

# #9151 FINANCIAL MANAGEMENT FOR YOUNG ADULTS: GETTING YOUR START

AMERICAN PRODUCTION SERVICES

2000

Grade Levels: 11-13+

28 minutes

1 Instructional Graphic Enclosed



## DESCRIPTION

Offers expert advice to young adults about their financial futures. Discusses starting early to save; credit vs. debit cards; the difference between savings, budgeting and investing; good spending habits; and getting started. Setting goals helps determine a sound financial future.

## ACADEMIC STANDARDS

### Subject Area: Life Work

- Standard: Manages money effectively
  - Benchmark: Prepares and follows a budget
  - Benchmark: Makes forecasts regarding future income and expenses
  - Benchmark: Uses sound buying principles for purchasing goods and services
  - Benchmark: Understands credit and uses it effectively

## INSTRUCTIONAL GOALS

1. To explain the benefits of financial planning.
2. To demonstrate the drawbacks of accruing debt.
3. To define the difference between *savings*, *budgeting* and *investing*.

## VOCABULARY

1. compounded interest
2. inflation
3. interest rates
4. investments
5. rate of return

## BEFORE SHOWING

1. Determine who has a personal budget in the classroom. Ask them to share their experiences and their struggles when it comes to maintaining their budget.
2. Discuss the difference between *savings*, *budgeting* and *investing*.

3. Create a list of needs and desires for your personal budget. What do you need and what can you live without? Review these after viewing the video and see if they remain the same.

## AFTER SHOWING

### Discussion Items and Questions

1. Discuss the following as a group:
  - a. How do your personal budgeting habits fit with the goals of this video?
  - b. What are the benefits of early investing and starting a financial plan today?
  - c. Why is it important to understand debt?
  - d. Share dangerous spending habits.
  - e. What can you do today to change your financial management habits?
2. Discuss the difference between a *credit card* and a *debit card*.
3. How does the state of the economy affect interest rates?
4. Clarify the difference between what you want to spend and what you need to spend.

### Applications and Activities

1. Construct a goal sheet for yourself. Include your future plans for education, career, family, retirement age, etc.
2. Create or refine your own personal budget. (See INSTRUCTIONAL GRAPHICS.)
3. List the pros and cons of credit cards.
4. Research and report on an expert in the field of financial management and what they can do to help improve the consumer's knowledge of finances.

## RELATED RESOURCES



### Captioned Media Program

- Building Your Money Pyramid: Financial Planning #3218
- The Checkbook #3221
- Road to Wise Money Management #7773



### World Wide Web

The following Web sites complement the contents of this guide; they were selected by professionals who have experience in teaching deaf and hard of hearing students. Every effort was made to select accurate, educationally relevant, and "kid safe" sites. However, teachers should preview them before use. The U.S. Department of Education, the National Association of the Deaf, and the Captioned Media Program do not endorse the sites and are not responsible for their content.

- **FINANCIAL PLANNING: BUDGETING**  
<http://financialplan.about.com/cs/budgeting/index.htm>

Included are links to numerous sites with information and tips about successful budgeting.



- **LEARN 2 ESTABLISH A PERSONAL BUDGET**

<http://www.learn2.com/05/0564/0564.asp>

Provides a step-by-step guide to assist in setting up a personal budget. Also includes links to help with issues such as getting out of debt, balancing a checkbook and negotiating a raise.

- **CNN/MONEY 101**

<http://money.cnn.com/pf/101/>

An interactive course designed to assist in managing personal finances. Includes lessons on creating a budget, basics of banking and saving, and basics of investing.

## **INSTRUCTIONAL GRAPHICS**

- BASIC BUDGET WORKSHEET

### Basic Budget Worksheet

<b>CATEGORY</b>	<b>MONTHLY BUDGET AMOUNT</b>	<b>MONTHLY ACTUAL AMOUNT</b>	<b>DIFFERENCE</b>
<b>INCOME:</b>			
Wages Paid			
Bonuses			
Interest Income			
Capital Gains Income			
Dividend Income			
Miscellaneous Income			
<b>INCOME SUBTOTAL</b>			
<b>EXPENSES:</b>			
Mortgage or Rent			
Utilities: Gas/Water/Electricity/Trash			
Cable TV			
Telephone			
Home Repairs/Maintenance			
Car Payments			
Gasoline/Oil			
Auto Repairs/Maintenance/Fees			
Other Transportation (tolls, bus, subway, etc.)			
Child Care			
Auto Insurance			
Home Owners/Renters Insurance			
Computer Expenses			
Entertainment/Recreation			
Groceries			
Eating Out			
Gifts/Donations			
Healthcare Insurance (medical/dental/vision)			
Hobbies			
Interest Expenses (mortgage, credit cards, fees)			
Magazines/Newspapers			
Pets			
Miscellaneous Expenses			
<b>EXPENSES SUBTOTAL</b>			
<b>NET INCOME (income less expenses)</b>			