

# Money Matters

A black and white illustration of a money bag with a drawstring top, tied at the top. Several coins are scattered on the ground in front of the bag. The bag is shaded with a stippled effect.

**A Mini-Micropedia  
Activities for Real Life Learning**

by

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# ***MONEY MATTERS***

## ***ACTIVITIES for "REAL LIFE" LEARNING***

These experiences are designed to go along with ***MONEY MATTERS- A Mini-Micropedia***.<sup>\*</sup> The sheets are designed to be used:

- with the *Money Matters - Mini-Micropedia* to apply and practice the knowledge offered in the book
- with *I CAN DO IT! A Micropedia of Living On You Own*
- by themselves as appropriate to the teacher and the learner.

**THESE MATERIALS ARE TO BE USED FOR EDUCATIONAL PURPOSES ONLY. THEY SHOULD BE REPRODUCED IN ONLY ONE SCHOOL OR EDUCATIONAL SETTING.**

**It is especially meaningful to allow the mini-micropedias to go with the "students" after their training. In this way they can look up what they need to know when they need it.**

### **LEVELS OF LEARNING**

The experiences are designed for three different levels of understanding needed when making a financial plan.

1. **MINIMAL:** This is for very basic knowledge needed. It includes: goal setting, needs/wants, values, shopping terms, comparison shopping, money transactions, take-home pay, monthly budgeting.
2. **INTERMEDIATE:** This is for further knowledge and includes: sales resistance, consumer fraud, unit pricing, bill payment processes, checking and savings accounts, banking transactions, balancing checkbooks, savings process.
3. **ADEQUATE:** This unit offers more comprehensive knowledge needed. Included are: insurance, consumer complaints, credit, loans, budgets for emergencies and seasonal bills, income taxes.

### **ADDED SUGGESTIONS FOR LEARNING**

**The cover sheet for each level has additional ideas for teaching. These are added to enrich the learning and to apply the knowledge learned in different ways. They will expand the knowledge through real applications. This will be especially meaningful for different types of learners.**

### **TESTS ARE INCLUDED**

If you need to know where the learner's knowledge level is before training, pre-tests are included. They are in the form of oral tests. There are also post-tests that can help evaluate what was learned.

<sup>\*</sup> "Money Matters- A Mini-Micropedia" is taken from appropriate chapters of "I CAN DO IT! A Micropedia of Living On Your Own" by Marian B. Latzko M.S. Copyright 1996 Revised 2000 for its fourth edition.

# ***MONEY MATTERS***

## ***Activities for “Real Life” Learning***

**(level 1, MINIMAL)**

**These experiences are designed for minimal knowledge needed for managing money.**

- Persons teaching money management can use *MONEY MATTERS A Mini-Micropedia* along with these learning experiences.
- The learning experiences can be used with the *Mini-Micropedia, I CAN DO IT! A Micropedia of Living On Your Own*, or by themselves.
- There is an oral pretest and an objective post test included.

**The objectives of this unit are to:**

1. Set personal goals and understand the value of making a money plan to reach the goals
2. Understand the cost of supporting self
3. Recognize how wants (luxuries), needs (necessities), and personal values affect purchases made
4. Comprehend basic shopping terms and coupon use
5. Understand gross wages, deductions, and take-home pay
6. Know the differences between values of coins and currency and can use calculator to figure costs
7. Create a personal “envelope budgeting” method.

### **Suggested Added Learning Experiences**

**(These can be used according to the capability of the learner and the amount of time available.)**

1. Interview people at different stages of life for budgeting advice.
2. Keep track of one week’s purchases. Describe factors influencing the choice and the consequences. (Can make a poster or write analysis.)
3. Collect pictures showing evidences of life style choices (i.e. housing, transportation, health, education, cultural pursuits, energy use, etc.) Consider costs of these choices.
4. Role play a class reunion to visualize what people want to be like in 10 or 20 years.
5. Read a biography or view a film about a famous person to be admired. Make a chart showing person’s goals, resources used, and barriers that the person overcame.
6. Interview admired persons to find when they were born, how they make a living, how they spend their time, how they accomplished their goals in life. Then compare with own lives for similarities.
7. Consider barriers to reaching goals. Discuss how to overcome these barriers.
8. View a TV program with an older adult and chart values and goals of each character. Discuss: consequences of values shown, value changes through the years. Compare personal values to those shown by characters in the program
9. Create imagined budgets for persons in different life situations (i.e. welfare family, retired, college student, person just starting out, etc.)
10. Visit a grocery store with a shopping list to make choices using unit pricing.
11. Look in newspapers, magazines, and advertisements to find coupons. Evaluate their value.
12. Practice making change as if in a grocery store.
13. Make a grocery list with the help of a newspaper and use a calculator to figure the cost.



## “HI, friend! What’s new? ”

**IMAGINE** what it would be like to meet an old friend ten years from now. What would you have to say to each other? When that friend asks questions about your life, what would you be able to answer?

**THINK ABOUT IT!** Have you kept track of old friends? When did you leave your family/caretaker home? Who are you living with now? Are you married? Do you have children? Where are you living now? What type of housing do you have? What kind of work do you do? What education did you complete? Do you have further career plans? What do you do in your leisure time? Do you participate in any community activities?

**WRITE ANSWERS** to these questions, or draw pictures, to symbolize your life during these next ten years. Include any further information that is important to you.

**NOW** make a list of what you need to do now to achieve this life you vision. Include such things as: training/schooling needed, money needed, help needed, alternatives.

**NOW use this list .** Write three goals you can set for yourself to help you accomplish your imagined life. Write one goal to accomplish in 1-4 weeks (short term goal). Write one goal that can be accomplished in 2-12 months (medium term goal). Write one goal to accomplish in more than one year (long term goal). Here’s a layout example you could copy.

<b>GOAL PLANNING</b>			
Goal: _____	Date to accomplish: _____		
Estimated cost: _____	Money still needed: _____	Weekly amount: _____	
Steps to take to reach my goal:			
Where to get help to reach my goal:			
Further information needed to reach my goal:			
Other ways to accomplish my goal:			

**NOW CONSIDER** why it is important to make a life/money plan to accomplish your goals. In a small group make a list of reasons for creating a money plan. Consider the effects on yourself, family, and community. Share the list with others. Then you can:

1. Create a pamphlet, poster, or advertisement sharing the reasons for budgeting and goal setting.
2. Debate the values of setting personal goals and creating a money plan (budgeting) .

## WHAT DOES IT REALLY COST TO BE ON MY OWN?

Here's a list of normal expenses people have when they support themselves. (Add other things you think are important.) Consider what you think it costs for each item. Write the amount in the space provided. When finished, check to see if your guesses are correct. You may have to make telephone calls, look at newspaper ads, or talk with a teacher or someone who is self supporting to get some idea of real costs.

<b>MONTHLY EXPENSES</b>	
<b>Fixed expenses</b>	
Savings	\$
Rent	
Car payment	
Auto & Renters' Insurance	
Life & Health Insurance	
<b>Flexible expenses</b>	
Utilities (gas/electricity)	
Telephone	
Groceries	
Clothing	
Credit card payments	
Church or charities	
Car repairs & maintenance	
Transportation /Public	
Personal items (toiletries, haircuts, etc.)	
Laundry/ dry cleaning	
Education	
Other	
<b>Fun expenses</b>	
Cable television	
Movies/books/videos/CDs	
Hobbies	
Travel/vacations	
Gifts	
Alcohol/cigarettes	
<b>TOTAL EXPENSES</b>	<b>\$</b>

1. *What surprised you most when you did this exercise?*
2. *What did you learn?*
3. *What kind of job would pay the wages needed for your estimated expenses? How can you find out?*
4. *If you had an income from a job that paid \$ 5.00 per hour, with a take-home pay of \$ 170.00 per week, could you afford the expenses you figured?*

**IT'S POSSIBLE TO LIVE ON A LIMITED INCOME!  
YOU JUST HAVE TO LEARN HOW!**

Want to learn more? See if your final decisions for budget expenditures meet the following averages. According to national midwest averages, single people starting out generally spend the following percentages for budget items: Housing 30-35%, Food 15%, Transportation 16-21%, Health 5%, Clothing 6%, Entertainment 5%, Other things (include: education, reading, tobacco, alcoholic beverages, cash contributions, personal insurance, savings and miscellaneous) 13-23%.

## "But I really need it!"

Figuring out what "real needs" are is difficult. When there is a limited amount of money, the challenge becomes more of a problem. Everyday choices make the difference between being able to pay your bills or not pay your bills. Consider these examples: "My girlfriend wants to go to the big concert. Can I take her and still pay rent if I go?" "Do I buy a car, or take a bus?" "Should I eat out tonight?"

Look at the following items and decide if they are examples of meeting basic needs. Place an "N" in front of the words that meet real "needs" (necessities). Place a "W" in front of the words that meet "wants" (luxuries). When you're done, discuss your decisions with a small group of classmates or friends. Share your final decisions and discussions with others.

stereo	car	refrigerator	guitar	designer clothes
shaver	bed	sodas	computer	washing machine
shoes	phone	truck	house	Nike shoes
soap	food	concert ticket	cigarettes	newspaper
gourmet food	cosmetics	furnace	tuxedo	books

Things to think about or discuss:

1. Did you find that you disagreed about whether an item is a need or a want?
2. What reasons did you have for the difference of opinions?
3. Are some items that appear to be physical needs really meeting other needs?
4. How can understanding the difference between needs and wants help you to reach your goals?
5. Can not knowing the difference between needs and wants become a barrier to reaching goals?
6. Give an example of wants and needs differing at different ages.

## VALUES AFFECT YOUR CHOICES TOO

Values are qualities or principles that are desirable and have worth. Whenever you make a decision, your values are reflected in your choice. Some things you may value are listed below. Check the ones that you value.

religion	caring	hard work	education	arts/beauty	love	sports
winning/excitement	music	truth	fun	leisure	security	
ownership	sharing	family	money	sex	freedom	friends
environment	safety	community	health	prestige	comfort	convenience



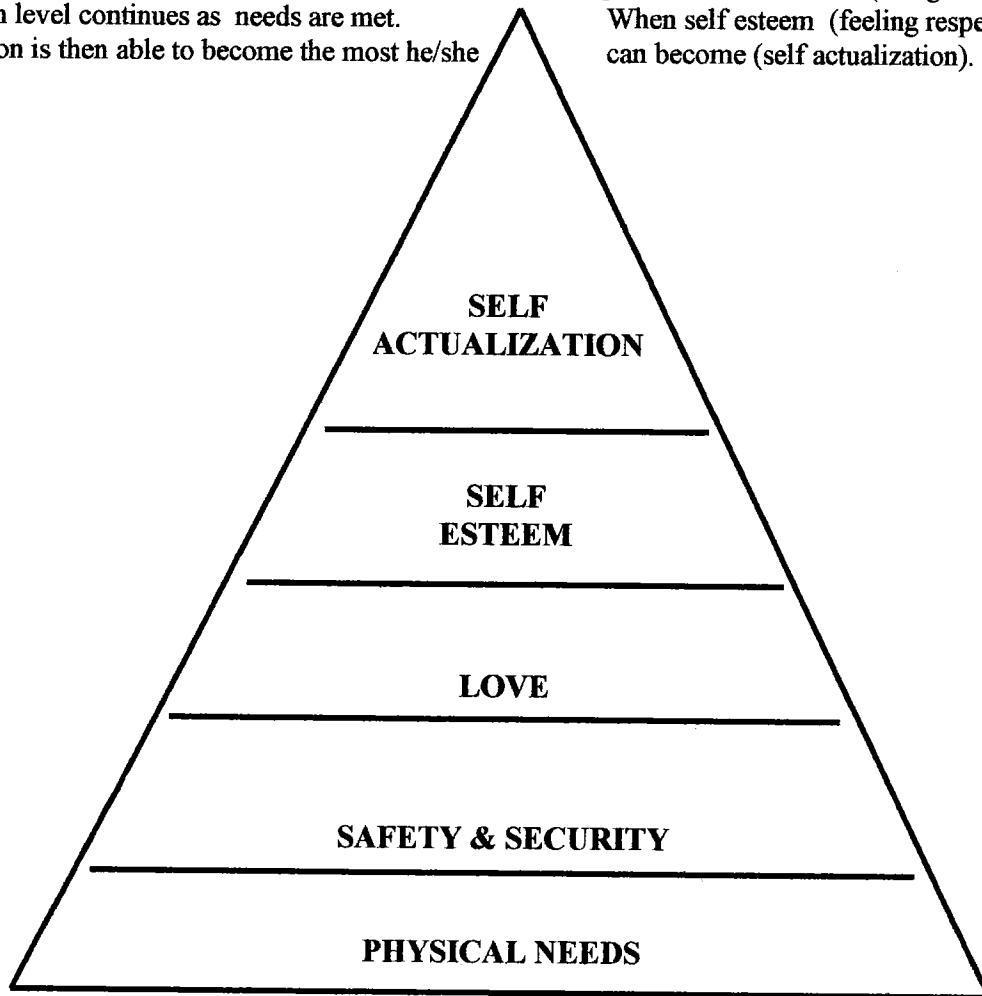
## NOW LOOK AT THE WAY YOU SPENT MONEY THIS WEEK

List things that you spent money on in the last week or two. Place a "W" beside items that were wants and an "N" beside items that were needs. Check if the purchases helped you work toward your goals. Then note the need met.

("W" or "N") ITEM	Helped Goals	Didn't Help Goals	Need met
.....	✓	✓	
.....			
.....			
.....			
.....			
.....			
.....			

## NEEDS AND WANTS ARE DIFFICULT TO SEPARATE!

A. H. Maslow placed human needs into groups in the form of a pyramid. Each section built on the next. First physical needs must be met before safety can be considered (i.e. If a man is hungry, he will risk his safety to get food.) When physical and safety needs are met, love relationships can be considered (being loved and love in return). Each level continues as needs are met. When self esteem (feeling respected by others) is met, a person is then able to become the most he/she can become (self actualization).



**Physical Needs** include: food, sleep, water, shelter and clothing

**Safety and Security** include: being safe from physical harm or injury.

**Love** is a need to be accepted by others, to be loved by another and to be able to return that love.

**Esteem** is the need for respect and admiration.

**Self actualization** is the need to achieve one's full potential (to become the most one can become.)

**Families generally take care of the first three levels. Other levels must be met by the individual.**

**Consider the following groups of items.** What basic need does each item meet? Place each item on the appropriate level of the pyramid. Then discuss your placement with others.

Group # 1	sandals	Nike shoes	oxfords	ballet slippers
Group #2	beans	sodas	water	T-bone steak
Group #3	furnace	air conditioner	umbrella	fireplace

*Discuss or think about::*

1. Did you find that an item might fit on more than one level?
2. What problems or disagreements did you have with your final decisions?
3. Can a person exist if only physical needs are met?

# \$UPER \$LUETH \$CAVENSER HUNT

Ever been on a grocery store scavenger hunt? Here's a list of what you need to find. Fill in the blanks.



Before you go to the grocery store, compare ads in newspapers to see what specials are being offered. Questions to consider: Does more than one store offer the same special? Are prices the same?



Choose one of the grocery stores in which to do your scavenger hunt. Then choose an item from their ad to compare with competitive items when you go shopping.



Cut out one coupon item to compare with other competitive products. Carry the coupons with you.

## NOW GO SHOPPING!

Time I began my hunt \_\_\_\_\_ Time I finished my hunt \_\_\_\_\_

- Coupon item \_\_\_\_\_ Brand name \_\_\_\_\_ Size \_\_\_\_\_ Unit price \_\_\_\_\_  
 Competitive house brand name \_\_\_\_\_ Size \_\_\_\_\_ Unit price \_\_\_\_\_  
 Other brand name \_\_\_\_\_ Size \_\_\_\_\_ Unit price \_\_\_\_\_
- Name of newspaper ad item \_\_\_\_\_ Unit price \_\_\_\_\_  
 Name of an equal product that costs less \_\_\_\_\_ Unit price \_\_\_\_\_  
 Name of an equal product that costs less \_\_\_\_\_ Unit price \_\_\_\_\_
- Brand names of 14.5 oz cans of creamed corn:  
 Generic brand name \_\_\_\_\_ Grade \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_  
 Name brand name \_\_\_\_\_ Grade \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_  
 House brand name \_\_\_\_\_ Grade \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_  
 Economy brand name \_\_\_\_\_ Grade \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_
- Name of a juice that is 100% juice \_\_\_\_\_ Unit price \_\_\_\_\_  
 Name of a "juice drink" \_\_\_\_\_ %Amount of juice \_\_\_\_\_ Unit price \_\_\_\_\_
- Brand names of packages of corn flakes:  
 Brand name \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_  
 Brand name \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_  
 Brand name \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_  
 Brand name \_\_\_\_\_ Cost \_\_\_\_\_ Unit price \_\_\_\_\_
- Find dates on the following containers:  
 Can of peas \_\_\_\_\_ Loaf of bread \_\_\_\_\_ Hot dogs \_\_\_\_\_ Hamburger \_\_\_\_\_  
 Milk \_\_\_\_\_ Cottage cheese \_\_\_\_\_ Eggs \_\_\_\_\_
- Compare prices on the following foods:  
 1 lb white potatoes \_\_\_\_\_ 1 lb potato chips \_\_\_\_\_ Difference \_\_\_\_\_  
 1 lb frozen chicken breasts \_\_\_\_\_ 1 lb fresh chicken breasts \_\_\_\_\_ Difference \_\_\_\_\_  
 1 lb lean hamburger \_\_\_\_\_ 1 lb extra lean hamburger \_\_\_\_\_ Difference \_\_\_\_\_  
 1 lb apples \_\_\_\_\_ 16 oz can applesauce \_\_\_\_\_ Difference \_\_\_\_\_  
 16oz package of frozen green beans \_\_\_\_\_ 1 lb of fresh green beans \_\_\_\_\_ Difference \_\_\_\_\_  
 1 package of 8 hamburger buns: brand name \_\_\_\_\_ fresh bakery \_\_\_\_\_ Difference \_\_\_\_\_
- Find name of a food sale item that is outdated \_\_\_\_\_

## WHO WON THE SCAVENSER HUNT? Compare & Discuss.

# SUPER SHOPPER Sleuth



A good super shopper should know the language of the stores and advertisers where shopping is done. See if you can find the right answers for the sales terms you can find in ads and stores. Match them! **You get five points for each correct answer.**

## BUYING CLOTHES

- |  |                           |
|--|---------------------------|
| 1. Merchandise sold out of warehouses, usually at lower prices           | a. ___ introductory offer |
| 2. Perfect condition   | b. ___ warehouse sale     |
| 3. More flawed than an irregular   | c. ___ special purchase   |
| 4. Merchandise not normally sold by the store                            | d. ___ samples            |
| 5. Slight flaw   | e. ___ overstock          |
| 6. Regular prices reduced for a limited time                             | f. ___ odd lots           |
| 7. Usually first quality of left-over merchandise after retailers order  | g. ___ clearance          |
| 8. Merchandise that was shown to buyers before their orders were taken   | h. ___ second             |
| 9. Overruns of first quality merchandise left over after retailers order | i. ___ sale               |
| 10. Merchandise that has been returned by customers or retailers         | j. ___ irregular          |
| 11. Limited time price reduction   | k. ___ first quality      |
| 12. Regular store merchandise sold at lower price to reduce stock        | l. ___ returns            |



Sale items may not always be the “best buy”. You’ll find that regular price items can also be checked for the “best buy”. Read the following statements and mark an “F” in front of those that you think are false and a “T” in front of those you think are true. **You get five points for each correct answer.**

- \_\_\_ There are freshness codes written on such products as milk, eggs, luncheon meats. These items are often put on sale as they are getting outdated.
- \_\_\_ Unit pricing, printed on the edge of grocery shelves, helps consumers judge quality of products on sale.
- \_\_\_ When buying fruit juices, it is wise to compare labels.
- \_\_\_ When a store advertises its sales items as the lowest prices in town, it is best to check the statement.
- \_\_\_ If you weigh food in the produce section, you should see that the scale is set at zero to start.
- \_\_\_ Prices charged at a check-out counter are always correct so you don’t need to check.
- \_\_\_ Case lot sales can save money if supply is overstocked at beginning or end of a season.
- \_\_\_ Coupons always offer the best buy for the price offered.

## NOW ADD YOUR POINTS TO SEE HOW YOU RATE AS A SHOPPING SLEUTH\*.

90-100	You’re a <b>Super Duper Sleuth</b>
80-95	You’re a <b>Super Sleuth</b>
70-80	You’re an <b>OK Sleuth</b>
70 or below	You’re a <b>Practicing Sleuth</b>

\* Answers to problems above: a-11, b-1, c-4, d-8, e-9, f-7, g-12, h-3, i-6, j-5, k-2, l-10

- True. Be sure to look for freshness code on any item. Get the freshest! It will last longer.
- False. Unit pricing helps compare costs between products.
- True. Labels explain the amount of real fruit juice that’s in a can. Remember that ingredients are listed in descending order.
- True. Check prices at other stores to compare them yourself.
- True. Scales are easily unadjusted. Get your money’s worth. Watch at the check-out counter also.
- False. Even electronically run machines can be in error. Check prices at check-out counter and at home. Let store know of errors.
- True. When supply is greatest, prices are lower. (Economic principle of supply and demand!)
- False. Competitor prices may be lower. Check unit pricing. Don’t buy unless you really need the item or want to try it. Remember to consider cost of mail-in rebates and also expiration dates.

