

# Family Money Management



Extension Division  
Virginia Polytechnic Institute  
and State University

MHM-127  
August 1975

---

The Virginia Cooperative Extension Service by law and purpose is dedicated to serve all people on an equal and nondiscriminatory basis.  
An Equal Opportunity/Affirmative Action Employer

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. W. E. Skelton, Dean, Extension Division, Cooperative Extension Service, Virginia Polytechnic Institute and State University, Blacksburg, Virginia 24061.

## TABLE OF CONTENTS

### Technician's Guide

#### Lesson 1 - Money and You

- 2 - What is Your Choice?
- 3 - Know What You've Got!
- 4 - Where Does Money Come From?
- 5 - Where Does Money Go?
- 6 - Make Your Spending Plan
- 7 - Make It Right for You!
- 8 - Stop Those Leaks Before You Buy!
- 9 - Stop Those Leaks After You Buy!

#### Money Management Puzzle

#### Money Tree

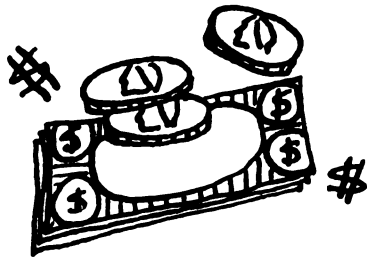
#### Money Bingo

Prepared by: Joyce H. Jenkins, Instructor, Home Economics, Clemson University

Reprint courtesy Clemson University

Recommended by Hilda Dailey, Extension Specialist, Home Management

# FAMILY MONEY MANAGEMENT



## TECHNICIAN'S GUIDE

This series of lessons has been designed for the Technician to take out in the field and use in her daily teaching. The lessons may be taught in the series 1 through 9 or they may be taught out of series depending on the needs of the individual family. They may be used with an individual homemaker or family as well as with a group of homemakers.

The lessons may be taught with the use of the Money Management Puzzle that is attached. Each puzzle piece has a word written on it which indicates the main points made in the lesson. Have the pieces of the puzzle cut apart. As you teach add the pieces. At the beginning of each new lesson you could review the puzzle pieces already discussed. Let the homemakers put the puzzle together and talk about the meaning of the pieces. Make the puzzle from construction paper, poster board or cardboard. Use any color you like. Make it larger or use as given.

Or you may choose to use the Money Tree. Here you have a tree that could be cut from firm paper and used with a flannelboard, or drawn in your flipcharts or on a poster. The "dollar leaves" can be cut apart and used to make your main points as you teach each lesson. You can make these leaves out of another kind of paper and use on the flannelboard to the side of the tree or paste or use tape to attach to the flipchart or poster.

Use the other visual ideas given as you teach the lessons to groups of homemakers or to individual homemakers.

You may also like to use the various game ideas included with the lesson series. Select the game most suited for your audience.

# FAMILY MONEY MANAGEMENT

## Lesson 1: Money and You

Purposes: Families learn the difference between needs and wants.

Families set goals based on their values to get what they need and want.

To Discuss	To Do
<p>To have money does not mean the same thing to everyone. Some people think of money as future security; others use it only for satisfaction at the moment.</p>	<p>Before you decided how to present the Family Money Management lessons, read the sheet entitled, "Ideas for Teaching Money Management." Use the way of teaching that best suits your homemaker or group.</p>
<p>How do you feel about money? Do you want to save and never spend your money or do you spend it before you get it? How you feel about money is important. The importance or value you put on money tells you how you will spend it.</p>	<p>Let homemaker or group members answer this question.</p>
<p>Money is used to buy the things we feel we need and want. In other words we use our money to get what we feel is important or what has value to us. What is important to one person or family does not have to be important to another person or family. Different families have different values. What makes families different?</p>	<p>Allow time for answers. Points made may include: difference in ages, number in family, needs and wants of family members, background of family members, where they live, etc.</p>
<p>Can you buy everything you want? Why can't you? Most people want more than they can buy or more than they need. This is one cause of money problems. Have you ever bought things you didn't use?</p>	<p>Allow time for answers</p>
<p>How do you decide what to buy?</p>	<p>Allow time for answers</p>
<p>Before spending their money a family must decide what they really need and want.</p>	<p>Allow time for answers</p>
<p>Needs are the necessities of life. They are the things families must have to live. These things are food, clothes, shelter, medical care and so forth.</p>	<p>Ask the homemaker or group to tell you the difference between needs and wants. Then go on with the explanations given in the lesson.</p>
<p>The wants are the nice things to have. These are the items that often get us into trouble. We want much more than we can pay for. Some wants are TV, radio, stereo, motor-boats and so forth.</p>	<p>You may have pictures cut from magazines of items showing those needed and those wanted by families or use the ones provided with the lesson. Let homemaker or group say if items are needed or wanted. Be ready to point out that different people have different ideas about needs and wants. This goes back to what people value or feel is important.</p>

To Discuss

Needs are the things you must have to live. Wants are things that make life easier or more fun or are just nice to have.

After a family has decided what its needs and wants are, it is ready to make some plans to get these things. Goals are the things you want and need.

What are some of your goals?

Why can't people get all the things they want?

Some reasons why families have money problems are:

- don't have a regular job or a steady income
- too many bills that have to be paid
- fights over who keeps the money or who pays the bills
- don't know what's a good buy
- no plans for next week or next month
- not knowing how much things cost
- thinking they have more money than they do

Do you have any of these problems? Can you think of any others?

Having money problems is very common. It happens to everybody.

Talk with your family about any problems you may have in getting the things you want. Try to decide together what your problems are. Think about what you want and need. List all of your needs and wants. List the things you need and want now and the things you need and want later and how much you think they will cost.

If families use their money wisely they can get the needs and some of their wants, but if they use their money foolishly they may not get either.

To Do

Point out here that needs and wants will be different with families.

Allow time for answers.

Allow time for answers. The To Discuss section lists some points that could be made.

Use page four (4) of Managing Your Money, a family plan. Each family can be given a copy of the booklet to keep and fill in. Help those who cannot read and/or write.

## FAMILY MONEY MANAGEMENT

### Lesson 2: What Is Your Choice?

Purpose: Families to understand how to make choices

#### To Discuss

What comes first in your life? Your home and family? Your religious belief? Your job? Your friends? Having enough food to eat or having a new TV?

It is pretty hard to make choices, isn't it? The parts of our life are all tied closely together.

But just the same there are times when you have to choose between things. Money spent on a TV cannot be spent on food. Time spent with the "boys" cannot be spent with the family. Some choices are hard to make because there are so many things we would like to have and like to do. But we have to choose and do what is most important to us.

Life is very complex. There are so many things to choose from. There are so many forces trying to make us choose this item or that item. Do we do this or that or nothing and wait and see what happens?

The key to wise choosing is "to make things happen" not just to let things happen. "Making things happen" means you control the situation. You make the choice. You do not let things happen by chance.

Some people have a hard time making choices. They do not feel good about choices made in the past. They do not feel good about having to make choices today and in the future. They are not happy with their choices. Other people do not even think about making choices. They just drift through life. And other people make wise choices and are happy with their choices.

To make wise choices you have to plan ahead. There are some steps that will help you make wise choices. Follow these steps. Do not let your feelings rule your choice. Think about the whole situation not just how you feel.

#### To Do

Have the homemaker or group make some choices. Use pictures of various items and activities and let each person choose one item or activity they would rather have or do. Cut pictures from magazines or use those provided in the lesson.

To further emphasize this you could have a certain amount of play money and show how if it's spent on TV there's none left for food, etc.

Ask the homemaker or group to name some forces that affect their choices. Answers might include: newspaper ads, radio, TV, magazine ads, neighbors purchases, friends and family pressure, etc.

Ask the audience to think about choices they have made. What kind of choice maker are you? Give people time to think. Do not make them answer the question out loud.

Note to technician: Our goal in teaching others is to help all families be able to make wise choices and be happy with the outcome of their choice.

To Discuss

1. What is the question or problem you need to make a choice about.
2. What are the different choices you could make?
3. Get together all the information you can on each choice.
4. What is the best answer for you or your family.
5. Make your final choice.
6. Now, try it out!
7. After you try it out, ask yourself, "How did it work?"
8. Were you happy with the outcome or would you like to change it?

If you were happy, good - next time a choice needs to be made remember this good choice.

If you were not happy, try another choice and next time a choice needs to be made do not make the choice that did not make you happy.

To Do

To help the individuals understand the steps it would help to use an example of something familiar to them. You may already have examples worked up to use or you may ask audiences for a question or problem that they need to make a choice about. See attached page for an example. You could list the steps on a chalkboard, flipchart or newsprint with space left to fill in.

## CHOICE MAKING

1. What is the question or problem you need to make a choice about?
  - . Family has no TV
2. What are the different choices you could make?
  - . buy a used set or buy a new set
  - . save and pay cash or buy "on time" - if buy "on time" need to shop around for credit
  - . buy from appliance store, discount store or whatever
3. Get together all the information you can on each choice.
  - . compare sets, prices, service available after the sale, reputation of store
  - . talk to friends, read newspapers, etc.
  - . check with Better Business Bureau or Chamber of Commerce
4. What is the best answer for you or you and your family?
  - . Consider other needs and wants of family members, will TV be more important than these?
  - . does family need something else before a TV?
  - . is this the best use of family resources?
5. Make your final choice.
  - . buy used set from appliance store for cash
6. Now, try it out!
  - . make purchase and see how it fits into family plan
7. How did it work?
  - . family happy with TV
  - . also able to get other needs and wants satisfied
8. Were you happy with the outcome or would you like to change it?
  - . happy - would make same choice again

## FAMILY MONEY MANAGEMENT

### Lesson 3: Know What You've Got!

Purpose: Families recognize all the resources they have to help them reach their goals.

To Discuss	To Do
<p>We all need and want many things. Often times we have problems getting all these things.</p> <p>We talked about making choices. But what do you have to work with and use in choice making? There are many things that all people have that can help them make better choices and get the things they need and want.</p> <p>These things that all people have are called their resources. Resources are used to help people solve their problems and get the things they need and want. Resources help people reach their goals. What is the first thing you think about using as a resource to get the things you need and want?</p> <p>Money. This is a resource. But this is not the only resource you have. What are some other resources or things that you can use to help you and your family?</p> <p><u>Material possessions:</u> such as car, house, truck, broom, mop, stove, sewing machine, hammer, chairs, fishing poles, etc.</p> <p><u>Community resources:</u> (These are the things where you live that you can use.) schools, banks, stores, parks, streets and roads, fire protection, police protection, hospitals, churches, libraries, public health services, community organizations, and government programs.</p> <p><u>Time:</u> time to sleep, time to visit, time to work, time for a family to be together, time to watch TV, etc.</p> <p><u>Human resources:</u> yourself, your family, talent, interests, attitudes, brain power, (to think), go power (energy to get things done), health, common sense, friends</p> <p><u>Space:</u> space to live, to put things, to park your car, to think, to sleep, to play, to work, etc.</p> <p><u>Natural resources:</u> water, land, sunshine, lakes gardens, air</p>	<p>Allow time for an answer.</p> <p>Wait for answers. List on chalkboard or flipchart. Be sure the things listed under <u>To Discuss</u> are included.</p> <p>Let audience tell how these resources can be used to save or use money wisely. You could have magazine pictures to show some of these points.</p>

## To Discuss

Everyone has a little of each resource. But you may have more or less of each of the resources than your neighbor. You need to learn how much of each resource you have and then use your resources to help your family get the things they need and want.

Many resources are used up. Some wear out and some get bigger. You may be your own best resource by getting smarter every day - You learn new ways to use your other resources.

Some resources are limited. A resource which is used for one thing cannot be used for another. For example, a family may have to choose between using its money for a new television or groceries. Sometimes you have to choose between using time to watch television or to do the laundry. Time and money can only be used for one thing at a time. Which of your resources are limited?

There is not a right or wrong way to use resources. Resources should be used to help meet your goals and solve your problems. You are using your resources "right" when you are meeting your goals, solving your problems, satisfying your needs and wants. Tell me about how some of your neighbors used their resources in ways that are different from how you use the same resource.

Some resources can take the place of other resources. This means that a resource that you have a lot of could make up for one that you don't have or that you're out of. A mother who doesn't have much money can learn how to buy food and cook low-cost meals. What are some ways you have used one resource to take the place of another?

Think about you and your family. What resources do you have lots of? What resources are a problem to you? Make your resources work for you!

## To Do

Ask each person to think about their family and its resources. Ask them to think about their resources as compared to their friends and neighbors. If time permits and group is really involved let them make a list of their resources.

Highlight this resource - brain power is very important. Knowledge means better use of what is available and understanding of where to get other resources.

Ask the audience to give other examples of limited resources. Let them tell how to choose which way to use limited resources.

If lists of resources were made above, let them check the limited resources. If a list was not made, let them tell you which resources are limited. You might list them on chalkboard, flip-chart or newsprint.

Be sure to indicate that they are not to name their neighbors - just say "my neighbor" or "my friend." You as the teacher might start off by saying you use your time different from them. You work part of the day outside the home while they stay at home.

Let the group give examples here. Some examples might include little money - lots of time = make foods instead of using all convenience foods.  
little money - talent and skills = sew clothes for family  
make home repairs  
redo old furniture

## FAMILY MONEY MANAGEMENT

### Lesson 4: Where Does Money Come From?

Purpose: Families realize what their total income is and where it comes from.

To Discuss	To Do														
<p>Before you or your family spends money, you have to get it. Where does money come from? You may get money from only one place. Or maybe you get it from two or three places. You may get it at a regular time or every once in awhile. To use the money you get wisely, you must know where your money comes from and how often you will get it.</p> <p>Where do you get your money? Is it from -</p> <table border="0"><tr><td>.paycheck</td><td>.help from relatives</td></tr><tr><td>.pension</td><td>.unemployment</td></tr><tr><td>.farm income</td><td>.social services</td></tr><tr><td>.rent</td><td>(welfare)</td></tr><tr><td>.social security</td><td>.aid to children</td></tr><tr><td>.insurance</td><td>.part time work</td></tr><tr><td>.retirement</td><td>.other</td></tr></table> <p>Make a list of where you get your money every month. If you do not get paid monthly, add your weekly or twice a month check together to give the monthly amount of money you have to work with in planning the use of your resource money. If you get money one time a year divide this amount by 12 to see how much you have to work with each month. Use only your take home pay check. We are working with the money you and your family have to work with. Money is taken out of your paycheck before you get it. This money is called deductions. It is money taken out for taxes, insurance, union or other dues, social security, retirement and others. This money helps you and your family but you do not have it in your hands to spend.</p> <p>List money earned by all members of the family. Be sure to list money earned by children, too. This helps children learn about responsibility and helping the family move ahead.</p> <p>List money earned for part-time work such as babysitting, working for others - like ironing or cleaning house, sewing and others. Count this as extra money, but do not plan on it every week unless it is a regular part-time job.</p>	.paycheck	.help from relatives	.pension	.unemployment	.farm income	.social services	.rent	(welfare)	.social security	.aid to children	.insurance	.part time work	.retirement	.other	<p>Allow time for answers. Answers might include those places listed under To Discuss. It might help to have all the places you can get money listed on a chalkboard, flip-chart or newsprint. You could check the ones that would apply to the individual or group.</p> <p>Ask homemakers to fill out page 5 of Managing Your Money. Indicate that the amounts are personal and will only be used later to help the homemaker and her family make better use of their money.</p> <p>If you have a pay check stub, show the group where deductions are listed. Point out the difference between net or gross pay and take home pay. If a sample check stub is not available use the visual attached. Ask how this money helps the family. Wait for answer. Points made might include: provides money if sick, means money when you retire or get disabled, etc.</p>
.paycheck	.help from relatives														
.pension	.unemployment														
.farm income	.social services														
.rent	(welfare)														
.social security	.aid to children														
.insurance	.part time work														
.retirement	.other														

To Discuss

To Do

Figure out where your family's money comes from. Figure out how much money your family has to work with each month. Knowing how much money you have to work with means you have more control over your spending.

Note to Technicians:

When teaching this lesson you may talk with the homemaker about using coupons when buying food. These are found in newspapers, magazines, mail circulars, other foods, and in some stores. These coupons are really extra money to the family. Also, if the family receives food stamps point out how this is really adding money to the family's total income.

## PAYCHECK STUB

The paycheck stub shows you how much money has been deducted or taken out of your total earnings (also called net or gross earnings or income). The stub gives you the amount taken out and what it was taken out for. And finally the stub shows you how much of your total earnings you get as take home pay.

PAID TO <u>Mary Stevens</u>		ASSOCIATED MANUFACTURERS INC.							
STATEMENT of EARNINGS and PAYMENTS for EMPLOYEE'S RECORD - DETACH BEFORE CASHING CHECK									
PERIOD ENDING	TOTAL EARNINGS	OUT OF YOUR TOTAL EARNINGS WE HAVE PAID FOR YOU						TOTAL PAID TO YOUR ACCOUNTS	BALANCE OF EARNINGS
		F.I.C.A.	Withholding U. S. Tax	Group Life Insurance	Health Insurance	Withholding State Tax	TOTAL		
1/12/69	\$100.00	\$4.80	\$15.50	\$1.30	\$1.00	\$2.00	\$24.60	\$75.40	

The numbered statements explain the numbered points above on the paycheck stub.

1. **Total Earnings:** This shows the total amount of money you made for your work. In this case the person made \$100.00.
2. **F. I. C. A. :** These letters stand for Federal Insurance Contributions Act. This shows how much money is taken out of one's salary for Social Security. This money provides you with benefits when you retire, become disable, or die and leave a family. The deduction here was \$4.80.
3. **Withholding U. S. Tax:** This is the amount of one's earnings deducted for federal income tax. Here the amount was \$15.50.
4. **Group Life Insurance:** This company has a life insurance program whereby the employee pays a small amount to be covered should he die. In this case the cost is \$1.30. Usually the company pays part of one's life insurance policy.
5. **Health Insurance:** This company also has a health insurance plan for its employees. The employee pays a small amount to be covered for hospital expenses. Here the cost is \$1.00. Usually the company pays part of one's health insurance.
6. **Withholding State Tax:** This is the amount taken out for state income tax. Here the amount was \$2.00.
7. **Total Paid to Your Accounts:** This figure shows the total amount deducted or taken out of the employees total earnings. All the deductions in this case added up to \$24.60.
8. **Balance of Earnings:** This shows what the employee will take home to spend. This is his take home pay. Here the amount is \$75.40.

# FAMILY MONEY MANAGEMENT

## Lesson 5: Where Does Money Go?

Purposes: Families recognize their expenses.  
Families identify when expenses must be paid.

To Discuss	To Do										
<p>You get money from one place or the other, but do you know where your money goes? Could you tell me how you spent last week's paycheck?</p> <p>Sometimes we get money and don't know where it goes. To get the things we need and want we must keep up with our money. We should know where our money is going.</p> <p>To help you keep track of your money you must remember what you spent your money to buy. To help you do this, let's think of what you buy and how much you spend.</p> <p>First, let's consider our day-to-day living expenses. These are the expenses that happen every day. You may pay for them week-by-week as with weekly grocery shopping or day-to-day as with lunches bought at work or school</p>	<p>Allow time for answers.</p>										
<p>What are your day-to-day living expenses?</p> <table border="0"><tr><td>Food</td><td>Newspapers</td></tr><tr><td>Gas or car expenses</td><td>Church</td></tr><tr><td>Laundry and dry cleaning</td><td>Insurance</td></tr><tr><td>Household Operations (mops, brooms, soap, light bulbs, etc.)</td><td>Recreation (movies, sports, parties)</td></tr><tr><td>Personal things (haircuts, hair spray, combs, soap, etc.)</td><td>Other</td></tr></table>	Food	Newspapers	Gas or car expenses	Church	Laundry and dry cleaning	Insurance	Household Operations (mops, brooms, soap, light bulbs, etc.)	Recreation (movies, sports, parties)	Personal things (haircuts, hair spray, combs, soap, etc.)	Other	<p>Have group list these expenses. Write them on a chalkboard, flipchart or newsprint. Be sure the list includes the expenses shown under To Discuss. There may be others mentioned too.</p>
Food	Newspapers										
Gas or car expenses	Church										
Laundry and dry cleaning	Insurance										
Household Operations (mops, brooms, soap, light bulbs, etc.)	Recreation (movies, sports, parties)										
Personal things (haircuts, hair spray, combs, soap, etc.)	Other										
<p>To help you remember how much you spent in these areas, think about what you and your family did last week, record all the money spent doing those things. Refer to any receipts that you got from the stores.</p>	<p>Let homemakers fill in page six of Managing Your Money using their day-to-day, monthly and yearly expenses which you will help them identify as you teach this lesson.</p>										
<p>Now let's look at those things you have to pay for every month or once a month. This would be those things that you are billed for every month or those payments you have to make every month.</p>											

To Discuss

What are your monthly living expenses?  
rent or house payment      car payment  
electricity (lights)      TV payment  
water      furniture payment  
gas      finance company  
telephone      payment  
stove or refrigerator      insurance  
payments      church  
washer or dryer      other  
payments

To help you remember how much you spent in these areas, think about what you and your family spent last month. Refer to any receipts that you got from stores or companies.

There are some expenses you only have sometime. These may be yearly expenses that come once a year. Or they may be things you buy only a few times during the year. What are these expenses?

Taxes	Clothes
Car inspection	Shoes
Car license plates	Home furnishings
Drivers license	Home equipment
Tires and car repair	Home repair
Doctor	Magazine subscriptions
Dentist	Newspaper
Medicine	Dues
Glasses	Hunting license
School supplies	Fishing license
Gifts (birthday, wedding, baby)	Emergencies
Christmas	other
Easter	

Add up all the figures.

Now look back over your forms. See where your money is going! Some of the figures may not be exactly what you spent, but they give you a good idea of where your money has been going.

Are you getting everything you want or need? Does your money help you reach your goals? What were some of the things you needed or wanted that you got or could not get?

Do you have enough money to pay for the things you need? If you don't let's think of some ways to help.

There are many things that can be done when a family has a money problem.

To Do

Have group list these expenses. Write them on a chalkboard, flipchart or newsprint. Be sure the list includes the expenses shown under To Discuss. There may be others mentioned too.

Have group list these expenses. Write them on a chalkboard, flipchart or newsprint. Be sure the list includes the expenses shown under To Discuss. There may be others mentioned too.

Allow time for answers.

Ask the audience to give you some examples of what could be done when a family has money problems. Be sure to include the points made under To Discuss.

To Discuss

To Do

One of these things is to get more money. What could your family do to get more money? Could they get a different job or another job? Could they improve their education and get a better job? Are there any children in the family that could work?

Another way to solve money problems is to spend your money a different way. Do you plan all of your spending? Are you careful to avoid waste? Do you know how to get a good buy? Are you a wise shopper?

A third way to help your money problems is to look at your debts - how much do you owe? See how many more months you have to pay. Can you double up on some of the payments to avoid charges? Can you borrow enough money from one person to pay all your debts and pay a lower interest rate?

What can you do if you can't make the whole payment on a bill? Explain what has happened to the lender and ask if you can make part of the payment now and the other part later. Do this before the bill is due.

Sometimes a little time spent in thinking will show us new ways of doing things that will take less money.

Start thinking of things you can do, and we'll talk about more ways at our next meeting.

At our next meeting, we'll make a plan for spending to help you use the things you have to get the things you want.

At the next lesson use the information from page 6 of Managing Your Money to help families make a spending plan.

## FAMILY MONEY MANAGEMENT

### Lesson 6: Make Your Spending Plan

Purpose: Families make a spending plan according to their needs and wants.

To Discuss	To Do
<p>Now you know how you spend your money. Are you happy? Do you get the things you need and want? Or could you make better use of your money? We can all spend money, but unless we plan and spend wisely we could end up in debt over our heads. A spending plan could help you make better use of your money. A sound spending plan can help the family use their money to buy what they need and want. It can help the family:</p> <ol style="list-style-type: none"><li>(1) plan for today and tomorrow</li><li>(2) reach family goals</li><li>(3) live within their income</li><li>(4) spend more effectively</li><li>(5) learn how to handle money problems (get credit, buy a car, etc.)</li></ol> <p>Look at the forms you have filled out. These will show you how much money you have spent for family needs and wants. By looking at these figures and thinking about your family and your needs and wants you can decide how much to plan to spend in the future.</p> <p>Help the homemaker make a spending plan. It is usually easier to make a spending plan on a monthly basis. (However, you can plan week by week too.) If money is spent every week add up the four weeks to get the monthly figure. Example: Mrs. Jones spent \$10.00, \$12.00, \$20.00 and \$15.00 last month for food. Add these four figures together. This gives \$ 57.00 spent last month for food. If the bill is only paid once a year, divide the figure by 12 to get the monthly money you need to save so you will have enough to pay the bill. Example: Car insurance is \$150.00 a year. Divide \$150.00 by 12. The answer is \$12.50 that you need to save each month to have \$150.00 at the end of the year to pay this bill.</p> <p><u>Basic steps to making a family spending plan:</u></p> <ol style="list-style-type: none"><li>(1) List what you want to do with your money.</li><li>(2) Know how much money you get each month-what do you have to work with?</li><li>(3) List your expenses-what you spend each day, week, month - see where the money goes.</li></ol>	<p>Wait for response from the audience.</p> <p>Ask audience to get out the forms they have filled out.</p> <p>This part of the lesson is best taught in a workshop situation with each person working out their own plan. Help when needed. Let homemakers use page 9 of Managing Your Money to make their spending plan.</p> <p>Help the homemakers fill in the monthly budget form including all the expenses based on what she and her family have spent in the past. Help the homemaker realize that this plan is a guide to help her and her family have better control over their money.</p>

To Discuss

- (4) Decide if this is where you really want the money to go. If not work out a spending plan that will help you get the things you want your money to get.
- (5) Make a spending plan based on what you really need and want. Try it for a while. If it does not work, then change it.

Remember a spending plan is not a hard fast rule but a guide to help families better use what they have regardless of how much they have.

Also remember these points:

- . A spending plan helps a family see where their money goes.
- . A spending plan helps a family balance in-coming and out-going money.
- . A spending plan is useful whether one has a lot of money or just a little.
- . No two families have the same spending plan.
- . Developing and staying with a spending plan is a real challenge for any family.

Once the spending plan is made the family must all work together to make it work. Keep up with how much you spend each month. Keep all bills and receipts as proof of payment and for future planning. Do you have enough money for food or do you have some leftover or maybe not enough? Here are a few ideas of how you can keep up with your money.

Use either envelopes or jars. Label these with the names of what you spend money for during the month. Example: food, housing, clothing, etc. Put the allotted money in the envelop or jar. Use this money for paying the bills. Leftover money can be saved or put in other envelopes or jars to take care of emergencies.

Keep a record of money put in and taken out of the envelopes or jars. This helps you keep up with your money.

Keep envelopes or jars in a safe place in your home. Do not let everyone know where this place is.

To Do

Be sure to emphasize this point. It is very important for the families to realize and understand that they are individual - that each family is different from the other.

Show samples of envelopes or jars. Use playmoney and show how to divide paycheck into the different areas in which money must be spent. Then show how to take out and pay bills and how to move money from one envelop or jar to another.

Encourage family to keep envelopes or jars in safe place.

## FAMILY MONEY MANAGEMENT

### Lesson 7: Make It Right For You!

Purpose: Families realize that spending plans can be changed.

To Discuss	To Do
<p>Check your spending plan from time to time: Is it working for you? Do you have the right amount of money for everything? Or do you need to make changes in your spending plan? Do not be afraid to make changes. A spending plan is to help you get the most for your money - make one right for you.</p>	Wait for answers.
<p>Sometimes we need to make changes because we need more money for some expense or an emergency. Where can we get this money?</p>	Wait for answers.
<p>We will have to take the money from another envelope or jar and do without money in that area. Try not to use money that is to pay a bill or make a payment. The best thing is to cut costs or do without something so you can meet this unexpected expense.</p>	Show envelopes or jars and explain moving money from one to the other. Point out need for keeping record of money being spent.
<p>Big expenses and emergencies may be too big for the family's spending plan. If this is your problem you may have to seek help. Here are a few things you might be able to do</p> <ol style="list-style-type: none"><li>(1) Talk to people you owe money and explain the situation. See if they will let you miss one payment and make it up later. Or maybe they would let you pay half now and half later.</li><li>(2) Borrow the needed money and work out a way in your spending plan to pay it back.</li><li>(3) Have a special emergency fund in your new spending plan.</li><li>(4) Have insurances that would cover medical emergencies.</li></ol>	Ask audience what they would do in such a case. Then go over points made under To Discuss.
<p>Sometimes we make changes in our spending plans or the amounts we set aside because we think we can use our money more wisely.</p>	
<p>Think about your plan. Ask yourself:</p> <ul style="list-style-type: none"><li>- Is this the way I really want to spend my money?</li><li>- Do I have to have everything listed?</li></ul>	
<p>Remember, what you really need and want tells you how to spend your money! Do not be afraid to make changes to meet your needs and wants.</p>	

Note to Technician:

You may use this lesson in the series as lesson 7. Later on - a few months after the family has been using their plan - you may reteach this lesson to help family see how they are doing with their new plan and where they need to make changes.

## FAMILY MONEY MANAGEMENT

### Lesson 8: Stop Those Leaks Before You Buy

Purposes: Families see where there may be spending leaks in their plans.  
Families recognize ways to stop spending leaks.

To Discuss	To Do
<p>Leaks happen in family spending plans when families do not think and plan ahead. They just go and spend without stopping to think about where the money is going. To have control over your money, you must control the leaks or the weak spots in your spending plan. You must know your weak spots and work to overcome them.</p>	<p>Ask audience to list some ways in which money is wasted or lost. List these on a chalkboard, flip-chart or newsprint. Talk about ways to avoid this waste. Be sure to bring out the points listed under To Discuss.</p>
<p>There are many ways in which your money can get away from you if you do not think before you buy. Let's learn about these ways and see what we can do to stop the leaks.</p>	
<p>1. Do you know where all your money is going? If you do not have a spending plan, chances are you do not know where all your money is going. You may be spending money for all your wants and not saving any for your needs. Or you may be spending money and not remembering where it went or what you got for the money spent. Be sure you keep records, bills and receipts for all money spent. Know where your money is going. Then if you are not happy with where it is going you can change your spending habits.</p>	<p>Show how homemakers can organize records, bills, and receipts. Use old notebook, pocketbook or small box.</p>
<p>2. Do you let outside things tell you what to buy? Do you buy because the newspaper or TV advertisement says this is the best product yet and everybody should have it? Do you buy because you feel pressured or forced to buy big brand name products. Do you buy because friends say this is it or because "it" is the latest fad?</p>	<p>Show examples of ads from newspapers and magazines that might influence people to buy when they do not need the items or use pictures provided with lesson.</p>
<p>Often when you let outside things tell you what to buy, you are spending money unwisely. You are not thinking for yourself and about yourself and your needs. You let your money leak away and still you may not have what you really need or want.</p>	<p>Wait for answers from the audience.</p>
<p>3. Do you try to keep up with your neighbors? Are you ashamed to say to your family and neighbors, "I cannot afford that?" Remember that every single family is different from every other family. No two families have the same needs and wants. No two families need to buy the same things. Do not buy just because Mr. Jones did. Be big and say "I cannot afford that now" or my family does not need that."</p>	

To Discuss

To Do

4. Do you know when a bargain is a bargain or a sale a sale? Things are only bargains if you can use them. Be sure you do not get taken, the bargain may not be a bargain. Another store may have the same thing for less. Be sure the store has a good reputation and the sale is not a fake. Find out if you can take things back. Do not let your money get away from you unless it gets something you need and want and can really use.

5. Does the best always have to cost the most? If you think this is true, think again. This is not true and often you can lose money by feeling you have to buy the product that costs the most. Buy what meets your needs. Shop around, compare products as well as prices. Keep a hold on your money.

6. Do you consider the convenience of the product versus the cost of the product? Products that are ready for use cost more than those you can make yourself. Do you know the difference in cost? If money is tight try cooking more from scratch or making your own housecleaning supplies. Know that money spent for convenience could have been saved if you had taken the time and effort to make or do what was done for you.

7. Do you try to "do-it-yourself" sometime? If you do odd jobs and repairs around your home yourself, you save money that would leak out to repair people. Use your time and knowledge and skills to make things better for your family.

8. Do you know the product you are buying?

Are you buying unneeded features? A range with a timer that you never use or a vacuum cleaner with attachments you never use. Do you feel you have to buy all the features available? Only buy what you and your family can use.

Do you buy the quality you really need for the occasion? Do you buy a \$30.00 dress to wear one time or do you look for a less expensive one, attempt to borrow one or sew one yourself. If you are making stewed tomatoes do you buy cans of whole perfect tomatoes or peices of tomato?

Use pictures from magazines and newspapers to show what you mean about these points or use pictures provided.

- . Do you consider the size and quantity of product you are buying? Too much may mean waste and loss of money. Too little may mean another trip to the store and a loss of money, time, and energy.
- . Do you know what is behind the price tag? Is there a warranty or guarantee? Will the company or seller stand behind the product? Can you take it back if it does not work or if it is no good?

Know what you are buying. Do not overbuy. Get the best product for your needs. It does not have to be the biggest and best product available. It should meet your needs. Do not let your money leak away on products that do not meet your needs and wants.

9. Do you understand the use of credit. To use credit means you pay more for the product. This means money leaks out of your spending plan into the credit office. It would be better if you could save and pay cash for some of your purchases. If you must buy on credit, shop around and get the best buy on credit. Some places charge more to lend you money than other places. Find the place that gives you the best deal so your money will not leak away.

These are just a few points to keep in mind when you are ready to buy anything. Ask yourself the questions and be sure the answers are in your favor before you buy. Be sure you control spending leaks before you buy.

Our next lesson will be on how to control spending leaks after the purchase has been made or while the service is being offered.

## FAMILY MONEY MANAGEMENT

### Lesson 9: Stop Those Leaks After You Buy!

Purposes: Families see where there may be spending leaks in their plans.

Families recognize ways to stop spending leaks.

To Discuss	To Do
<p data-bbox="227 534 979 664">In the last lesson we talked about how to stop leaks in our spending plans before we bought an item. Do you remember some of the ways to stop leaks before you buy?</p> <p data-bbox="227 692 933 784">Today we are going to talk about ways to stop spending leaks after you buy or while you are using goods and services.</p> <ol data-bbox="227 965 951 1791" style="list-style-type: none"><li data-bbox="227 965 951 1302">1. Do you seldom or never use what you buy? Is the product just thrown in a corner or stuffed someplace out of the way? If you do not use what you buy, this is a leak of your money. You spent money unwisely. Think before you buy a product -- will Susie wear this dress? Or will the family eat this food? Be sure you will use the product or it is money wasted -- money that could have been used for something else for your family.</li><li data-bbox="227 1332 951 1698">2. Do you buy on an impulse? Do you buy something on the spur of the moment just because it is pretty or looks good? Think first! Do you really need this product? Do you have enough money to buy it? If you buy on impulse this may mean your spending plan will get messed up. If you did not have extra money, you would have to take money from another place to pay for this spur of the moment purchase. Do not let your money slip away from you. Get what you and your family really need and want.</li><li data-bbox="227 1729 951 1791">3. - Do you use and care for your goods and services in the right ways.</li></ol>	<p data-bbox="1034 534 1277 569">Wait for answer.</p> <p data-bbox="1034 692 1520 935">Ask the audience to list some ways in which money is wasted or lost. List these on a chalkboard, flipchart or newsprint. Talk about ways to avoid this waste. Be sure to bring out the points listed under "To Discuss."</p>

## To Discuss

- Do you keep all your appliances clean and in good repair? This makes them last longer.
- Do you use them right -- not overloading the clothes washer, not using the stove as a heater or the refrigerator as an air conditioner? Correct use of appliances means they last longer.
- Do you cut out lights and cut off radio and TV when nobody is in the room? Leaving them on wastes electricity. It makes your electric bill higher. Your money is leaking away.
- Do you let the water run when you are not using it? This wastes water and costs you extra money. Cut off the water. If the faucet is broken, fix it. This will save you money in the long run.
- Do you cut your heat back at night and when you are away from the house? This saves electricity and money.

Use your goods and services wisely. This will cost you less money and give you longer service and happiness.

4. Do you plan for the unexpected? Do you set aside a little money each week or month to cover things that might happen that you did not know about? This may mean if someone gets sick or the tires go bad you would not have to pay credit costs to borrow money. You would not have to leak your money.

Leaks in spending plans are easy to happen. You have to be a wise planner and shopper to plug all the leaks. Be creative. Know your family and plan for them. To help you better control your spending ask yourself these questions before buying:

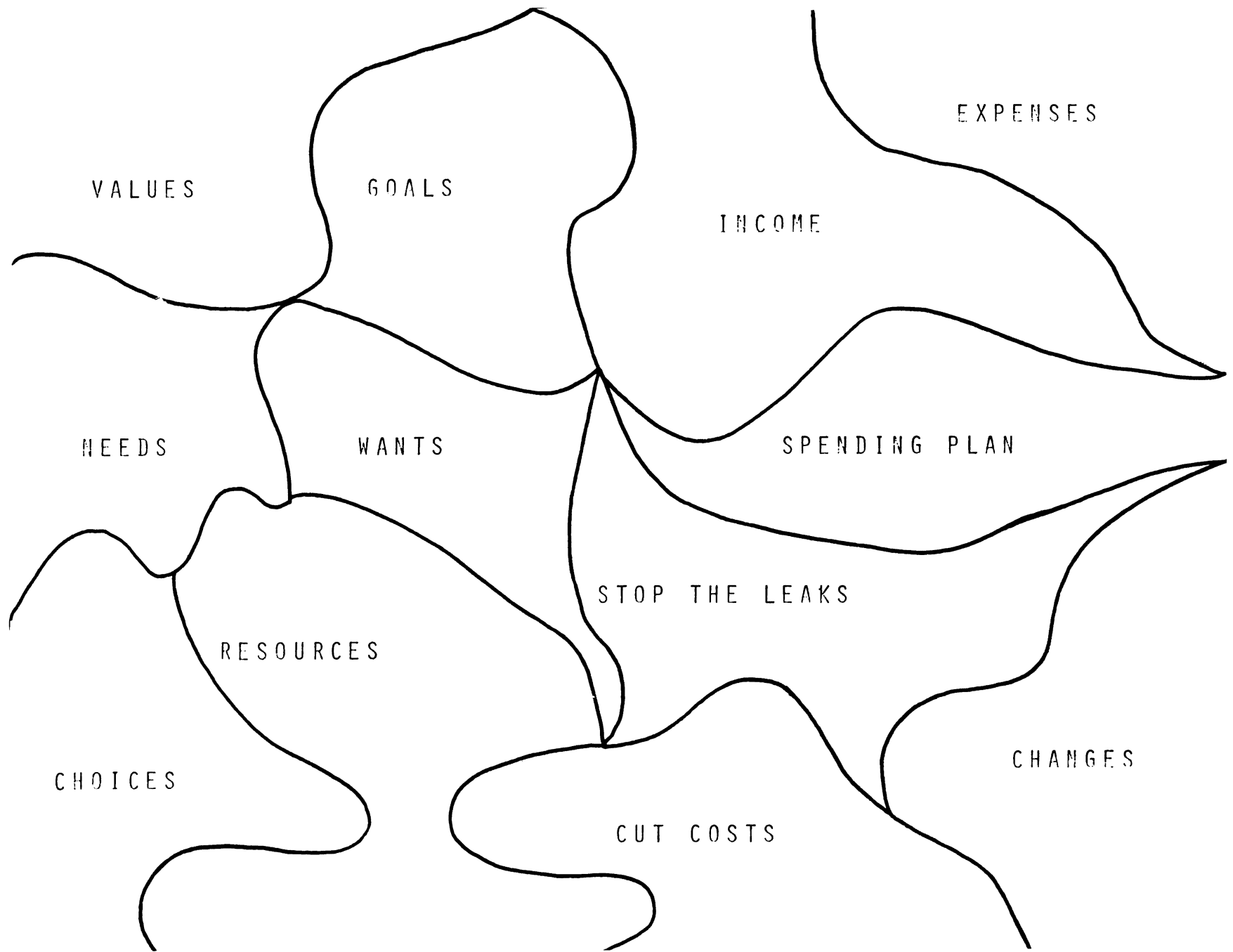
1. What do I want?
2. Do I need it?
3. What does it cost?
4. Can I really afford it?
5. Should I buy it now?
6. Can I wait?
7. Should I make it?

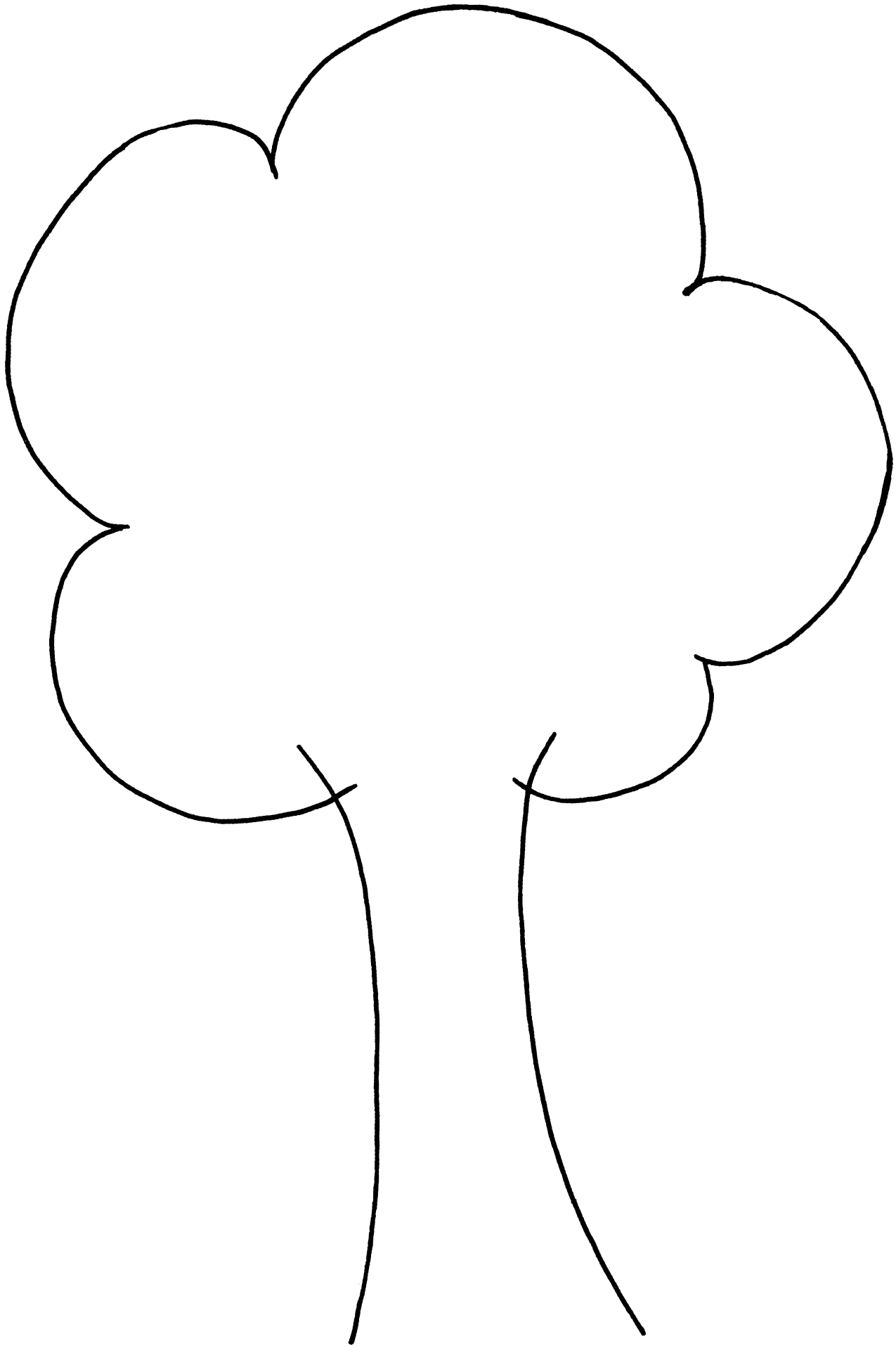
If you decide that you do want it, leave the store. Go home and think it over and wait until the next day to buy it. You will be surprised at the number of times you will realize you didn't really need it!

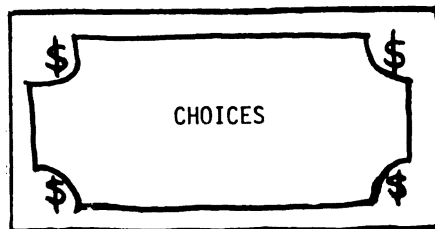
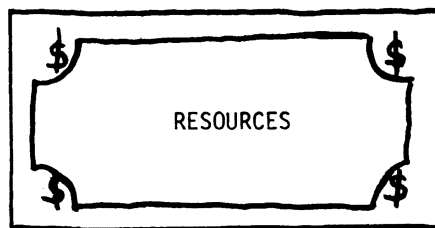
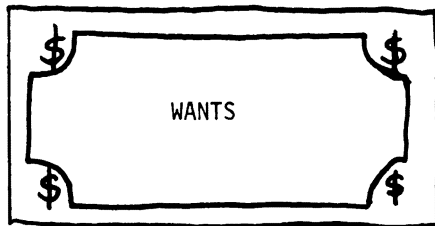
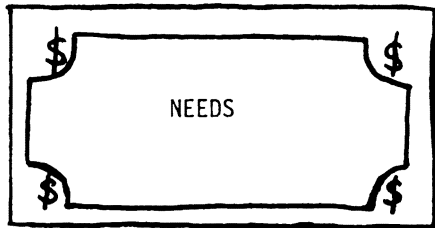
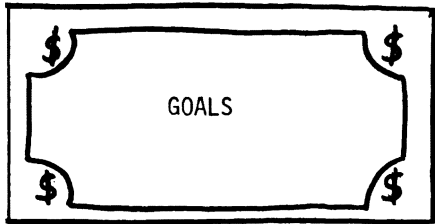
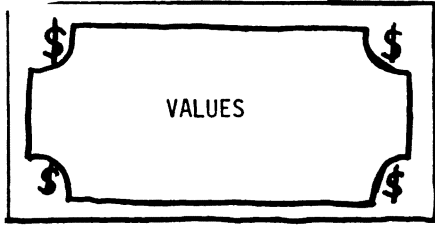
## To Do

You may go into lessons on Simple Home Repairs at this point to show families how they can save money.

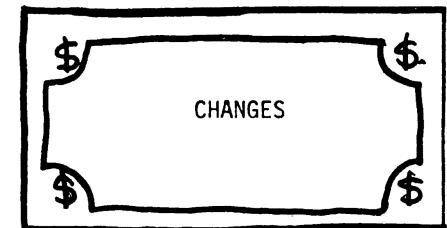
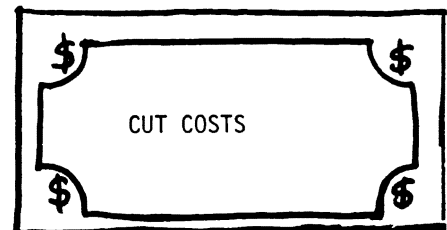
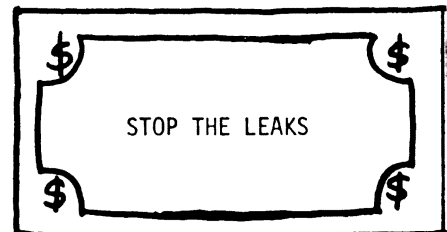
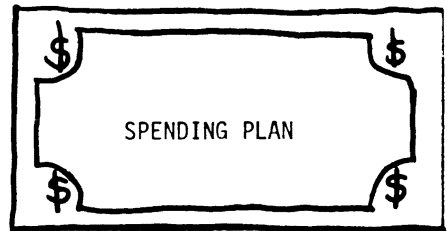
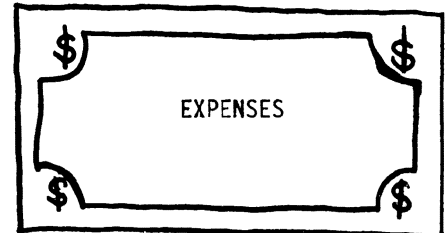
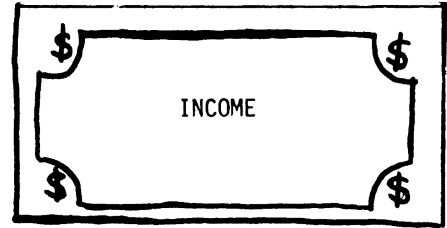
Let audience talk about other ways they have found to stop spending leaks before and after buying and while using goods and services.







CUT THE "DOLLARS"  
OUT FOR USE ON  
THE MONEY TREE.



## MONEY BINGO

The "Money Bingo" game was designed to motivate people to learn more about money management and to serve as a "fun-type" review after lessons have been taught.

### Directions

Each player will be given a card. With large groups it would be possible for two players to team up and play one card together.

The purpose of the game is to see who can "Money Bingo" first by drawing an "X" through pictures that make a vertical, horizontal or diagonal line on the game sheet. Four corners do not count.

Several answers may be correct for each question. The risk of chance involved in the game is to select a correct answer that will let you "Money Bingo" first. Write the number corresponding to each question in the block you have chosen to use to answer the question. You may cross out only one picture for each question. Do not change a number from one block to another after the next question has been read.

If you have filled in all the blocks that answer a question, skip that question and wait for the next. When you have filled in the correct number of blocks call out "Money Bingo."

After a player "Money Bingos" check his answers to be sure they are correct (see instructions below). If player has incorrect answers, keep on playing until another player "Money Bingos."

### Hints for the Caller

This game can be used to add depth to your particular teaching situation. Consider the points mentioned below.

1. As the player calls out his winning numbers in order either across, down or diagonal, repeat each question and ask the player to tell why that picture answers the question. For each question, ask if there were other possible answers pictured on the game card. Let any player answer. Discuss answers.
2. Ask group to list or indicate other answers that would be correct, but are not pictured on the card.
3. Discuss incorrect answers, explaining why they were not good choices.

If the first player who "Money Binged" made an incorrect choice, continue the game with the next question on your list until someone else "wins."

It is possible for several players to "Money Bingo" at the same time. Check out the answers by person or by list of questions. Allow for discussion and debate.

QUESTIONS FOR USE WITH "MONEY BINGO"

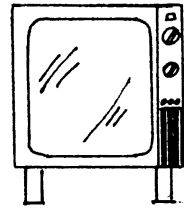
(Note: You may add additional questions depending on what you wish to emphasize in your teaching.)

1. I show money being wasted.
2. Take advantage of community services.
3. One of the best ways to save money.
4. Keep records of spending.
5. Know what you are paying for when you pay for protection.
6. I am an unexpected that might happen. Plan for me so you will be ready with cash and not have to borrow.
7. A good credit rating is important, pay bills on time and keep receipts.
8. Family protection is important.
9. I show where families may get money.
10. Wise use of electricity saves the family money. Find a use of electricity.
11. Take good care of your belongings.
12. No matter how cheap it is, it's no good unless you can use it.
13. A family needs me to stay alive and well.
14. I show families how to plan for today and tomorrow.
15. Money is planning ahead.
16. Use your learning and skill to save money.
17. Keep all your belongings in good repair.
18. People forget about me and are often late.
19. We save money when we do work ourselves.
20. I often cause problems and great cost for families not ready for me.
21. A penny saved is a penny earned.

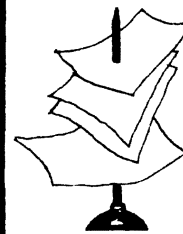
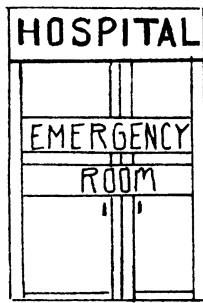
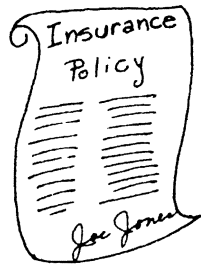
22. This shows a family want. It is something nice to have but may cost too much for the family.
23. I show that a family is ready to take care of itself in the future.
24. Make decisions wisely. Weigh all choices very carefully.
25. I sometimes fool you to buy things you don't really need.
26. I am an expense you have a few times a year.
27. I show unwise use of a service.
28. I am a nice to have. A family does not have to have me to stay alive and well.
29. Work together as a family to solve problems.
30. I show ways you can earn more money for your family.
31. You probably pay for me once a month.
32. Use what you buy in the right way.
33. Good food every day will help keep me away from you and your family.
34. Plan for the things you know you must spend money for.
35. Use your learning and skill to earn money.
36. Be informed, know when a bargain is really a bargain.
37. Be selective. Get what best meets your needs. Do not overbuy.
38. I am a valuable resource for your family.
39. An example of something a family needs to live.
40. I crop up and mess up plans.
41. Plan wise use of one's money.
42. Be a comparative shopper -- compare one item with another. Get the best buy.
43. Treat me right and I'll give you service for lots of years.
44. I show a day-to-day living expense. Something you spend money for each day or once a week.

45. A very important need of all family members.
46. A utility or service often wasted.
47. Teach children responsibility. Involve them in family life.
48. Plan for all the things you must buy.
49. Shop around before you buy.
50. I am another need for a family to stay alive and well.

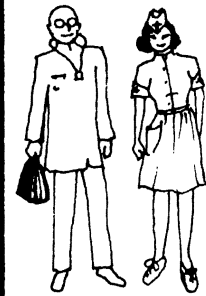
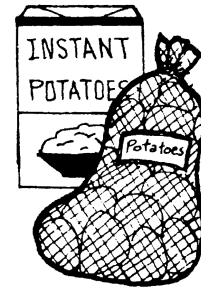
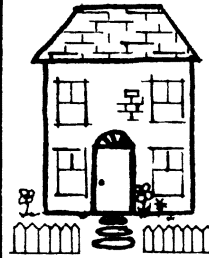
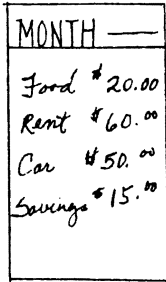
B



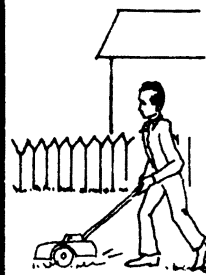
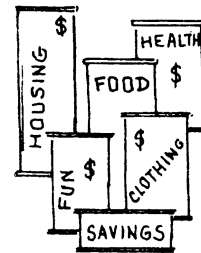
I



N



G



O

