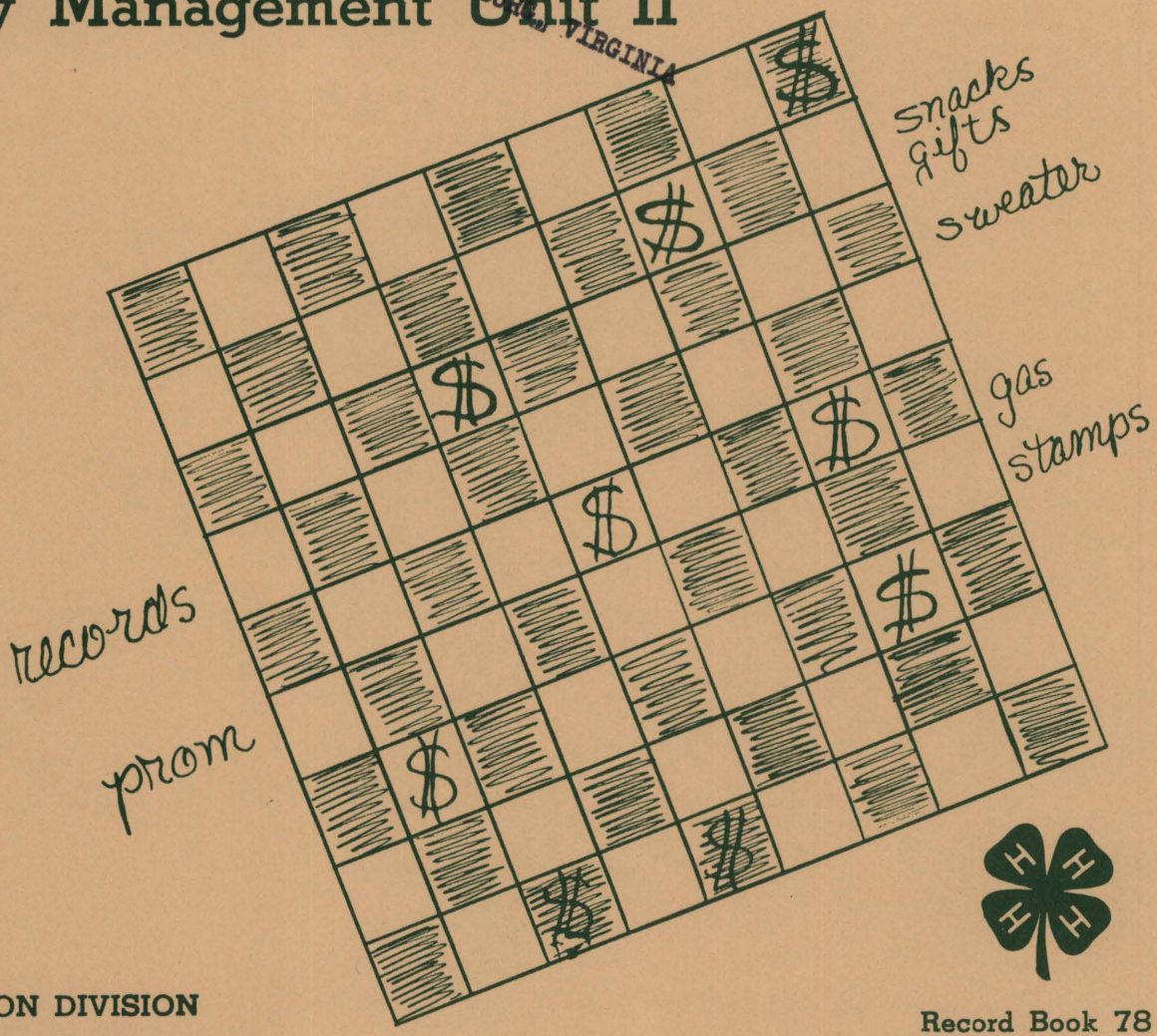
The Game of

Cash and Stuff

Money Management Unit II



EXTENSION DIVISION
Virginia Polytechnic Institute
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Record Book 78
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Name _____ Club _____

County _____ Address _____

Age _____ Years in Club Work _____ Date Project Completed _____

4-H Money Management

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This Money Management Project will help you to:

1. Learn how to use money wisely.
2. Learn that individuals have to decide which wants are "must haves" and which are "nice to have" and which "nice to haves" will bring the greatest satisfactions.
3. Plan for the future and learn to save for some of the goals you have set.
4. Learn how to keep a record of expenses and income and how to use these records.

In order to complete this project, you should do the following:

1. Keep a record of your spending for one month.
2. Make a plan for the use of your money for the next four months.
3. Keep a record of how you spent your money for the four months for which you planned.
4. Show other what you learned at a club meeting.
5. Report what you did in this project by making an exhibit and turning in your report.

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4-H Money Management Project

What Is A Money Management Project?

Are you interested in learning to make your money go as far as possible? Most of us are because we never have as much money as we could use so we learn to make the money we have go as far as possible. We call this good money management.

There are two ways to manage money. One way is to spend for things we want as we see them. Usually if we do this, we do not have enough money to last until we receive some more. We also buy many things that we later find we don't want or we waste money.

The other way to manage money is to do some thinking and planning about what you need money for and how you can make your money buy the things that you need and want most.

This project will help you to manage your money by the second method. This method will work whether you receive 10¢, $5.00, or, as you grow older, $200.00 a week.

The requirements are:

1. Keep a record for one month on how you spend and save your money.
2. Read and study this bulletin.
3. After keeping a record of your spending and saving for one month, study your record and make a plan for the use of your money for the next eight months.
4. During these eight months keep a record of how you spend your money.
5. It is not necessary to turn in your record of money received, spent, and saved. Maybe you would like to continue to keep records for the remaining part of the year.

Additional Activities That You May Choose To Do:

1. Keep records for a year, not just for the required five months.
2. Set up a goal and work to accomplish it. Some ideas are: save for education, earn money to buy school clothes, learn a skill to save you and your family money—for instance, sewing, buying wisely, painting something, gardening, etc.
3. Open a savings account and add to it regularly.
4. Do odd jobs to earn money.
5. Make an article that you can sell for extra money.
6. Make articles for gifts or do things for people rather than giving purchased gifts. Examples: bake a birthday cake for mother or do an extra task for her, baby sit for a relative or friend, visit a shut in, etc.
7. If you are carrying a productive project such as strawberries or livestock, etc., keep a record of how much you paid out and the amount you received from your project. Did you make a profit?

Do you think that if you had more money that this would solve all of your money problems? Unfortunately, most young people and adults think that this is true. Few of us will ever have what we think is enough to use because the more we get the more we want. Someday you will have more money and the skills in money management you learn now will help you to get the greatest satisfaction from your money now and in the future.

Knowing how to use money wisely is important because we live in money economy. Most of the material things that we use we buy rather than make as our ancestors did. Therefore, we depend on getting money to give us the things we want. The number of these things that we get and the greatest satisfaction from getting and using these will be determined by how well you can manage your money.

Managing money is, in many ways, like playing a game of checkers. There are certain things that we do to keep order in the game and to make it fun. However, in checkers one player wins; in the game of money management everyone can win. In checkers we line up the "men" in a certain order and one must move in certain ways. So it is in managing our money.

In checkers our goal is to get as many of our own "men" as possible to the opposite side of the board to be crowned kings. In money management we must select goals or use our money for the things we really want the most. Sometimes we can start toward better use of our money by writing

down the things we will need and want by a certain date.

Sometimes we need to start by knowing how much money we have to spend and then we need to know how well our plan is working. To know how we are doing, we keep records. Now that is in general how we play the game of money management. Are you ready to begin?

Getting Money-Getting Ready to Play

To play the game we need checkers (money) so let's take a look at some of the ways you may get money.

Probably none of us will ever have enough money to buy everything we want but all of us can learn how to use the money we have to get the things that we want the most. To do this we first think about how much and where we get it. Young people usually get their money from four sources: handouts, allowances, earnings, and gifts. You may get yours from several of these. It's hard to plan in advance the use of the money when it is on a handout basis. There are chances that if you plan for something you may not get the money at all, and handouts results in asking for what you need or want at the moment without much thought that tomorrow something really big may come along.

If you do get money this way maybe you and your parents can plan to change to an allowance system. It would be a good idea for you to keep a record for a month on how much you receive as handouts and what you buy with it. Then an allowance can be based on this amount. Or, if you decide not to receive an allowance then you can take the amount you received in a month as handouts and make your spending plan based on this amount.

If you get an allowance, you have a basic amount that makes planning easier. It is your responsibility to use this to best advantage and if you make a mistake—such as buying on the spur of the moment and making an unhappy choice—not to ask for more money but to avoid this mistake next time. What responsibilities do you have as a family member, not necessarily as a requirement for the allowance, but as your contribution to the family? Is it your responsibility to help with some jobs to be done around the house, or to take care of your possessions to help stretch the family's income and yours? Is there an understanding as to what your allowance must cover, such as recreation, dating, lunches, contributions, spending money, or even some articles of clothing or personal care?

You may receive some money gifts regularly that you can plan on. Or you may plan for a certain goal that you will use gift money to reach.

If you have a regular job and regular earnings, you have a good figure to use for planning. If you work occasionally or irregularly, use the average amount you receive, not the largest, to do your planning. Earning an income is a good way to learn the value of money.

MAKING A SPENDING PLAN—PLAYING THE GAME

To play the game of checkers we must advance our men toward the opposite side of the board to be crowned king. To accomplish this it takes planning for each move. We also try to predict how our partner will move his men. This leads us to make decisions each time that we have a "turn" and we often must change our plans. However, the plans are important because we would never get our men crowned king unless we planned our tactics and worked our plan.

This is exactly as it is in the game of managing our money. We decide what we want our money to do for us, or in other words we set up some goals. We usually think of these goals as wants and needs. Next week there is a skating party, next year you want a high school ring, after high school you want to prepare yourself for a certain job—these are goals. What are your goals? This is another way to say, "how do I want to use my money?" As in checkers, the next step is planning our tactics. It is wise in the game of money management to take a look at the tactics you now use.

Are you managing your money—or is it managing you? Do you spend money recklessly

when you have it and run out long before more will come in? Making a spending plan is just deciding the best way to use your money in order to get most of the things you want—a way to stretch your income. It's deciding in advance how you want to use your money. Then the next step is to follow the plan—or to move your men toward the crowning zone. In checkers we never move a man unless it will help us to reach our goal, but sometimes we do move backward in that we buy on the impulse or we overspend. For example, we decide that we will plan to bowl two games once a week but when the two games are over we suddenly decide that one more would be fun—oophs! There goes our 60¢ that was to be saved toward a new record. What is the best to enjoy, an extra game of bowling now and wait an extra week for the record, or get the record as you had planned? Sometimes we do change our plans, but keeping our eye on the big goals will make certain we get the things that will really give us the most happiness.

List some of the goals you will like to reach:

1. 3.

2. 4.

How Are You Spending Your Money Now?

Knowing this and the goals you listed will be the basis for your money plan. Keep records of your income and spending for one month using the form on the following page, then make your plan.

Write down each day what you buy, the amount you spend, and the amount of money you receive. Put the things you bought beside the items listed as snacks, (food, sweater (clothing), haircut (personal care), school supplies (education), dating (recreation), dues (education or recreation, depending on type of club).

MONEY I RECEIVED, SPENT AND SAVED: _____ Month

MONEY I SPENT List Item	Food	Cloth-ing	Per-sonal	Educa-tion	Recre-ation	Paper Stamps	Car, Bus	Gifts, Contr.	Other
TOTAL									

MONEY I RECEIVED List Source	Amount	MONEY I SAVED Date	Amount
TOTAL			

SUMMARY FOR THE MONTH	Total Amount
Total received	
Cash on hand at beginning of month	
Total cash	
Total spent and saved	
Cash on hand at end of month	

MY FINANCIAL PLAN: _____ Month

SAVINGS FOR GOALS (examples: skates, record player, camp, college) List Item	Target Date	Estimated Cost	Weekly Savings

PLAN FOR SPENDING Items	1st Week	2nd Week	3rd Week	4th Week
Food				
Clothing				
Personal				
Education				
Recreation				
Paper, Stamps, etc.				
Car, Bus, etc.				
Gifts				
Contributions				
TOTAL				

EXPECTED INCOME List Source	1st Week	2nd Week	3rd Week	4th Week
TOTAL				

MY FINANCIAL PLAN: _____ Month

SAVINGS FOR GOALS (examples: skates, record player, club, camp, college) List Item	Target Date	Estimated Cost	Weekly Savings

PLAN FOR SPENDING Items	1st Week	2nd Week	3rd Week	4th Week
Food				
Clothing				
Personal				
Education				
Recreation				
Paper, Stamps, etc.				
Car, Bus, etc.				
Gifts				
Contributions				
TOTAL				

EXPECTED INCOME List Source	1st Week	2nd Week	3rd Week	4th Week
TOTAL				

MONEY I RECEIVED, SPENT AND SAVED: _____ Month

MONEY I SPENT List Item	Food	Cloth-ing	Per-sonal	Educa-tion	Recre-ation	Paper Stamps	Car, Bus	Gifts, Contr.	Other
TOTAL									

MONEY I RECEIVED List Source	Amount	MONEY I SAVED Date	Amount

SUMMARY FOR THE MONTH	Total Amount	Total Account
Total received		
Cash on hand at beginning of month		
Total cash		
Total spent and saved		
Cash on hand at end of month		

MY FINANCIAL PLAN: _____ Month

SAVINGS FOR GOALS (examples: skates, record player, club, camp, college) List Item	Target Date	Estimated Cost	Weekly Savings

PLAN FOR SPENDING Items	1st Week	2nd Week	3rd Week	4th Week
Food				
Clothing				
Personal				
Education				
Recreation				
Paper, Stamps, etc.				
Car, Bus, etc.				
Gifts				
Contributions				
TOTAL				

EXPECTED INCOME List Source	1st Week	2nd Week	3rd Week	4th Week
TOTAL				

MONEY I RECEIVED, SPENT AND SAVED: _____ Month

MONEY I SPENT List Item	Food	Clothing	Personal	Education	Recreation	Paper Stamps	Car, Bus	Gifts, Contr.	Other
TOTAL									

MONEY I RECEIVED List Source	Amount	MONEY I SAVED Date	Amount
TOTAL			

SUMMARY FOR THE MONTH	Total Amount
Total received	
Cash on hand at beginning of month	
Total cash	
Total spent and saved	
Cash on hand at end of month	

MY FINANCIAL PLAN: _____ Month

SAVINGS FOR GOALS (examples: skates, record player, club, camp, college) List Item	Target Date	Extimated Cost	Weekly Savings

PLAN FOR SPENDING Items	1st Week	2nd Week	3rd Week	4th Week
Food				
Clothing				
Personal				
Education				
Recreation				
Paper, Stamps, etc.				
Car, Bus, etc.				
Gifts				
Contributions				
TOTAL				

EXPECTED INCOME List Source	1st Week	2nd Week	3rd Week	4th Week
TOTAL				

MONEY I RECEIVED, SPENT AND SAVED: _____ Month

MONEY I SPENT List Item	Food	Cloth-ing	Per-sonal	Educa-tion	Recre-ation	Paper Stamps	Car, Bus	Gifts, Contr.	Other
TOTAL									

MONEY I RECEIVED List Source	Amount	MONEY I SAVED Date	Amount
TOTAL			

SUMMARY FOR THE MONTH	Total Amount
Total received	
Cash on hand at beginning of month	
Total cash	
Total spent and saved	
Cash on hand at end of month	

MY FINANCIAL PLAN: _____ Month

SAVINGS FOR GOALS (examples: skates, record player, club, camp, college) List Item	Target Date	Estimated Cost	Weekly Savings

PLAN FOR SPENDING Items	1st Week	2nd Week	3rd Week	4th Week
Food				
Clothing				
Personal				
Education				
Recreation				
Paper, Stamps, etc.				
Car, Bus, etc.				
Gifts				
Contributions				
TOTAL				

EXPECTED INCOME List Source	1st Week	2nd Week	3rd Week	4th Week
TOTAL				

MONEY I RECEIVED, SPENT AND SAVED: _____ Month

MONEY I SPENT List Item	Food	Cloth-ing	Per-sonal	Educa-tion	Recre-ation	Paper Stamps	Car, Bus	Gifts, Contr.	Other
TOTAL									

MONEY I RECEIVED List Source	Amount	MONEY I SAVED Date	Amount
TOTAL			

SUMMARY FOR THE MONTH	Total Amount
Total received	
Cash on hand at beginning of month	
Total cash	
Total spent and saved	
Cash on hand at end of month	

SUMMARY OF INCOME, EXPENSES, AND SAVINGS

Month	Income	Savings	Left to Spend	Food	Cloth-ing	Per-sonal	Educa-tion	Recrea-tion	Paper, Stamps	Car, Bus	Gifts, Contr.	Total Spent
January												
February												
March												
April												
May												
June												
July												
August												
September												
October												
November												
December												
TOTAL												

GOALS I SAVED FOR AND BOUGHT

Item	Target Date	Date Bought	Estimated Cost	Actual Cost	Was it Worth it?

SUGGESTIONS FOR EXHIBITS, DEMONSTRATIONS OR SPEECHES TO GIVE TO YOUR CLUB
You may think of others that you may use.

Exhibit:

Exhibit of some article or crop that has brought income for you.

Poster - Teaching Some Phase of Money Management

1. Cost of credit.
2. Growth of savings through interest
3. How to buy a blouse, shirt, shoes, suit, dress, etc.
4. Banking services for consumers.
5. Value of checking accounts.
6. How to store valuable records.
7. My future career.
8. Where do your $$$ take you?
9. Use your sense and save your dollars.
10. Investing money.
11. Articles used for money.
12. Ways to earn money while going to school.

Demonstrations or Speeches

1. Many of the above are also suitable for demonstrations or speeches.
2. Cost of owning an automobile.
3. Credit--kind and cost.
4. How to keep a record of expenses and why I keep a record.
5. How much does it cost to go to college?
6. Why children should receive allowances.
7. Ways for investing money.
8. How to buy a shirt, blouse, or shoes.

REPORT FOR MONEY MANAGEMENT PROJECT TO BE TURNED IN TO YOUR LEADER FOR CLUB OR COUNTY EXHIBIT.

NAME_____ ADDRESS_____

CLUB_____ AGE_____

YEARS IN CLUB WORK_____

****

YOUR PROGRESS

An important part of every plan is checking on how you are succeeding. Sometimes a check list like the one below can help you to see if you are doing what you set out to do, and it will serve as a project report also.

1. Did you make a plan for spending? Yes_____ No_____

2. Did you change your plan after one month _____ 4 months _____

   6 months? _____ Not at all? _____

3. Did you keep your record up-to-date? Yes_____ No_____

4. Have you saved money regularly? Yes_____ No_____ Each Week?_____

5. What did you do with money saved? Did you put it in the bank? _____

   Invest it in bonds? _____ Other _____

6. Did you have an allowance when you started to keep accounts? Yes_____

   No_____ Do you have one now? Yes_____ No_____

7. Did you find you spent more than you thought you would? Yes _____

   No_____

8. Did keeping a record help you decide how you would spend the money you

   had? Yes_____ No_____

If yes, how? _____

_____

_____

If no, why not? _____

_____

_____

9. Are you going to continue to keep a record? Yes _____ No_____

10. What did you find hardest about learning to manage your money? _____

_____

_____

_____

11. Did you share with others? List ways: _____

_____

_____

_____

_____

12. Did you give a talk or make an exhibit on money management at your 4-H Club meetings? Yes _____ No _____ On what phases of money management?

_____

_____

13. Did you choose to do an extra activity listed on Page 4. If so, Describe it. _____

_____

_____

_____

_____

_____

14. What are some of your goals for use of money during the next two or three months or years? (School expenses, trip, clothing, etc.)

15. Write a story 50 to 200 words on what you learned in taking this project. Include how you felt about the project, what problems you had and how you changed your plans (if you did) to carry out your plan.

Checked by:

_____

Leader

_____

Parent or Guardian