

Questions

1. Did you spend more or less than you anticipated you spent in one week?

2. How many of your purchases were impulse buys?

3. How many of your purchases were over \$20.00? Do you think the purchase was necessary? Why or why not?

4. Do you see any areas where you could save money (spend less)?

5. Why do you think individuals should bother with tracking where their money goes?

Activity 9.2 Careers and Budgets

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

Using your current income or allowance, create a weekly and monthly budget.

FIXED EXPENSES	Weekly	Monthly
Contributions		
Insurance		
Lunches		
Savings		
Transportation		
Other:		
FLEXIBLE EXPENSES		
Cell phone		
Clothing		
Entertainment		
Gifts		
Hobbies		
Movies		
Snacks		
Other:		
TOTALS		

Activity 9.3 Goal Setting

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

List a short-term and long-term goal for each of the given categories.

	Short term	Long term
PERSONAL GOALS relating to character development and personal growth		
HEALTH GOALS relating to exercise, appearance, diet, and overall well-being		
RECREATION GOALS relating to relaxation, hobbies, vacations, and fun activities		
FAMILY GOALS relating to your parents, siblings, and relatives		
FRIEND GOALS such as expanding your circle of friends and enriching existing relationships		
COMMUNITY GOALS involving a commitment to serving others through your time, talents, heart, and possessions		
CAREER GOALS relating to school grades, skill development, and future ambitions		
FINANCIAL GOALS relating to earnings, savings, and understanding the value and purpose of money		
HOUSEHOLD GOALS relating to household chores and your contribution to building a happy home life		

Activity 9.5 Reading a Paycheck Stub

Name _____ Date _____ Hour _____

Student Materials


Pencil

Directions

Answer the following questions using the attached pay stubs.

LAWN BOYS

Name: Zip McSpeedy Payroll Ending: 5/31/10
Employee No. 185463 Check No. 2258 Amount: \$223.43



Earnings			Deductions			Other Deductions	
Description	Hours	Amount	Tax	Current	YTD	Meals	\$7.00
REGULAR	40	\$240.00	INCOME TAX	\$42.65	\$120.78		
OVERTIME	6	\$54.00	STATE TAX	\$8.67	\$64.98		
			FICA	\$16.25	\$115.04		
CURRENT		\$294.00					
YTD		\$3,592.00					

1. What is the name of Zip McSpeedy’s employer? _____
2. How much did Zip earn before deductions? _____
3. What is Zip’s hourly wage? _____
4. List Zip’s deductions. _____
5. What percent was Zooma’s net pay? _____
6. What percent was the federal tax? State tax? FICA? _____



Downtown
Bakery

Employee
SSN
PAY PERIOD
PAY DATE
NET PAY

ROLLA DOUGH
123-456-7890
9-6-10 to 9-12-10
9-15-10 CHECK NO. 6475
\$296.26

Earnings			Deductions			Other Deductions	
Description	Hours	Amount	Tax	Current	YTD	Uniform	\$10.00
REGULAR	40	\$320.00	INCOME TAX	\$30.75	\$372.01		
OVERTIME	6	\$54.00	STATE TAX	\$9.50	\$114.25		
			FICA	\$22.49	\$272.06		
CURRENT		\$374.00	RETIREMENT	\$5.00	\$35.00		
YTD		\$3,592.00					

7. What pay period does Rolla Dough's paycheck cover? _____
8. How much income tax has been taken out of Rolla's paycheck so far this year? _____
9. How much did Rolla contribute to a retirement plan from this paycheck?? _____
10. How much is Rolla's take-home pay? _____
11. What percent was Rolla's net pay? _____
12. What percent was federal tax? State tax? FICA? _____

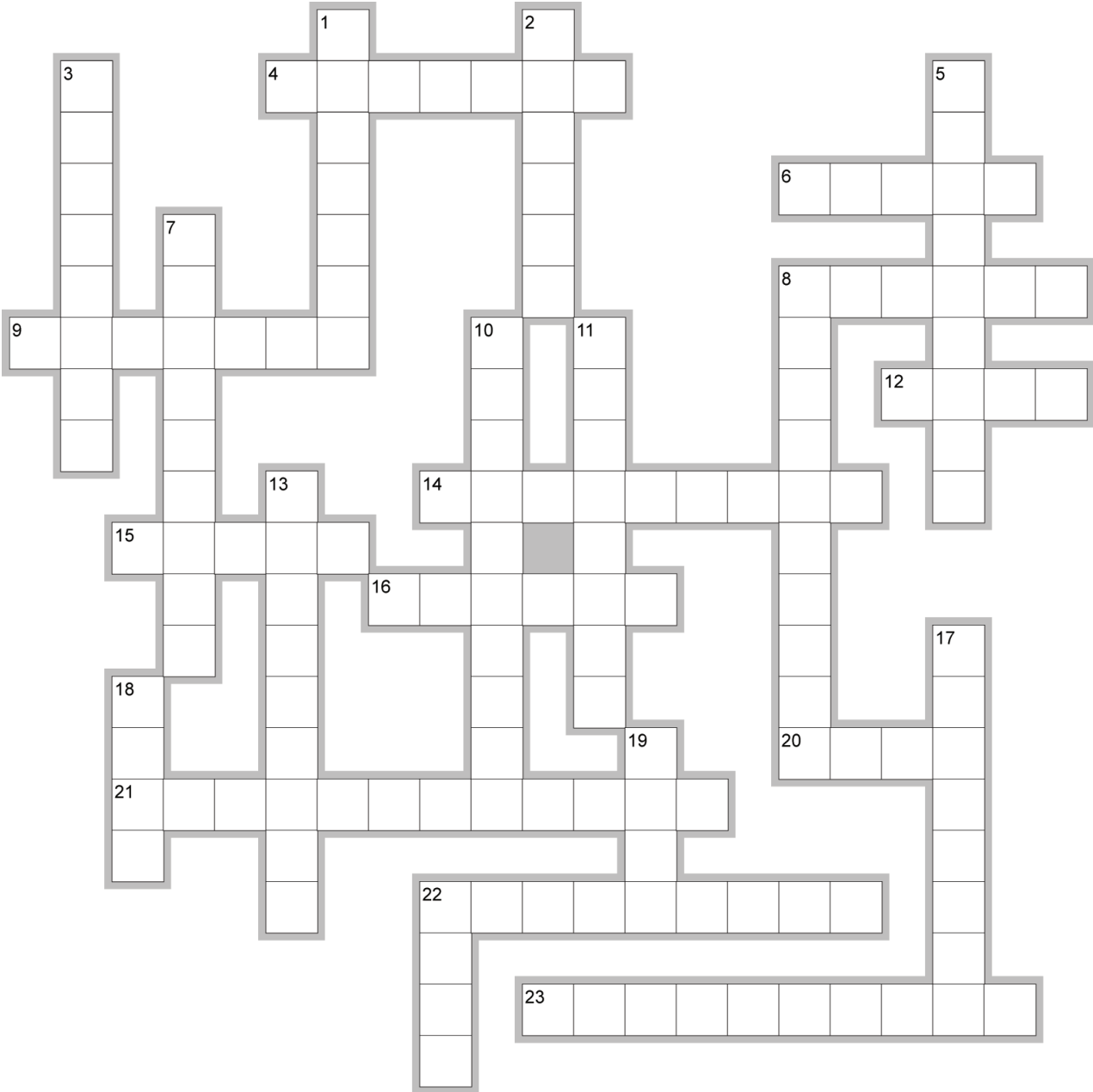
Activity 9.6

Financial Institution Crossword

Name _____ Date _____ Hour _____

Student Materials

Pencil



EclipseCrossword.com

Across

4. Full-service banks offer automatic deposit and _____.
6. Similar to a check but it cannot bounce; money _____
8. A nonprofit financial institution owned and operated for the benefit of members; _____ union
9. What type of company is a private or stock company that makes loans?
12. Traveler's checks are the equivalent of _____.
14. A personal check the bank guarantees will be good is a _____ check.
15. Full-service banks may offer credit, check, or _____ cards.
16. A _____ savings bank is owned by depositors and earnings are divided as dividends.
20. Type of insurance company offers financial security to family members of insured client.
21. Production credit associations provide short-term credit for _____ producers.
22. An organization that acts as a "middleman" between buyers and sellers of trading commodities; _____ firm
23. The growth in _____ has changed the way people do business.

Down

1. ATM stands for Automatic Teller _____.
2. Banking that allows you to pay bills via the Internet is _____ banking.
3. A full-service bank provides federal insurance on _____.
5. Protection that keep you from using more money than what is in your account
7. Full-service banks offer money _____ from one account to another.
8. Bank operated for profit and insured by FDIC
10. Type of company that may offer higher interest on mutual funds but is not protected by federal insurance.
11. Type of company that specializes in mortgages
13. Supermarket that offers one-stop money management
17. Full-service banks usually offer savings and _____ accounts.
18. A savings and _____ association is protected by SAIF.
19. At a full-service bank a customer can store valuables in _____ deposit boxes.
22. A cashier's check is written by a _____.

Mr. and Mrs. Someone 411
12345 Main Street
Anywhere, USA

Date _____

Pay to the Order of _____ \$

_____ Dollars

For _____

⑆00000000000⑆ 0000000000000000⑆ 0411

Mr. and Mrs. Someone 412
12345 Main Street
Anywhere, USA

Date _____

Pay to the Order of _____ \$

_____ Dollars

For _____

⑆00000000000⑆ 0000000000000000⑆ 0412

TRANSACTION TYPES: D - Deposit **ATM** - ATM Withdrawal **CC** - Check/Debit Card **ET** - Electronic Payment **AD** - Automatic Deposit **T** - Tax Deductible **O** - Other

TRANS. TYPE OR CHECK NO.	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/ DEBIT (-)	FEE (IF ANY) (-)(✓)	DEPOSIT/ CREDIT (+)	BALANCE	
						\$	
						785	94

Activity 9.8

Company and Its Stock Oral Report

Name _____ Date _____ Hour _____

Student Materials

Pencil and paper or computer/printer

Note cards

Resources to research a company

Examples:

Online sites

Books

Magazines

Company brochures

Materials for visual component to report

Examples:

Slide presentation

Photographs

Poster

Directions

Choose one company that is publicly traded and present an oral report over the company and its stock. The report should be 3-5 minutes in length. You may use note cards but do not read your presentation. Your presentation should include at least one visual component.

Answer questions about the resources in your oral presentation such as:

- What is the name of the company?
- What services or products does the company sell?
- How long has the company been in business?
- What is the company's logo or slogan?
- Does the company sell internationally?
- What stock exchange is the company's stock listed on?
- What price is the stock currently selling at?
- How do you view the company's public relations image?
- How has the company changed or adapted to changing consumer needs or wants?
- Do you use any products or services the company sells?
- If you were an investor, would you consider investing in this company? Why or why not?

Activity 9.9

The Rule of 72

Name _____ Date _____ Hour _____

Student Materials

Pen or pencil

Directions

Answer each question concerning The Rule of 72 for doubling money.

- _____ 1. At the end of five years, how much money would you have if you invested \$1,000 and earned 6% simple interest?
- A. \$60
 - B. \$600
 - C. \$1,060
 - D. \$1,300
- _____ 2. At the end of three years, how much money would you have if you invested \$100 and earned 7% simple interest?
- A. \$21
 - B. \$70
 - C. \$121
 - D. \$170
- _____ 3. At the end of ten years, how much money would you have if you invested \$100 and earned 10% simple interest?
- A. \$100
 - B. \$200
 - C. \$1,000
 - D. \$2,000
- _____ 4. At the end of one year, how much money would you have if you invested \$10,000 and earned 3% simple interest?
- A. \$10,300
 - B. \$10,600
 - C. \$13,000
 - D. \$30,000

- _____ 5. At the end of five years, how much money would you have if you invested \$100 and earned 5% simple interest?
- A. \$105
 - B. \$125
 - C. \$175
 - D. \$225
- _____ 6. Using the Rule of 72, how long will it take to double your money if you have an interest rate of 8%?
- A. 8 years
 - B. 9 years
 - C. 12 years
 - D. 16 years
- _____ 7. Using the Rule of 72, how long will it take to double your money if you have an interest rate of 12%?
- A. 6 years
 - B. 7 years
 - C. 9 years
 - D. 12 years
- _____ 8. Using the Rule of 72, how long will it take to double your money if you have an interest rate of 2%?
- A. 20 years
 - B. 24 years
 - C. 36 years
 - D. 72 years
- _____ 9. Using the Rule of 72, how long will it take to double your money if you have an interest rate of 6%?
- A. 3 years
 - B. 6 years
 - C. 12 years
 - D. 24 years
- _____ 10. Using the Rule of 72, how long will it take to double your money if you have an interest rate of 18%?
- A. 4 years
 - B. 8 years
 - C. 12 years
 - D. 18 years

Activity 9.10

Lender Matching

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

Match each type of financial lender with its description.

- | | | | |
|-----------|--|----|--|
| _____ 1. | Commercial banks | A. | A financial institution that does business over the Internet. |
| _____ 2. | Credit union | B. | Offers cash loans with interest in exchange for property left as collateral. |
| _____ 3. | Finance company | C. | Issues credit cards for gas, oil, and other items sold at the company's outlets. |
| _____ 4. | Life insurance policy | D. | Offers small, short-term loans also known as "cash advance loans." |
| _____ 5. | Oil company | E. | Offers personal loans, installment loans, and credit cards to members. |
| _____ 6. | Online lender | F. | A person who offers cash loans with or without interest. |
| _____ 7. | Payday loan company | G. | Act as source of personal loans, installment loans, and credit cards; generally offer competitive interest rates. |
| _____ 8. | Pawnbroker | H. | A business may offer its own charge accounts and may hold merchandise in layaway. |
| _____ 9. | Private lender | I. | Offers its own credit card allowing card holders to charge travel, entertainment, and recreation expenses at participating businesses. |
| _____ 10. | Retail store | J. | Offers policyholders the option of borrowing from the cash value of their policy at low interest rates. |
| _____ 11. | Savings and loan association | K. | Offers cash loans at higher interest rates than those offered at banks; also called small-loan companies. |
| _____ 12. | Travel-and-entertainment credit card company | L. | Act as a source of home improvement, mortgage, education, and personal loans; some offer credit cards. |

Activity 9.11

Would You Loan?

Name _____ Date _____ Hour _____

Student Materials

Pen or pencil

Directions

How do financial institutions determine who is a good risk for a loan? Sometimes it is not clear cut and loan officers must decide whether the individual is an acceptable risk. While financial institutions may use many factors in determining loans such as credit score and employment, the loan officer still must look at the individual situation.

In the scenarios below, the individuals have applied for loans. Determine whether you would loan the money to them. Explain why or why not.

1. **Alex, Age 22**

Alex went to college for a couple of years but dropped out before graduating. He works at a local furniture store selling furniture and helping with deliveries. He has a credit card but rarely uses it. He lives in an apartment with a roommate. Alex has a checking account with approximately \$500 in it and no savings account. Alex is tired of working at the furniture store and decides that he could start a small moving business. He needs a loan to buy a large truck and do some advertising. Alex wants to borrow \$20,000 from the bank. Would you loan money to Alex? Why or why not?

2. **Julia, Age 24**

Julia just recently graduated from college and has been employed as a teacher for the past year. Julia lives in a small rental house and generally walks to her job. She has an older car that her parents had given her while she was in college. She has both a checking and savings account and a small balance on a credit card. Although she does not have a lot of credit history, what she does have is very good. Julia would like a loan of \$20,000 to purchase a new car that is more reliable. Would you loan money to Julia? Why or why not?

3. **Trevor, Age 20**

Trevor graduated from high school two years ago and lives at home with his parents. He has a good job in construction and makes good money. He has been living with his parents so that he can save money. He has been saving money and has almost \$15,000 in his savings account. He has a credit card but always pays off the balance every month and also a truck payment of \$400. Trevor is planning on getting married next month. He has found an older, quaint house that needs repairs but is structurally in good condition. The house is going to be auctioned off and Trevor has heard through the grapevine that it is expected to bring only around \$30,000! His parents will help Trevor by giving him a gift of \$5,000. Trevor is also willing to put in \$5,000 toward the house out of his savings. That leaves only \$20,000 he would have to borrow.

Trevor would like to borrow \$20,000 to purchase the house. Would you loan Trevor the money? Why or why not?

4. **Pamela, Age 32**

Pamela has recently purchased a house and would like to update the kitchen. She has a great job as a company attorney. She has several credit cards, but the balances on the cards are minimal. She has an excellent credit score.

Pamela would like to borrow \$30,000 to update her kitchen. Would you loan Pamela the money? Why or why not?

Activity 9.12 Credit Card Comparison

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

Using the information from three credit cards, complete the table below. If print information is not available, information can be obtained via the Internet or your local bank.

	Credit Card #1	Credit Card #2	Credit Card #3
Issuer			
Introductory Interest Rate/ No. of Months			
Interest Rate			
Annual Fee			
Transaction Fees or Other Fees?			
Days in Grace Period			
Credit Limit			
Incentives			

Which of the three credit cards would you prefer to have? Explain your answer.

Activity 9.13

Financial Scenarios

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

Write a brief explanation of whether or not you believe the individual acted appropriately or inappropriately in the following situations. If the individual acted inappropriately, explain what you think would have been a better course of action.

1. Tom just started his first professional job and was excited about the pay. He chose not to have taxes withheld from his paycheck; after all he felt it was his money. There were so many things Tom wanted to buy. He rationalized that he had worked hard to get the job and now deserved to purchase the items. However at the end of the year, Tom owed money to the IRS, had thousands of dollars in credit card bills and no savings.

2. Alicia has had a checking account for about a year. She always writes down all transactions in the register and her friends joke about her knowing her balance down to the penny. When she looks at her bank statement she is shocked that it shows almost \$400 less than her check register. She immediately compares the two and notices that a charge on her debit card for \$40.00 was entered as \$400.00. She immediately calls the bank and the business that made the error.

3. Mary has been saving her money for a used car and she almost has enough. Several of her friends recently bought cars and she is feeling left out. Since she is so close, she sees no harm in going to a payday lender and taking out a small loan.

4. Jake and Marie have been married a short time and both enjoy traveling. They both have good jobs and very little debt. They decide to take a vacation and book an airline flight and hotel using a credit card. When they return and receive the credit card statement, they pay off the balance since they had planned and budgeted for the vacation.

5. Daniel and Josie are excited about their first apartment together. They decide to purchase new furniture and an entertainment system and use a credit card. They looked at their budget and determined they would have no problem making the minimum payments every month.

Activity 9.14 Insurance Word Scramble

Name _____ Date _____ Hour _____

Student Materials

Pencil

Directions

Unscramble each of the clue words. Copy the letters in the numbered cells to the final message cells with the same number.

1. RIKS

		11	26

2. POENITTOCR

									7

3. LEIF

			14

4. LEHHAT

		23		16	

5. UOOLBATMIE

			4						

6. EHMO

			17

7. CICTADNE

	6			15		20	

8. IYLIBASTD

	1		13		21				

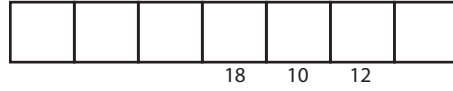
9. PORC

			8

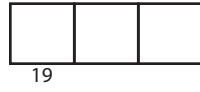
10. TECDUIDEBL

									9

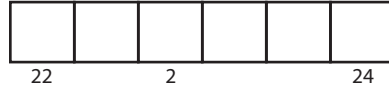
11. MIEPUMR



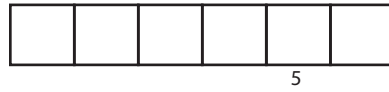
12. AEG



13. DEERNG



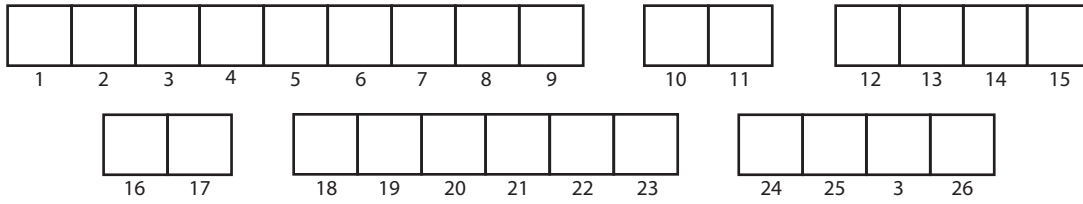
14. RODCER



15. SILLEFYET



Final Message:



Activity 9.15

Bankruptcy Options

Name _____ Date _____ Hour _____

Student Materials

Pencil

When should a person file for bankruptcy? Filing for bankruptcy is a serious financial decision that can affect a person for years. When an individual is in financial stress there are several options that can be taken: file for bankruptcy, get credit/financial counseling, get debt consolidation loans, or take out home equity loans. Each option has its benefits and its pitfalls.

Directions

In the scenarios below, the individuals are in financial stress. Determine what you believe would be the best option for the individual: file for bankruptcy, get credit/financial counseling, get a debt consolidation loan, or take out a home equity loan. Explain your answer.

1. Jay is a single dad with two small children. His wife decided the marriage was not what she wanted and she filed for divorce several years ago. Although she is supposed to pay child support, Jay has a difficult time collecting the full amount. Jay had a good job working in a family-owned business, but storm damage destroyed the company building and the owners decided it was not worth it to try to rebuild. Jay has been doing odd jobs while looking for full-time employment. He is having an extremely difficult time paying bills. Bill collectors have been calling and the bank is threatening foreclosure on his house. Jay has decided that perhaps the best option is filing for bankruptcy and moving in with his parents until he can get back on his feet and support his two children.

2. Tony and Gabriel have been married for 15 years. They both had great jobs until the recession hit and Gabriel was laid off from her job as a corporate accountant and Tony had to take a cut in pay at his company. Neither of them ever imagined they would be in a situation where they were not making lots of money so they were not concerned that they had very little savings. They have a very nice house and several cars as well as expensive artwork. They are having a difficult time just paying the mortgage and the minimum on credit cards.

3. Daniel got a great job out of college and loved finally having money to spend. He purchased a luxury car, a condominium, and spent his vacation time traveling. He thought he was a pretty smart money manager and when a friend offered him the chance to get in on some “great investments” he jumped at the chance. As it turned out, the investments weren’t so great and Daniel lost a lot of money. He is now having trouble making his monthly bills and he can’t afford the lifestyle that he had previously enjoyed. He wants a quick way out of this mess and is thinking about bankruptcy.
