

Session 8 - Financial Management

Activity 1 – Here Today Gone Tomorrow

Read the story regarding MC Hammer found on Worksheet 1. Then answer the questions listed below.

Why do you think that it is so hard to manage money?

How do you think it feels to go from great wealth to huge overwhelming debt?

When you read the article could you predict his money troubles?

What was your first clue that he was heading for trouble?

Do you have to be good at math to be good at handling your money?

Do you have any bad money habits?

Do you have any good money habits?

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Activity 2 – Get Rich Quick

Do you want to be rich? Where do you start? Here are some tips that should get you off to a good start! Read the tips listed below. Circle the numbers you are already doing. Place a check beside the tips you believe you could start doing this year. Place an X beside the items you feel are so difficult that you may never be able to do them.

_____ Set financial goals for the year. Create reminders of these and goals posted them in your room.

_____ Stop everyday spending, put your money in the bank.

_____ 3 Avoid paying interest, don't use credit to buy things you cannot afford.

_____ Leave credit cards at home.

_____ Avoid lottery tickets and cigarettes.

_____ Be a savvy spender. Shop only when necessary.

_____ Look for coupons sales and off-season bargains.

_____ Follow the rule of 3. To find the best deal pick out 3 different stores and compare the cost of an item.

_____ Shop at thrift and discount stores

_____ Swap clothes with friends and relatives.

_____ Avoid buying food at convenience stores. Shop at grocery stores instead.

_____ Go to \$1 movies or rent videos.

_____ Write letters or use email rather than calling long distance.

_____ Give homemade gifts.

_____ If you get an allowance put part of it in your savings account and the rest of it in your checking account.

_____ If you have a job, put \$10 or \$20 from each paycheck into your savings before you pay your bills.

_____ Put \$1 a day plus your loose change in a jar-you could accumulate up to \$50 a month for your savings account.

_____ Reduce your spending by doing the following: bring a brown bag lunch, buy snacks 3 days instead of 5 days a week, and/or buy clothes off season.

_____ Put money aside in an interest bearing savings account. The more money the more they are to let you save the money.

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Activity 3 – Party Plans

You have a set amount of money to spend on a party for your sixteenth birthday. You have been given \$350.00 to spend on a location, decorations, food, music, and invitations. Make a list of the things you would purchase for the party. Be sure to write a description and cost amount beside each item.

Description	Cost
Location	
Decorations	
Food	
Music	
Invitations	
Birthday Outfit	_____
Total	\$