Invest

Although each person has a unique vision of an ideal future, we all need money and free time to get there. In this topic, we present some of the reasons why people decide they need to invest their money in order to work toward enjoyable, independent, and secure retirement years.

Investment Risk

All of life involves risk, and investing is no different. When making investment decisions, it is important to understand your tolerance for risk and how to evaluate risk against potential rewards. This topic covers the common types of risk encountered when making investments, guides you to determine your own risk tolerance, and offers some strategies to mitigate investment risk.
Assessing Your Net Worth

Net worth is a metric that can give you a snapshot of where you stand in relation to achieving your financial goals, and that you can use to monitor your progress across time. This topic explains how to calculate net worth, what it means, and how it fits into your financial planning.

Identifying Your Future Needs

Many people have working budgets that guide their spending now, but far fewer have prepared budgets to plan their futures. Developing a budget that estimates your future needs is important to your current financial decisions around savings and investment goals. This topic discusses how to create a future budget that accounts for contributing factors – such as inflation – that will have impact on your needs over time.
There are many reasons to invest, but first there are important steps you can take to become better prepared to make sound investment decisions. This topic describes those steps and guides you to develop an investment foundation that will help you stay on track toward your long-term goals.

Individual Retirement Accounts (IRAs) are investment vehicles that people can use to help fund their retirement. The two primary types of IRAs are Roth and traditional. In this topic, we describe the differences between and advantages of Roth and traditional IRAs and their specific features.
Having enough money set aside to enjoy life in your golden years is many people's goal. This topic will help you understand different types of employer-sponsored retirement plans, how they may affect your income now, and how they can help you fund your retirement or semi-retirement in the future.

Investing can be an important part of financial planning for many people. However, because every investment carries some level of risk, it's important to understand the fundamental principles before taking the plunge. This topic aims to provide the basics of investing and how to compare investment options by calculating rate of return.
Compounding interest is a powerful principle that can increase your returns on investment because you earn interest both on the original amount you invest, and on any prior interest you’ve earned. However, compounding interest also can work against you if you carry high-interest debt. In this topic, we cover the basics of compounding interest and how to calculate its effects.

Several factors go into developing a sound investment plan. This topic covers those factors in detail, and discusses how to incorporate each factor into your investment decisions. A summary of the different types of asset classes from which investors may choose is also presented.
This topic presents the basics of how the stock market works, including information on what purposes the stock market serves for both companies and investors, how stocks are priced, how to analyze stocks, different ways to invest in the stock market, and how to get started investing in stocks.

People have different reasons for investing in the stock market, and may participate in the market in various ways. This topic covers some of the options to consider when you begin designing your own stock market portfolio.
You can invest in the stock market in different ways and according to various strategies. This topic discusses the ways people buy stocks, how to evaluate stock market investments, and the importance of having an exit strategy in place for every stock investment you hold.

Bonds represent a specific type of investment that may provide an income stream and tax advantages for investors. This topic covers an overview of bond investments, the primary bond types, and the potential risks and benefits of investing in bonds.
Annuities are complex investment instruments that provide people with income over the specified time frame of the annuity. In this topic, we present a basic overview of how annuities work, the various types of annuities, the risks and tax considerations of annuities, and how to get started with an annuity.

Real estate represents one of the most common investments people make as part of their long-term financial plans. As an investment, real estate has several potential rewards such as equity growth, income generation, and tax advantages. However, investing in real estate also carries risk. This topic explains some of the potential risks and rewards of real property investments.
The current work environment has become increasingly globalized and competitive, and these rapid changes to the employment landscape mean that lifelong learning to expand and refresh one’s job skills has become essential. This chapter helps people evaluate options for higher education and how to fund one’s learning path. To get you started, the first topic guides you to consider various educational options that align with your goals and passions.

In the second topic, you will learn how to evaluate higher education decisions as investments, using tools investors commonly employ to compare investment options. The third section offers a plan to budget for higher education across three phases: initial expenses, in-school, and post-graduation. Next, multiple funding sources to pay for college education are detailed, along with ways to create a higher education funding plan. The final topic discusses the ins and outs of student loans and strategies to plan for paying off any student loan debt post-graduation.

**Lessons in This Chapter:**

- Education Choices & Benefits
- Education Cost-benefit Analysis
- Education Budgeting
- Funding Your Education
- Paying Off Student Loans
Gaining fulfilling employment in today’s global work environment has become increasingly competitive, and advances in technology are threatening to replace many professions with automation. In this changing work world, it’s essential to pursue lifelong learning and continually refresh your skill sets. This topic guides you to evaluate the educational options that can help you gain income opportunities that align with your strengths, passions, and goals.

Any pursuit of higher education should be evaluated as an investment. In other words, you invest money to attain education, and expect a certain return on that investment in the form of increased income and employment opportunities. This topic demonstrates how to evaluate a higher education decision using common tools investors use to evaluate investment options: return on investment (ROI) and break-even analysis.
Regardless of the type of higher education you pursue, there will be costs involved in attending school. This topic presents the three phases of educational budgeting: initial expenses, in-school budget, and post-graduation budget. The lesson also offers potential ways to minimize your higher education expenses.

Many options and opportunities exist for helping people fund their college educations. This topic covers many of those options and encourages you to obtain more information about your eligibility to receive higher education funding. Creating a solid college funding plan that includes strategies for repaying any student loan debt you accrue will help you align higher education with your long-term financial goals.
The cost of higher education today makes it very difficult for many people to attend college without incurring some student loan debt. Once you have taken out a student loan, at some point in the future you will inevitably have to repay it. This topic offers strategies for paying off student loans and ways to minimize the amount you must repay.