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IT'S YOUR FUTURE

WILL YOU SURVIVE FINANCIALLY?



A Simulation Involving Students in Real-World Financial Problems



It's Your Future **Will You Survive** **Financially?**

By Joan James





About the author

Joan James PhD, NBCT has taught regular- and special-education students in a variety of grades and subjects in many different educational settings (inner city, rural, reservation, laboratory school, bilingual school) for over thirty years. She is an assistant professor in the College of Education at the University of Wyoming, where she helps prepare preservice teachers for their future teaching careers. Joan is passionate about engaging P–16 students in authentic, meaningful, memorable, and intrinsically motivating learning. She writes articles and books for the purpose of assisting preservice and practicing teachers in the creation of experiential, relevant, and exciting instruction for their students.

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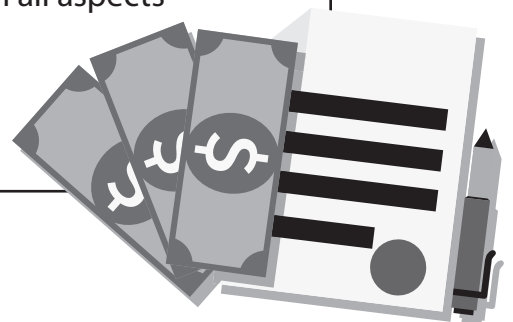
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Welcome to *It's Your Future:* *Will You Survive Financially?*

In this simulated two- to three-week unit of instruction, fourth- through twelfth-grade students are transported forward in time to their future as young adults.

They “*become*” eighteen-year-olds who recently graduated from high school and now live independently: making their own life decisions, paying their own bills, holding down a minimum-wage job, and saving money to enroll in college or engage in future endeavors. This simulated unit is very important for all students, beginning in fourth grade and repeated in some form every year through high school, because it helps them think in advance about the financial realities of independent living while applying essential math, economics, and financial literacy standards in a realistic context. Students keep accurate records of their finances as they learn the cost of rent, security deposits, car payments, gasoline, liability insurance, utilities, cell phones, cable TV, Internet service, and food. Additionally, students learn financial vocabulary and use math skills to solve realistic problems related to their finances. Throughout this unit, students are actively engaged in authentic, meaningful, and memorable learning. They come into class excited to learn and enthusiastically participate in all aspects of this financial simulation.



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● Introduction ●

Finally, the time has come. I turned eighteen a couple of months ago and successfully graduated from high school. It's so exciting to officially be an adult, and I can't wait to get a job and start earning some money. As soon as I can save enough money, I want to get an apartment and start living my life independently of my parents, paying my own bills and making my own decisions. I am confident that I will be able to earn enough to pay all my bills and have enough left over to start saving for college. I don't want a roommate, but I think I do need to buy a used car...

In this simulated unit of instruction, fourth- through twelfth-grade students are transported forward in time to their future as young adults. They will “become” eighteen-year-olds who recently graduated from high school and want to live independently: making their own life decisions, paying their own bills, holding down a minimum-wage job, and saving money to enroll in college or for their future endeavors.



Purpose

(Educational Objectives: Knowledge, Skills, and Attitudes)

This simulated unit of instruction is very important for all students, beginning in fourth grade and repeated in some form every year through high school, because it helps them think in advance about the financial realities of independent living while applying essential math, economics, and financial literacy standards in a realistic context.

Prior to this unit, students usually have many misconceptions about independent living. They think it will be easy to get a job and start earning money. They have no knowledge of the cost of things such as rent, security deposits, car payments, gasoline, liability insurance, utilities, cell phones, cable TV, Internet service, eating out, and cigarettes (if they choose to smoke). During their childhoods, many receive little encouragement to contribute to a savings account. Many research studies support the fact that contemporary children often grow into young adults who have little or no experience managing money. As a result, they have grossly unrealistic estimates of the cost of living and tend to go overboard on their expenses (Commane, 2013; Saulny, 2012; Sridhar; Yen, 2011).

According to Marks and Martin, young adults are currently faced with staggering levels of debt, underemployment, and joblessness. Fifty percent of the millennial generation (born from 1980 through the late 1990s) live paycheck to paycheck (Shin, 2014). Thirty-five percent continue to get help from their families and do not think much about long-term financial saving. In fact, 22 percent have not saved anything at all (Shin, 2014). Fifty-seven percent find it really difficult not to overspend, and many of these report that overspending is one of their top stressors. To avoid the stress of overspending, half of millennials pay their credit card bill in full each month, and 35 percent use cash instead of a credit card to keep a tight rein on their budget (Shin, 2014). In contrast, generation Z (born from 1996 to present), who are just now beginning to enter young adulthood, appear to have better financial skills. Seventy-six percent say it is important to save money, and more than half have a savings account. Still, 25 percent have a credit card, and more than half of these carry a balance for at least six months (Malcolm, 2012).

Inflated costs of basic necessities have resulted in thousands of young adults (ages eighteen to twenty-four) struggling to survive financially. Currently, over 50 percent of these young adults are unemployed and either living at home, living in poverty, or homeless. Others rely on high-interest credit cards to make ends meet and, as a result, face *debt distress*, spending 40 percent or more of their income on debt payments. Young adults need to be better prepared for the financial realities facing them once they leave their parents' nest (Commane, 2013; Saulny, 2012; Sridhar; Yen, 2011).

The following educational objectives (knowledge, skills, and attitudes) are addressed in this unit of study:

1. Students are actively engaged in authentic, meaningful, and memorable learning throughout this unit. They come into class excited to learn and enthusiastically participate in all aspects of this financial simulation.
2. Students learn about the financial realities of working a minimum-wage job and independent living.
3. Students learn and thoroughly understand financial vocabulary (minimum wage, security deposit, utilities, interest, deposit, withdrawal, balance, checking account, savings account, debit card, take-home pay, finances, inflation, benefits, etc.).
4. Students learn that different life choices can have a dynamic effect on their financial well-being. These life choices include pursuance of post-secondary education, job/career choice and the resulting wage earned, expenditures accrued, ability to save, and more. Some examples follow.

Example #1: Students learn that paying for a higher education can be expensive but that earning scholarships can alleviate much of this expenditure. Saving money now, and in the future, can also help with this great expense.

Example #2: Students learn that sharing rent, utilities, Internet, cable TV, etc. with a roommate is less expensive than paying these bills on their own.

Example #3: Students learn that there are many costs related to owning a car (car payments, gasoline, liability insurance, repairs).

Example #4: Students learn that cigarette smoking is expensive, not only for their health but also for their pocketbook.

Example #5: Students learn that it is difficult to make ends meet when working a minimum-wage job, especially after deductions are made for social security, taxes, etc.

Example #6: Students learn that simple, irresponsible life choices can be very expensive—getting a ticket for speeding, paying to have a cavity filled, repairing apartment damage after a party, etc.

5. Students learn that it is important to keep accurate records of their finances and that one error can result in a problematic cascading effect.

Purpose

6. Students learn how to write a check and/or use a debit card, how to address an envelope, and how to keep track of finances on a checkbook / debit card register.
7. Students learn to think through realistic problems related to their finances and use their math knowledge and decision-making skills to solve these problems.



Overview

Why Use This Unit

Preparation for a financially independent future is the predominant reason for this realistic, easy-to-use, simulation. As students engage in this independent-living simulation, they experience the real-life application of many useful financial vocabulary terms, mathematical, financial literacy, and economic decision-making skills. Math skills include realizing the importance of precision and procedural fluency in adding and subtracting decimals and figuring percentages (removing percentages of the paycheck for social security and federal taxes and figuring the interest earned in a savings account or paid when borrowing money)—essential math goals for fourth through twelfth grades as outlined in the United States Common Core State Standards (CCSS). Financial literacy skills include budgeting, saving, and buying goods and services—skills outlined in the National Standards for Financial Literacy. Students also learn essential decision-making skills (determining their budget and expenses for their second month of independent living)—satisfying benchmarks detailed in the Economic Decision Making subset of Dimension 2 of the C3 Framework. Through this real-life simulation, students gain competence and confidence in their financial readiness for independent living and in their mathematical and financial abilities. Students are truly engaged as they “become” eighteen-year-olds working full time, minimum-wage jobs and paying their own bills.

Who Will Benefit from This Unit

This simulated unit of instruction is intended and appropriate for fourth-through twelfth-grade students. This simulation can be successfully accomplished by all fourth- through twelfth-grade students and fits nicely into any math, economics, social studies, or life skills class. In my numerous pilots of this unit with fourth and fifth graders, I have witnessed boundless excitement and high levels of intrinsic motivation by all students including those who have been identified as being English language learners (ELL), gifted and talented (G/T), attention deficit hyperactivity disorder (ADHD), learning disabled (LD), emotionally or behaviorally impaired, or motivationally challenged. The mother of one of my struggling math students told me that her daughter talked endlessly about this simulation. She was so engaged in this simulation that disappointment was expressed when she found out we didn’t have math one day because of a field trip. For all of these students, the struggle to maintain focus and concentration during most traditionally delivered instruction was nonexistent during this simulation.

Moreover, this unit is very satisfying for students who are eager for a challenge because it is a subject about which they have little knowledge. These students are always eager to learn something new and often make amazing connections and arrive at incredible insights. For example, one

Overview

of my students who was eligible for the G/T program had been extremely attentive and engaged during the introductory sessions of this simulation. He enthusiastically shared his insight: "With all these extra expenses and then the fate cards where we might have to pay even more, I'm not even sure we're going to survive." His mother told me this simulation sparked home discussions that were indicative of her son's deep thinking about the complexities of independent living.

It is appropriate to repeat the same simulation in multiple years. In fact, students beg to do the simulation again and again, year after year. As students mature in age and experience with these concepts, the independent learning and related class discussions deepen. The repetition of the basic financial concepts over multiple school years is recommended.

Time Required

This simulation can be implemented in a variety of ways and can be flexibly adapted by the teacher to any classroom environment, time frame, and needs of diverse students. Below is a list of some of the options for implementing this unit:

- a. ***Ten 50–60-minute class periods***—The basic simulation involves completing and discussing a **Life-Choices Questionnaire**, learning and discussing financially related vocabulary, and keeping track of bank deposits and withdrawals using a checking / debit card register for the first two months of independent living.
- b. ***Fifteen 50–60-minute class periods***—The five extra class periods allow greater flexibility for diverse students to work at their own pace through this simulation. Students who finish the basic simulation early and who are ready for a challenge have the opportunity to solve application problems related to the financial realities of independent living. Students who need more time and/or some one-on-one instruction to be successful are provided with that opportunity.
- c. ***More than fifteen 50–60-minute class periods***—There are three extension activities provided in this simulation, in addition to numerous real-life application problems. If more time is provided for this unit of instruction, these extension activities and real-life application problems would be very beneficial.

Differentiation

Since students work through much of this unit at their own pace, ample challenging extensions of finance-related real-life applications are provided for those who finish the basic unit early. Those who work at a slower pace are thus given the extra time to complete the basic unit satisfactorily. The teacher is able to provide one-on-one assistance for those who are struggling with

the concepts as well as coaching for those working on the more challenging extension problems.

The teacher is also able to change or add existing fate cards and realistic application problems or adapt the independent living expenses to better fit school location and student needs.

Gradual Release of Responsibility Instructional Design

A gradual release of responsibility instructional design is utilized throughout this unit. First, the teacher models or explicitly explains the vocabulary, concepts, and skills. While doing this, the students are engaged in whole-class learning through interactive discussion as the teacher asks clarifying questions and encourages students to share their personal connections with the material. Next, the students practice the vocabulary, concepts, and skills with the teacher providing guided instruction as necessary. Before long, the students are able to use and apply the vocabulary, concepts, and skills independently or with a partner (depending on the activity) with confidence and work through the unit at their own pace.

Assessment of Learning

Before any teaching takes place, students write a pre-assessment essay on their background knowledge related to financially managing the expenses of independent living while working a full-time, minimum-wage job. Following the ten- to fifteen-day simulation, students write a post-assessment essay on the same topic. The two essays are compared to determine the growth in students' understanding of finances and the realities of living independently and paying their own bills.

Formative assessment occurs continually during this simulation on the financial realities of independent living. The many interactive discussions throughout the unit are useful formative assessments and assist the teacher in developing an awareness of which concepts the students thoroughly understand and where there are misconceptions requiring more clarification and reteaching. For example, when discussing *federal minimum wage* in my class, I asked if anyone knew the meaning of *federal*. One student responded, "I don't know exactly, but I'm pretty sure it means professional." I told her that was a good guess and that it is OK to guess when you don't know for sure. Another student knew that "*federal* is a type of national government." Later, I asked if anyone had an idea of the meaning of a *security deposit*. A student in my class said he thought a security deposit was for *your* security (the person renting the apartment). I explained that it is more for the security of the person who owns the apartment. This disturbed another student, and she asked, "Why don't *they* pay for their *own* security? Why do *you* have to pay for *their* security?" This resulted in a rich discussion to clarify the meaning of, and reasons for, security deposits.



Teaching tip

Encourage students to take risks in their thinking and emphasize that it is acceptable to ask questions for clarification and to use induction and deduction to make guesses related to their understanding.



Teaching tip

It is helpful to find ways to connect the new concepts being taught to the students' background knowledge.



Teaching tip

Facilitate as the students attempt to figure out or construct the meaning of a financial vocabulary term and, when necessary, learn from their mistakes.

Overview

A test is used to assess knowledge of financial vocabulary. Additionally, students are assessed on their mathematical skills when balancing a checkbook / debit card register and solving realistic application problems.

End-of-Unit Celebration and Student-Parent Sharing

At the end of the simulation, students can celebrate by sharing what they have learned with their parents. Parents can be invited to come to school during the school day or attend an after-school or evening event. Students can write and deliver the invitations to their parents.

Teaching tip

If a student's parents are unable to attend, another child's parents can "adopt" them for the event.



During this event, the students take their parents on a virtual tour of the simulation and thoroughly explain every part of the simulation while describing their success in surviving financially during their first two months of independent living. Parents are free to ask their child clarifying questions. Students at all ages are excited about the prospect of sharing this learning with their parents. This is, indeed, a celebration!



Standards Addressed

National Standards for Financial Literacy

Earning Income

Benchmarks: Grade 4

At the completion of Grade 4, students will know that

- People earn an income when they are hired by an employer to work at a job
- Income can be received from family or friends as money gifts or as an allowance for which no specified work may be required
- Income earned from working and most other sources are taxed. The revenue from these taxes is used to pay for government provided goods and services.

Benchmarks: Grade 8

At the completion of Grade 8, students will know that

- Social Security is a government program that taxes the income of current workers to provide retirement, disability, and survivor benefits for workers or their dependents.

Buying Goods and Services

Benchmarks: Grade 4

At the completion of Grade 4, students will know that

- People make choices about what goods and services they buy because they can't have everything they want—this requires individuals to prioritize their wants
- Planning for spending can help people make informed choices; a budget is a plan for spending, saving, and managing income.

Benchmarks: Grade 8

At the completion of Grade 8, students will know that

- A budget includes fixed and variable expenses, as well as income, savings, and taxes
- People may revise their budget based on unplanned expenses and changes in income.

Benchmarks: Grade 12

At the completion of Grade 12, students will know that

- Consumer decisions are influenced by the price of a good or service, the price of alternatives, and the consumers' income as well as their preferences.

Standards Addressed

Saving

Benchmarks: Grade 4

At the completion of Grade 4, students will know that

- Income is saved, spent on goods and services, or used to pay taxes.

Benchmarks: Grade 8

At the completion of Grade 8, students will know that

- Different people save money for different reasons, including large purchases (such as higher education, automobiles, and homes), retirement, and unexpected events. People's choices about how much to save and for what to save are based on their tastes and preferences.

Protecting and Insuring

Benchmarks: Grade 4

At the completion of Grade 4, students will know that

- Risk from accidents and unexpected events is an unavoidable part of daily life.

Benchmarks: Grade 8

At the completion of Grade 8, students will know that

- Personal financial risk exists when unexpected events can damage health, income, property, wealth, or future opportunities.

C3 Framework

Dimension 2: Applying Disciplinary Concepts and Tools

Economics

Economic Decision Making

By the end of Grade 2,

- **D2.Eco.1.K-2.** Explain how scarcity necessitates decision making.
- **D2.Eco.2.K-2.** Identify the benefits and costs of making various personal decisions.

By the end of Grade 5,

- **D2.Eco.1.3-5.** Compare the benefits and costs of individual choices.
- **D2.Eco.2.3-5.** Identify positive and negative incentives that influence the decisions people make.

United States Common Core State Standards (CCSS)***Number and Operations in Base Ten:***

- Use place value understanding and properties of operations to perform multi-digit arithmetic.
- Fluently add and subtract multi-digit whole numbers using the standard algorithm.
- Perform operations with multi-digit whole numbers and with decimals to hundredths: Add, subtract, multiply, and divide decimals to hundredths.

Expressions and Equations:

- Solve real-life and mathematical problems using numerical and algebraic expressions and equations.
- Solve multi-step real-life and mathematical problems posed with positive and negative rational numbers in any form (whole numbers, fractions, and decimals), using tools strategically.
- Apply properties of operations to calculate with numbers in any form; convert between forms as appropriate; and assess the reasonableness of answers using mental computation and estimation strategies.

Quantities:

- Reason quantitatively and use units to solve problems.
- In real world problems, the answers are usually not numbers but quantities: numbers with units, which involves measurement.

Modeling:

- Links classroom mathematics and statistics to everyday life, work, and decision-making. Modeling is the process of choosing and using appropriate mathematics and statistics to analyze empirical situations, to understand them better, and to improve decisions. Quantities and their relationships in physical, economic, public policy, social, and everyday situations can be modeled using mathematical and statistical methods.

● Three-Week Calendar ●

(50–60 Minutes per Day)

	Monday	Tuesday	Wednesday	Thursday	Friday
Week #1	Life-Choices Questionnaire and discussion. <i>(Whole class)</i> Life-Choices Questionnaire	Write pre-unit essay. <i>(Independently)</i> Share with partners or class. Pre-unit Essay Assessment	Important vocabulary and concepts discussion. <i>(Whole class)</i> Vocabulary Assessment	Recap of vocabulary and concepts. <i>(Whole class)</i> Vocabulary assessment. <i>(Independently)</i> Your Future—Month One	Read and discuss Your Future—Month One . Figure take-home pay. <i>(Whole class)</i> Figuring Take-Home Pay and First-Month Bills
Week #2	Teach check-writing skills. Model use of checkbook / debit card register. Guide initial deposit / first bill (check, envelope, register). <i>(Whole class)</i> Students pay bills. <i>(Independently)</i> Checkbook / Debit Card Register and Blank Checks	Students continue paying bills (write checks, mail in envelopes) and record in register. Check with key for accuracy. <i>(Independently)</i> Checkbook / Debit Card Register and Blank Checks	Students continue bill paying for month one. <i>(Independently)</i> When finished, each chooses and reads aloud a fate card to <i>whole class</i> . Begin month two. <i>(Independently)</i> Checkbook / Debit Card Register, Blank Checks, Fate Cards, and Your Future—Month Two	Students continue process at own pace. Most begin and proceed to month two. Check register with calculator in month two. <i>(Independently)</i> Checkbook / Debit Card Register, Blank Checks, Fate Cards and Your Future—Month Two	Students who finish work on real-life application problems. <i>(Independently or with partners)</i> The unit may end here with a post-unit discussion (<i>whole class</i>), essay assessment (<i>independently</i>), and/or Parent Night sharing. Checkbook / Debit Card Register, Blank Checks, Your Future—Month Two, and Real-Life Application Problems
Week #3	Students continue working at own pace. <i>(Independently)</i> Checkbook / Debit Card Register, Blank Checks, Your Future—Month Two, and Real-Life Application Problems	Students continue working at own pace. <i>(Independently)</i> Checkbook / Debit Card Register, Blank Checks, Your Future—Month Two, and Real-Life Application Problems	Students continue working at own pace. <i>(Independently)</i> Checkbook / Debit Card Register, Blank Checks, Your Future—Month Two, and Real-Life Application Problems	Students continue working at own pace. <i>(Independently)</i> Checkbook / Debit Card Register, Blank Checks, Your Future—Month Two, and Real-Life Application Problems	Post-unit discussion (<i>whole class</i>), essay assessment (<i>independently</i>), and/or Parent Night sharing. Post-unit Essay Assessment

● Materials ●

For the basic ten- to fifteen- hour simulation, students should be supplied with their own “finance folder.” In this folder will be the following:

- **Pre-unit Essay Assessment**
- **Life-Choices Questionnaire**
- Lined paper for creating a glossary of financial vocabulary terms
- **Vocabulary Assessment** [Answer Key is available]
- **Your Future—Month One**
- **Figuring Take-Home Pay** [Answer Key is available]
- **First-Month Bills**
- **Checkbook / Debit Card Register**
- 30 **Blank Checks** (copied, cut, and paper clipped)
- **Your Future—Month Two**
- **Post-unit Essay Assessment**

Other materials to be prepared by the teacher for the basic ten- to fifteen-hour simulation:

- A mailbox created by the teacher in which students will “mail” their checks
- **Checkbook / Debit Card Register Key** displayed so students can check their math
- **Fate Cards** copied and placed individually in a cup, basket, or box for students to pick from
- **Real-Life Application Problems** copied and cut apart for students who finish early to pick a problem to work on independently or with a partner

Materials needed for each student or student pair for the extension activities:

For **Planning Meals and Buying Food** extension:

- **One-Week Menu**—one for each student
- **Ingredients Needed for the Week**—one for each student
- **Grocery Shopping List**—one for each student
- **Food Price List**—one for each student



Teaching tip

If you choose, you can extend the time frame for this unit and work through some or all of the challenge problems as a whole class.

Materials

For **Renting a Room, Mobile Home, Apartment, or House** extension:

- **Abbreviations in Rental Ads**—one for each student [Answer Key is available]
- **Rental Price Comparison Chart**—one for each student
- Advertisement pages from local newspapers or **Sample Ads**—one for each student

For **Counting Back Change** extension:

- A bag of real or play money (one \$20 bill, one \$10 bill, two \$5 bills, five \$1 bills, two half-dollars, four quarters, eight dimes, five nickels, six pennies)—one for each student pair
- **Cash Register**—one for each student pair
- **Store Items**—one for each student pair
- **Recording Sheet**—one for each student
- Calculator—one for each student



● Pre-unit Essay Assessment ●

A valuable assessment that is an integral part of this simulation is the comparison between the students' pre-unit and post-unit writing. Students use this prompt as a stimulus to write an essay about their future of living independently, which serves as a pre-assessment, and another essay will be written again at the end of the unit for comparison purposes. The pre-unit writings provide the teacher with valuable information related to students' background knowledge of financially managing the expenses of independent living while working a full-time, minimum-wage job. The post-unit assessments will generally show a lot of growth in the students' understanding of finances and the realities of living independently and paying their own bills.

Below are some real students' pre-unit essay responses typed with corrected conventions:

"I am excited to move on into my life. I just bought myself a house and my mom's Eurovan, costing me \$200. I am living in a house with no TV and one bathroom. My parents gave me food for about five weeks, but after that, I will have to buy it. I am crossing my fingers that I don't run out of money. I have my mom's old phone but no other electronic devices because it costs too much. I am hoping to go to college. I will not smoke because I do not have enough money. I have very little furniture. The furniture that I have is from my grandparents—like a bed, couch, chair (leather from my parents), dresser (old), five lamps, and a cool shelf with lots of spaces. My parents gave me \$5,000 to start with. I also got some decorations my parents have had for a long time. I have a bike that my dad bought me. It's red. I can't wait to move on." —Isabel

"I want to be a veterinarian; it is my dream to help animals. I will get a used bike, and that is how I will get around. I will think and go for walks for entertainment and have a roommate. I will save up for a laptop and try to get a job in film-making. Like my uncle, I will cook food at home. In the summer, I will go to the Adirondacks and see my mom again. I will go for my PhD or DVM and get a better job. But first, I will work at a gas station. My or our house will cost about \$500, and I will have a roommate." —Nellie

"When I walk in, I immediately start my homework. I only turn on the lights when it is dark and I have to do homework. Before I do my homework, I do my job. It's not a very highly paid job but a job. I live next to the college, so I drink and go to the bathroom there. In my free time, I usually think about the past, ride my bike, or talk to my parents. Food is expensive—\$30 a day. I cook for myself so I know what is good for me. The electric bills are high!—\$50 a week even though I barely use it. I live with a roommate, so it is not that expensive. We had to put a new bed in the bedroom so we can both fit. That took a lot of money! I am broke all the time. So mostly I have classes, then job, then shop, then prepare, then eat, then sleep. All I have for transportation is an old bike." —Samuel

Life-Choices Questionnaire

This unit begins with a questionnaire that has students contemplate questions related to their future career and education goals, desired material possessions (home, car, clothing, TV, computer, etc.), and decisions (whether to smoke, own a car, have a roommate, etc.). The teacher guides the class through this interview one item at a time, sparking rich discussions related to how the students' future decisions will affect their personal and financial well-being.

Teaching tip

Discussions are extremely



beneficial since many students are unaware of the financial costs and related information concerning the items in the questionnaire.

Teaching tip

Discussions about the questionnaire can provide the teacher with valuable information about the students' background knowledge about these topics and, as a result, can inform instruction.



Some of the concepts that can be discussed are as follows:

- Explain the value of obtaining a high school diploma, a bachelor's degree, a master's degree, and a PhD. Hold a discussion about the amount of education needed for various careers in which the students are interested. Talk about how much time it generally takes to achieve each of these college degrees and the cost involved (tuition, books, housing, etc.). Learning about how to obtain a scholarship to help pay college costs is also beneficial.
- Discuss the meaning of an efficiency apartment. Talk about how larger houses with more square footage, bedrooms, and bathrooms generally cost more money.
- Discuss the benefits of having a roommate(s) and how certain expenses (rent, utilities, Internet, food, cleaning supplies, etc.) can be shared, making these necessary payments more cost effective. Along with this, the disadvantages associated with having a roommate can also be deliberated. For example, some roommates are not responsible about paying their part of the expenses or doing their fair share of the cleaning, or are not respectful of the privacy and rights of others living in the apartment.
- Discuss how and why different vehicles cost more or less money. Talk about the necessary expenses that accompany car ownership (gas, liability insurance, monthly car payments, car repairs).
- Talk about the costs of cell phones, computers, TVs, cable, Internet, satellite, various video streaming services, etc. Discuss the pros and cons of each.
- Talk about the costs of food and how money can be saved by cooking meals at home rather than eating meals at restaurants. Discuss the added costs associated with restaurant eating such as tax and tips.
- Discuss the pros and cons of smoking cigarettes. Determining the cost of a pack of cigarettes and how much a person might spend on a smoking habit in a week or a month would add interest.

- Discuss clothing costs and how particular stores and brand names can influence prices. Discuss the benefits of buying used clothing from thrift stores.
- Discuss the costs of entertainment such as a game of bowling, going to the movie theater, a rock concert ticket, cruising up and down Main Street, enjoying pie and coffee at a restaurant with friends, etc.

**Teaching tip**

This might be a good time to include a mini health unit concerning the effects of cigarette smoking on one's health as well as the addictive nature of cigarette smoking.

● Important Vocabulary and Concepts ●

Next, to prepare the students for the upcoming simulation, it is important to introduce and clarify new terms that must be understood before embarking on their simulated journey of independence. These terms include *independence, finances, savings account, checking account, debit card, income, expenses, full-time job, overtime, minimum wage, federal, inflation, benefits (medical insurance and retirement), efficiency apartment, and security deposit.*

The teacher introduces each term verbally while writing it on the board. As the terms are introduced, the students spontaneously ask clarifying questions and share background knowledge and connections. Students create a glossary of these terms to use as a resource throughout the simulation and demonstrate their knowledge by taking the **Vocabulary Assessment**.

Teaching tip

As each term is introduced, write it on the board. Combining a visual with an auditory discussion is more effective.



Teaching tip

To make the terms meaningful and memorable for the students, it is helpful to create verbal scenarios that could happen in real life.



Teaching tip

When introducing a term, it is helpful to ask the students to share their prior knowledge.



Teaching tip

Personal stories related to these financial vocabulary terms are captivating for the students.



To make the terms meaningful and memorable for the students, it is helpful to create verbal scenarios that could happen in real life. For example, when teaching about security deposits, a scenario could be created about a situation that would bring about the loss of their security deposit. Because the students could create mental pictures of these scenarios—a cat urinating on the carpet, a food-encrusted oven, a broken window—they are more easily remembered. These scenarios often elicit questions, comments, and connections from the students, which spark deeper thinking and discussion and enrich the learning for all. For example, when talking about security deposits, one of my students told about living in an efficiency apartment with her mom and her experience of getting the security deposit back when they left the apartment spotless. Similarly, when introducing a term, it is helpful to ask the students to share their prior knowledge. For example, when talking about benefits, two of my students related information about their family members' job benefits.

Personal stories related to these financial vocabulary terms are captivating for the students. They love these personal stories and, as a result, are very focused and attentive. For example, in my class, when we were discussing how high grade point averages (GPAs) could improve chances for obtaining college scholarships, I told my students how I did poorly my first year in high school because I did not know how to study efficiently. They were on the edges of their seats as I related my experience of flunking a class and getting low grades in my other classes. I used this story to not only teach about the financial benefits of college scholarships but to also instill the value of learning from your mistakes when I described how I studied diligently the rest of my high school career, obtained high GPAs from then on, and even earned a scholarship. I find that my students remember these true stories much better than they would a simple generic explanation of a term.

Teaching a concept once is usually not enough for most students. Therefore, I find creative ways to explain or have my students experience a concept multiple times. These include (a) engaging students in thinking about a concept/term before providing a definition; (b) listening to students' ideas, connections, and background knowledge related to a concept/term; (c) clarifying the meaning of a concept/term verbally; (d) restating the explanation of the concept/term while writing it on the board; (e) having the students write the concept/term and its main points in their journals; (f) creating lifelike scenarios and telling personal memoirs that apply the concept/term; (g) having one or more students retell their understanding of the concept/term in their own words; (h) conducting a quick "think-pair-share" review; and (i) recapping the learning from one class session on the next day at the beginning of the class.

**Teaching tip**

Find creative ways to explain, or for students to experience, a concept multiple times.



Teaching tip

Read this scenario aloud very dramatically and stop often to discuss specific points with the students.

**Teaching tip**

Income and expenses during the first month of the simulation are purposely designed so that students barely survive financially with less than \$50 left in their checking/debit account after paying all their bills. This helps them see the need for cutting their expenses during future months of independent living.

**Teaching tip**

It is important that students live alone, have an old clunker car, and smoke during their first month of independent living so they can experience the expenses involved.



● The Simulation Begins ●

Now the simulation begins. As a class, you should read through the simulation's description of the student's thoughts, feelings, and plans as an eighteen-year-old who just graduated from high school and is excited to start an independent life (**Your Future—Month One** [depending on the minimum wage you decide to use]).

To prepare for living on their own, students must figure out each month's earnings when working a forty-hour week at minimum wage. The minimum wage varies from state to state. As of January 2017, the federal minimum wage was \$7.25/hour. At that time, twenty-nine states had a minimum wage above \$7.25/hour with the highest being \$10.00 (Washington, DC's minimum wage was \$10.50). Nineteen states had a minimum wage the same as the federal minimum wage—\$7.25/hour. Two states had a minimum wage of only \$5.15/hour, but the federal minimum wage overrides state minimum wages of less than \$7.25/hour. Fourteen states raised their minimum wage in 2016. Some states and localities raised it to \$15.00/hour (Minimum Wage by State, 2016). For this simulation, teachers can use the handouts that correspond most closely with their state's minimum wage. Students subtract 5 percent of their paycheck for social security and 15 percent for federal taxes. Adding this month's take-home pay to the money saved during the prior two months of working (**Figuring Take-Home Pay**), students begin their own checking/debit account.

Students learn how to write checks (**Blank Checks**) and/or use a debit card to pay all their bills (**First-Month Bills**) while tracking the balance in a checkbook / debit card register (**Checkbook / Debit Card Register**). Students "mail" checks by completing the envelope's mailing and return addresses (a lost art, but necessary skill, in this age of instant messaging), and putting the envelopes in a mailbox created by the teacher. Each student randomly draws a fate card, which either brings more income or requires payment of another bill (**Fate Cards**). Finishing up the first month, students realize they have less than \$50 left, not nearly enough to use for college enrollment.

● Your Future—Month Two ●

In their second month of independent living, the students make their own decisions.

Most get a roommate to share expenses. Also, most happily quit smoking. Deciding to sell their car in order to eliminate car payments, automobile liability insurance, gas, and repair bills is another popular change. Some decide they can manage without cable and spend less on entertainment during the month. A few decide to sell their laptop and instead use the free computers at the public library. After depositing their second month's paycheck and figuring their checkbook / debit card balance, students pick a fate card. Although all students are working independently at this point, the teacher gets the attention of the entire class each time a new student picks a fate card.

Most of the fate cards require an added expense (parking ticket, speeding ticket, dentist bill, pie and coffee with friends, need for window washing fluid, etc.), but a few bring in more money (a birthday present, finding money on the sidewalk, a winning lottery ticket, working overtime, etc.). When all are paying attention, the student reads aloud the fate card to the class and the teacher adds related comments and may hold a short interactive discussion so the class can learn more about the wide variety of circumstances that can happen in life that affect a person's financial well-being. The student adds the fate card expense or deposit to his or her checkbook / debit card register, and then pays the rest of the bills. Since every student's checkbook / debit card register will be different during this second month, students should use a calculator after each deposit or withdrawal to check their own math. Remind students that if they make a mistake in their addition or subtraction, everything below that mistake will be wrong.

After paying their bills for a second month, most of the students realize they are finally able to start saving a small amount of money for college unless, of course, they get hit with an expensive fate card.



Teaching tip

As students are finishing up their first month, hold a short whole-class discussion about what they might change during their second month of independent living.



Teaching tip

Use the reading aloud of the fate cards as a teachable moment. Hold a mini discussion about each expense.

Independent Living Application Problems

Teaching tip

You may want to place the individual problems in a container and let students who finish early choose one at random.



Teaching tip

When individual students share their problem-solving strategies with the whole class, it results in effective peer teaching.



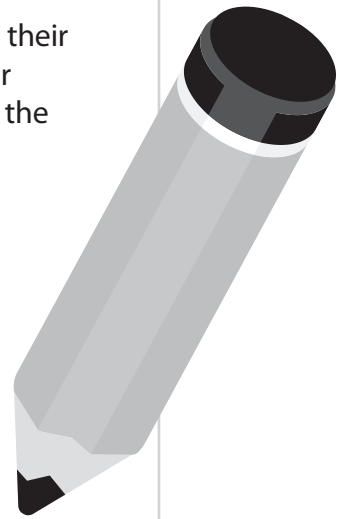
For a longer unit of instruction, ten to twenty minutes of each lesson can be devoted to using math skills (involving computation with decimals and percentages) and decision-making skills to solve problems the students may encounter when living independently. These application problems can also be used at the end of the simulation as an extension activity or provided as a challenging extension for students who finish their work early.

Students can work these problems independently or with a partner, or the teacher can guide the problem solving with the whole class. After the students work through related application problems, ask them to share their problem-solving strategies with the class. This is an effective way of determining individual understanding and providing opportunities for students to learn strategies from their peers.

It is also a way to instantaneously inform instruction, making the teacher aware of the concepts that need to be retaught to guide the students toward improved conceptual and procedural understanding.

● Post-unit Essay Assessment ●

The students end the simulation by writing another essay describing their independent living experience. The final essay is compared with their first essay and is generally much more financially realistic because of the knowledge gained during this simulation.



During- or Post-unit Extension

Teaching tip

If you would like to extend this unit beyond the ten to fifteen hours (two to three weeks) required for the basic simulation, you can add in this valuable extension activity.



Teaching tip

The prices for food items may need to be adapted to closer fit the region and community in which you teach. These prices are adequate for a city of thirty thousand people in a midwestern US state.



Teaching tip

If you would like to extend this unit beyond the ten to fifteen hours (two to three weeks) required for the basic simulation, you can add in this valuable extension activity.



Planning Meals and Buying Food

Students plan the food they will eat for breakfast, lunch, dinner, and snacks for one week and figure out the cost for this week's food. First, students plan their own menu (**One-Week Menu**) for each meal. Next, they determine the ingredients needed for each food item (**Ingredients Needed for the Week**) and make a shopping list including the price of each item (**Grocery Shopping List**). Determining the closest dollar amount of each item, students estimate the total cost of the week's food. For example, they would estimate the cost of something that's \$1.67 at \$2.00, the cost of something that's \$3.24 at \$3.00, and the cost of a 36¢ item at \$0. Finally, the students add up the total cost of this food so they know how much to budget for food each week. The students may use the provided food list (**Food Price List**) to do this, or the teacher may require that they make a trip to the grocery store to determine food prices on their own.

Renting a Room, Mobile Home, Apartment, or House

The teacher provides advertisement pages from newspapers for students to look through apartment- and house-rental ads. Students learn what each of the abbreviations in these ads means through reading the ads together as a whole class (see ads below) and then completing a matching exercise (**Abbreviations in Rental Ads**). They then make a record of the rental prices for various-sized rooms, apartments, mobile homes, and full-size homes for comparison purposes (**Rental Price Comparison Chart** and **Sample Ads**).

Rental Ad for an Unfurnished Apartment:

- 2br bsmnt, \$630/mo. inc utils, 9 mo. lease, dep. ns/np, w/d, d/w, off-str. prkng. 1.5 blks to univ.

Rental Ad for Unfurnished Home:

- 3br, 2ba, \$900+elec, ns/np, dep & lease req.

Rental Ad for Mobile Home:

- Large 3br, 2ba, M.H. for sale or rent, w/d, shed, fenced yard, pets ok

Rental Ad for Furnished Apartment:

- 3br, 2ba, furnished, close to city shuttle, all appli.—\$1200.

Rental Ad for a Room:

- Avail now. Laun facil, kitchen, \$300/mo., \$300/dep, utils pd. Includes cable, WIFI, sm. pet neg.

Counting Back Change

The teacher has the students work in pairs for this mini simulation. In the process, the teacher models how to count back change.

In pairs, students set up a “store.” They are provided with a bag of real or play money containing one \$20 bill, one \$10 bill, two \$5 bills, five \$1 bills, two half-dollars, four quarters, eight dimes, five nickels, and six pennies. They also receive the **Cash Register** handout, which is divided into sections for pennies, nickels, dimes, quarters, half-dollars, dollar bills, \$5 bills, \$10 bills, and \$20 bills, on which to sort their coins and bills. Calculators are also provided. One of the students becomes the *cashier*, and the other student becomes the *buyer*. For every item purchased, they change roles. Two worksheets are provided. One of these worksheets contains numbered items that the students will purchase at the store (**Store Items**). The other worksheet (**Recording Sheet**) is a chart of the numbered items and the amount of money the *buyer* gives to the *cashier* to pay for the item. On this chart, students write the cost of the item and the change received from the *cashier*. There is also a place on this chart for the students to check their work with a calculator.



Teaching tip

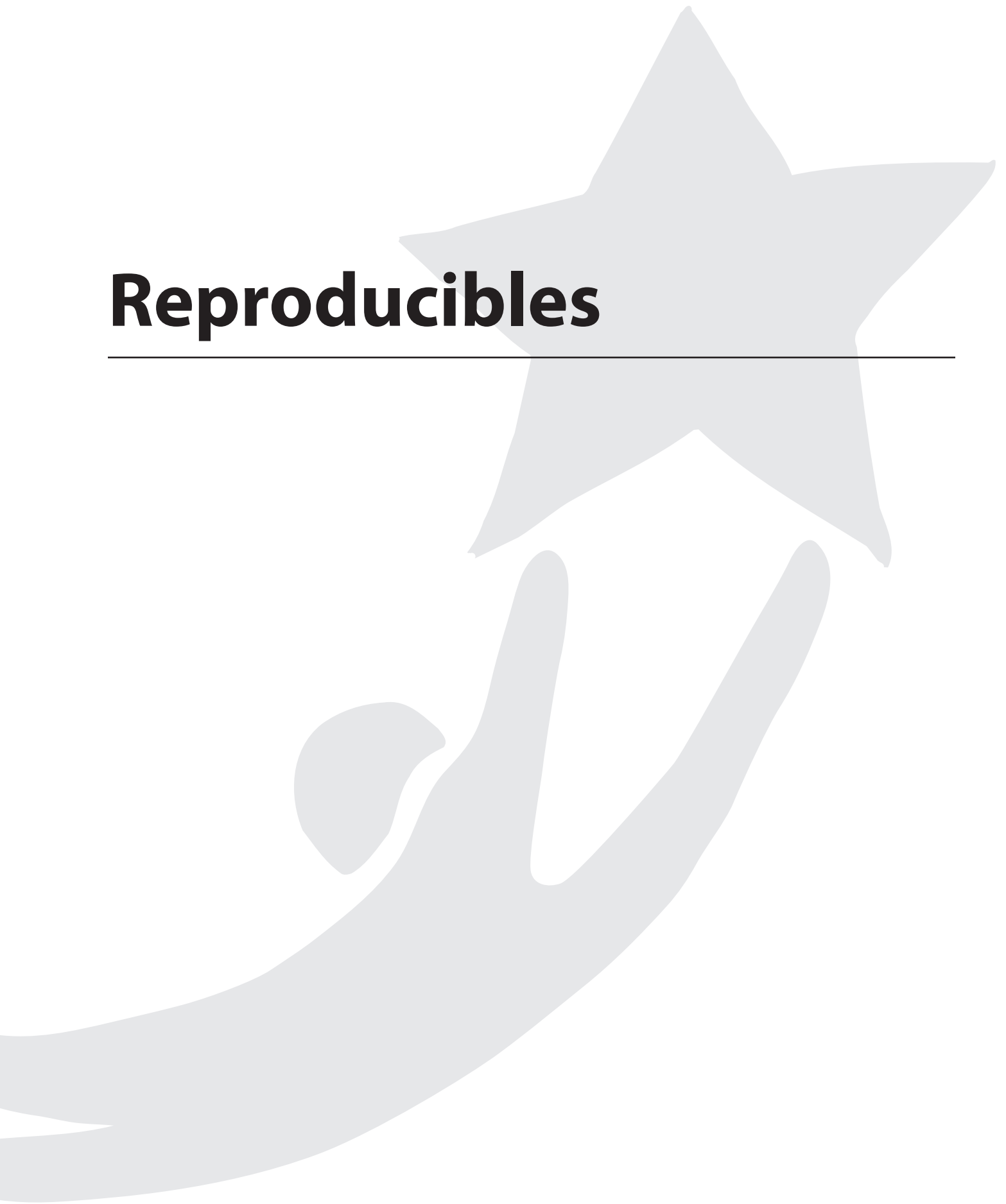
If you would like to extend this unit beyond the ten to fifteen hours (two to three weeks) required for the basic simulation, you can add in this valuable extension activity.



Teaching tip

It is important to model and practice counting back change before students do this activity in pairs. If this is not done, some students will simply use subtraction to figure out the amount of change needed and will not learn to effectively count back the change.

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Pre-unit Essay Assessment

Pretend you are eighteen years old. You have recently graduated from high school, have a job, and are excited to move out of your parents’ home and live on your own. You know you will have to pay your own bills, but you do have a job. You also know that you will be able to make your own decisions and do what you want to do when you want to do it without getting permission from your parents.

Write about your independent life. Have fun with this, but try to write as realistically as possible.

Describe your home and the expenses involved:

Describe your form of transportation and the expenses involved:

Describe your possessions (things you will own, such as furniture [bedroom, kitchen, living room], electronics, clothing, etc.) and the expenses involved:



Describe your food and the expenses involved:

Write about how you will spend your time (working, entertainment, etc.) and the expenses involved:

Write about your future plans—what career you would like to eventually have and what type of education you will need to have that career:

Life-Choices Questionnaire

1. Do you intend to graduate from . . .
____ high school?
____ college with a bachelor's degree?
____ college with a master's degree?
____ college with a doctorate (PhD)?
2. What career would you like to have?

3. Will you be able to get such a job with your educational background? _____
4. What kind of home would you want to live in while you are still single?
____ large, ritzy house
____ small, two-bedroom home with basement and garage
____ small, one-bedroom home with basement and garage
____ small, two-bedroom home with no basement or garage
____ small, one-bedroom home with no basement or garage
____ efficiency apartment
____ house trailer
5. Do you want to: ____ live alone or ____ have a roommate to share expenses?
6. What kind of car will you have? _____
Will you purchase your car new or used? _____
Do you prefer to not have a car and use public transportation or a bicycle? _____
7. Will you have a phone (land or cell)? _____
8. Will you have a TV? ____ Basic cable? ____ Extended cable? ____ Satellite? ____ Streaming service? ____
9. Will you ____ eat out a lot or ____ do most of your own cooking at home?
10. How often will you go out with your friends to the movies, bowling, rock concerts, parties, etc.?
____ more than once a week
____ once a week
____ once or twice a month
____ once or twice a year
11. Will you smoke cigarettes? _____
12. You will buy clothing . . .
____ in the latest styles
____ at discount stores

Vocabulary

- Balance
- Benefits (medical insurance, retirement, etc.)
- Checking account
- Collision insurance
- Cost of living
- Credit card (buying on credit)
- Debit card
- Debt
- Deposit
- Efficiency apartment
- Eighteen = age of official adulthood
- Expenses
- Federal
- Finances
- Full-time job (forty hours a week)
- Furnished
- Income
- Independence
- Inflation
- Interest (for income and expenses)
- Investments
- Landlord
- Liability insurance
- Minimum wage (federal—\$7.25 [as of 2017]; varies from state to state)
- Overtime pay (dependent on the state)
- Rent vs. buy
- Savings account
- Security deposit
- Social security
- Take-home pay
- Taxes (city, state, federal)
- Utilities (electricity, water, garbage)
- Withdrawal



Vocabulary Assessment

Match the vocabulary terms with their definitions:

- | | |
|---------------------------------------|---|
| ___ 1. Deposit | A. The smallest amount a person legally must be paid |
| ___ 2. Withdrawal | B. Things like heat, electricity, and water |
| ___ 3. Balance | C. Living on your own, paying your own bills, making your own decisions |
| ___ 4. Security deposit | D. Money that is taken out of your check to be put into an account for you to collect when you retire at about age sixty-five |
| ___ 5. Utilities | E. Extra money that you pay when you borrow money, or extra money that you earn when you save money |
| ___ 6. Minimum wage | F. To be used in case you have a car accident and have to help pay the other driver's hospital costs or car repair costs |
| ___ 7. Social security | G. Money that comes out of your paycheck to help pay for things our country provides like roads, schools, and national parks |
| ___ 8. Federal taxes | H. Money you take out of the bank |
| ___ 9. Automobile liability insurance | I. An extra month's rent that you pay when you first rent an apartment; if you damage the apartment or leave it dirty, this money pays for repairs and cleaning |
| ___ 10. Independent living | J. Money you put into the bank |
| ___ 11. Interest | K. The amount of money currently in your checking account |





Your Future—Month One

(Minimum Wage \$7.25/hour)

You've just graduated from high school, and you are very excited to start a life of your own. You've earned quite a bit of money from babysitting, but you didn't save a penny of it. Instead, you spent it on the latest video games and most up-to-date phones and apps. Now you wish you had saved most of that income, because you have absolutely no money saved for college. Since your parents can't afford to help you with college, you have decided to put college off for a year while you work to save some money. You can't wait to live independently of your parents, so you've decided to rent an apartment, and you've landed a full-time, forty-hour-per-week job at Bargain Burgers. You will be paid the minimum wage of \$7.25 per hour. Since you work full-time, one of your bonuses will be medical insurance.

You don't think it's too cool to ride your bike everywhere, so you've purchased an old clunker of a car. You have also begged an old TV set from your parents because you can't live without cable. You have also decided that an iPhone is an absolute necessity; you need to have some form of contact with your many friends. You also think it is essential to have a laptop so that you can email, play games, use the Internet to keep in touch with what is happening around the world, and complete your future college assignments. Since you work all week, you are content to stay at home during weeknights and entertain yourself with the TV, laptop, iPhone, and books. You also like to play computer/video games and watch movie rentals. During the weekends, however, you like to go places with your friends and have fun. Sometimes you go bowling, sometimes rollerblading or ice skating, sometimes dancing, and sometimes you just like to drive up and down Main Street waving and honking at other young adults driving up and down Main Street. Other times you go to the local restaurant, where you sip pop and eat pie and french fries while visiting with friends.

Since some of your friends in high school smoked cigarettes, you decided that cigarette smoking was for you, too. You now smoke about three packs of cigarettes each week at about \$5.00 per pack. You've tried to quit a couple of times, always claiming that you could quit anytime you wanted, but you couldn't make it past the intense cravings and decided to just keep smoking.

You have found a small efficiency apartment with a very small kitchen, a bathroom, one bedroom, and a small living room for \$400 per month plus utilities (electricity, gas, water, etc.). A one-month security deposit is required. If your apartment is in good shape when you move out, you will get your security deposit back. Luckily, your parents have enough old furniture at home to help you furnish your apartment with a mattress, an overstuffed couch with some of the stuffing coming out at the seams, some chipped dishes, a card table to serve as the kitchen table, and a couple of old folding chairs. You can pick up other little things that you need at yard sales.

Unexpected things happen all the time in life. Some of these things will help you financially, and other things will require unexpected expenses.

**(Minimum Wage \$10.00/hour)**

You've just graduated from high school, and you are very excited to start a life of your own. You've earned quite a bit of money from babysitting, but you didn't save a penny of it. Instead, you spent it on the latest video games and most up-to-date phones and apps. Now you wish you had saved most of that income, because you have absolutely no money saved for college. Since your parents can't afford to help you with college, you have decided to put college off for a year while you work to save some money. You can't wait to live independently of your parents, so you've decided to rent an apartment, and you've landed a full-time, forty-hour-per-week job at Bargain Burgers. You will be paid the minimum wage of \$10.00 per hour. Since you work full-time, one of your bonuses will be medical insurance.

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Since some of your friends in high school smoked cigarettes, you decided that cigarette smoking was for you, too. You now smoke about three packs of cigarettes each week at about \$6.50 per pack. You've tried to quit a couple of times, always claiming that you could quit anytime you wanted, but you couldn't make it past the intense cravings and decided to just keep smoking.

You have found a small efficiency apartment with a very small kitchen, a bathroom, one bedroom, and a small living room for \$550 per month plus utilities (electricity, gas, water, etc.). A one-month security deposit is required. If your apartment is in good shape when you move out, you will get your security deposit back. Luckily, your parents have enough old furniture at home to help you furnish your apartment with a mattress, an overstuffed couch with some of the stuffing coming out at the seams, some chipped dishes, a card table to serve as the kitchen table, and a couple of old folding chairs. You can pick up other little things that you need at yard sales.

Unexpected things happen all the time in life. Some of these things will help you financially, and other things will require unexpected expenses.

**(Minimum Wage \$15.00/hour)**

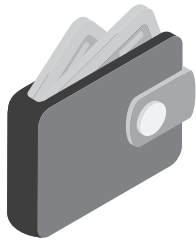
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You have found a small efficiency apartment with a very small kitchen, a bathroom, one bedroom, and a small living room for \$800 per month plus utilities (electricity, gas, water, etc.). A one-month security deposit is required. If your apartment is in good shape when you move out, you will get your security deposit back. Luckily, your parents have enough old furniture at home to help you furnish your apartment with a mattress, an overstuffed couch with some of the stuffing coming out at the seams, some chipped dishes, a card table to serve as the kitchen table, and a couple of old folding chairs. You can pick up other little things that you need at yard sales.

Unexpected things happen all the time in life. Some of these things will help you financially, and other things will require unexpected expenses.



Figuring Take-Home Pay

(Minimum Wage \$7.25/hour)

The big day has finally come. It is time to move out of your parents' house and into your new apartment. You've been working at Bargain Burgers for two months, and you've saved a lot of your money to get ready for this big day. You now have \$1,000 saved. You've opened a savings account for college, hoping to earn some interest on saved money. You've also opened a checking account from which to pay your bills. You are psyched! Your life in the real world is about to begin.

Before beginning, figure out how much you will earn each month by working at Bargain Burgers. You will work forty hours per week, four weeks per month. You will earn the minimum wage of \$7.25 per hour.

Don't forget that Bargain Burgers will take out 5 percent from your paycheck for social security each month. Every month you work, you contribute to the social security fund, which you are supposed to start withdrawing from after you retire when you are about sixty-five years old. Find out how much money they will take out of your check for social security each month. How much money will you have left in your monthly check now?

Oh, don't forget that Bargain Burgers will take out 15 percent each month for federal taxes. Now that you are a working adult, it is your responsibility to pay taxes to help keep our government running (this goes to help pay for wars, roads, government workers and buildings, schools, etc.). Figure out how much money they will take out of your check for federal taxes each month. How much money will you have left in your monthly check now?

Your take-home pay, plus the \$1,000 you have saved during the last two months, is yours to spend as needed. You plan to save for college all the money you have left after paying your bills. How much money do you now have in your checking account?

**(Minimum Wage \$10.00/hour)**

The big day has finally come. It is time to move out of your parents' house and into your new apartment. You've been working at Bargain Burgers for two months, and you've saved a lot of your money to get ready for this big day. You now have \$1,200 saved. You've opened a savings account for college, hoping to earn some interest on saved money. You've also opened a checking account from which to pay your bills. You are psyched! Your life in the real world is about to begin.

Before beginning, figure out how much you will earn each month by working at Bargain Burgers. You will work forty hours per week, four weeks per month. You will earn the minimum wage of \$10.00 per hour.

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Your take-home pay, plus the \$1,200 you have saved during the last two months, is yours to spend as needed. You plan to save for college all the money you have left after paying your bills. How much money do you now have in your checking account?

**(Minimum Wage \$15.00/hour)**

The big day has finally come. It is time to move out of your parents' house and into your new apartment. You've been working at Bargain Burgers for two months, and you've saved a lot of your money to get ready for this big day. You now have \$1,500 saved. You've opened a savings account for college, hoping to earn some interest on saved money. You've also opened a checking account from which to pay your bills. You are psyched! Your life in the real world is about to begin.

Before beginning, figure out how much you will earn each month by working at Bargain Burgers. You will work forty hours per week, four weeks per month. You will earn the minimum wage of \$15.00 per hour.

Don't forget that Bargain Burgers will take out 5 percent from your paycheck for social security each month. Every month you work, you contribute to the social security fund, which you are supposed to start withdrawing from after you retire when you are about sixty-five years old. Find out how much money they will take out of your check for social security each month. How much money will you have left in your monthly check now?

Oh, don't forget that Bargain Burgers will take out 15 percent each month for federal taxes. Now that you are a working adult, it is your responsibility to pay taxes to help keep our government running (this goes to help pay for wars, roads, government workers and buildings, schools, etc.). Figure out how much money they will take out of your check for federal taxes each month. How much money will you have left in your monthly check now?

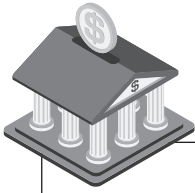
Your take-home pay, plus the \$1,500 you have saved during the last two months, is yours to spend as needed. You plan to save for college all the money you have left after paying your bills. How much money do you now have in your checking account?

First-Month Bills

(Minimum Wage \$7.25/hour)	
_____ Rent (first month and security deposit)— <i>6th Street Apartments</i>	\$800.00
_____ Electricity— <i>Practical Power Co.</i>	\$53.36
_____ Basic cable— <i>Channel-Surfing Cable</i>	\$65.00
_____ DSL Internet service— <i>Faster-Service Internet</i>	\$35.00
_____ Cell phone with unlimited texting— <i>Cellway Wireless</i>	\$75.00
_____ Car payment— <i>Junker's Used Cars</i>	\$98.00
_____ Groceries and other supplies like toilet paper, soap, shampoo, cleaning supplies, napkins, laundry soap, etc.— <i>Vernon's Grocery</i>	\$163.86
_____ Cigarettes (enough to get you through the month)— <i>Quick Way</i>	\$67.16
_____ Gas (enough to get you back and forth to work, the grocery store, the bowling alley, cruising, etc.)—\$3.50/gallon <i>Tumbleweed</i>	\$95.82
_____ Entertainment and recreation (bowling, DVD rentals, restaurant bills, roller-skating/ice skating, movies, dancing, etc.)—CASH	\$75.00
_____ Car maintenance (Since you have an old clunker, you will need repairs fairly regularly, such as new spark plugs, new battery, oil filter, new muffler, etc.)— <i>Joe's Auto Repair</i>	\$83.92
_____ Automobile liability insurance (If you ever had a car accident and injured someone else, this insurance would protect you. You decide not to get collision insurance since your car is already an old clunker and not really worth that much. Oh, by the way, since you are only eighteen years old, your liability insurance is very high since teenagers tend to have more accidents than older adults.)— <i>Trust-Us Insurance Co.</i>	\$93.65
_____ New clothes (You needed to buy a uniform to work at Bargain Burgers, and you also need some good sturdy shoes since you'll be on your feet a lot. Also, most of your socks are worn out, so you will need to buy more of them.)— <i>Deshler's Thrift Store</i>	\$74.37
_____ Laptop payment— <i>Workstation Central</i>	\$100.00



(Minimum Wage \$10.00/hour)	
_____ Rent (first month and security deposit)— <i>6th Street Apartments</i>	\$1100.00
_____ Electricity— <i>Practical Power Co.</i>	\$87.36
_____ Basic cable— <i>Channel-Surfing Cable</i>	\$75.00
_____ DSL Internet service— <i>Faster-Service Internet</i>	\$45.00
_____ Cell phone with unlimited texting— <i>Cellway Wireless</i>	\$80.00
_____ Car payment— <i>Junker's Used Cars</i>	\$150.00
_____ Groceries and other supplies like toilet paper, soap, shampoo, cleaning supplies, napkins, laundry soap, etc.— <i>Vernon's Grocery</i>	\$183.86
_____ Cigarettes (enough to get you through the month)— <i>Quick Way</i>	\$87.16
_____ Gas (enough to get you back and forth to work, the grocery store, the bowling alley, cruising, etc.)—\$3.50/gallon <i>Tumbleweed</i>	\$115.82
_____ Entertainment and recreation (bowling, DVD rentals, restaurant bills, roller-skating/ice skating, movies, dancing, etc.)—CASH	\$105.00
_____ Car maintenance (Since you have an old clunker, you will need repairs fairly regularly, such as new spark plugs, new battery, oil filter, new muffler, etc.)— <i>Joe's Auto Repair</i>	\$103.92
_____ Automobile liability insurance (If you ever had a car accident and injured someone else, this insurance would protect you. You decide not to get collision insurance since your car is already an old clunker and not really worth that much. Oh, by the way, since you are only eighteen years old, your liability insurance is very high since teenagers tend to have more accidents than older adults.)— <i>Trust-Us Insurance Co.</i>	\$123.65
_____ New clothes (You needed to buy a uniform to work at Bargain Burgers, and you also need some good sturdy shoes since you'll be on your feet a lot. Also, most of your socks are worn out, so you will need to buy more of them.)— <i>Deshler's Thrift Store</i>	\$74.37
_____ Laptop payment— <i>Workstation Central</i>	\$100.00

**(Minimum Wage \$15.00/hour)**

_____ Rent (first month and security deposit)— <i>6th Street Apartments</i>	\$1600.00
_____ Electricity— <i>Practical Power Co.</i>	\$153.36
_____ Basic cable— <i>Channel-Surfing Cable</i>	\$105.00
_____ DSL Internet service— <i>Faster-Service Internet</i>	\$75.00
_____ Cell phone with unlimited texting— <i>Cellway Wireless</i>	\$115.00
_____ Car payment— <i>Junker's Used Cars</i>	\$158.00
_____ Groceries and other supplies like toilet paper, soap, shampoo, cleaning supplies, napkins, laundry soap, etc.— <i>Vernon's Grocery</i>	\$213.86
_____ Cigarettes (enough to get you through the month)— <i>Quick Way</i>	\$107.16
_____ Gas (enough to get you back and forth to work, the grocery store, the bowling alley, cruising, etc.)—\$3.50/gallon <i>Tumbleweed</i>	\$135.82
_____ Entertainment and recreation (bowling, DVD rentals, restaurant bills, roller-skating/ice skating, movies, dancing, etc.)—CASH	\$145.00
_____ Car maintenance (since you have an old clunker, you will need repairs fairly regularly such as new spark plugs, new battery, oil filter, new muffler, etc.)— <i>Joe's Auto Repair</i>	\$133.92
_____ Automobile liability insurance (If you ever had a car accident and injured someone else, this insurance would protect you. You decide not to get collision insurance since your car is already an old clunker and not really worth that much. Oh, by the way, since you are only eighteen years old, your liability insurance is very high since teenagers tend to have more accidents than older adults.)— <i>Trust-Us Insurance Co.</i>	\$153.65
_____ New clothes (You needed to buy a uniform to work at Bargain Burgers, and you also need some good sturdy shoes since you'll be on your feet a lot. Also, most of your socks are worn out, so you will need to buy more of them.)— <i>Deshler's Thrift Store</i>	\$114.37
_____ Laptop payment— <i>Workstation Central</i>	\$160.00

Checkbook / Debit Card Register


Date	Item	Payment	Deposit	Balance

Blank Checks

822 Independence Avenue
Anytown, USA 12121
(307) 888-8888

DATE _____

PAY TO THE ORDER OF _____ \$

_____ DOLLARS  Security Features Included. Details on Back.

West One Bank
PO Box 3382
Anytown, USA 12121
1-800-BankWithUs


MEMO _____

⑆000000000⑆ ⑆000000000⑆ 1025

822 Independence Avenue
Anytown, USA 12121
(307) 888-8888

DATE _____

PAY TO THE ORDER OF _____ \$

_____ DOLLARS  Security Features Included. Details on Back.

West One Bank
PO Box 3382
Anytown, USA 12121
1-800-BankWithUs


MEMO _____

⑆000000000⑆ ⑆000000000⑆ 1026

822 Independence Avenue
Anytown, USA 12121
(307) 888-8888

DATE _____

PAY TO THE ORDER OF _____ \$

_____ DOLLARS  Security Features Included. Details on Back.

West One Bank
PO Box 3382
Anytown, USA 12121
1-800-BankWithUs

MEMO _____

⑆000000000⑆ ⑆000000000⑆ 1027

Fate Cards

Your grandparents send
you an unexpected gift of
\$50



You find a
\$10 bill
lying in the parking lot



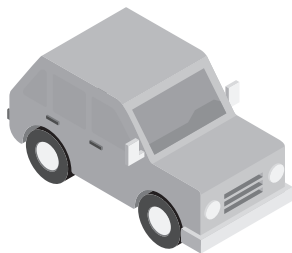
You get a parking ticket
and have to pay
\$45



Your roommate kicks the
door and puts a hole in it.
Repairs cost you
\$75



You get a flat tire
on your way to work.
Repairs cost you
\$25



You buy a Halloween costume for
\$16



You win **\$8** on some lottery tickets given to you by your sister



You receive a Halloween card from your aunt and uncle with **\$25** in it



Your best friend stops in for a visit, and you take her to get an ice cream sundae. This costs you

\$6.84



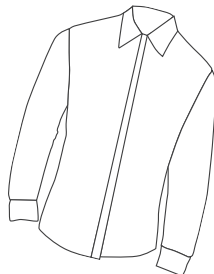
You have to buy some light bulbs because yours have burned out. This costs you

\$12.88



You burn a hole in your work shirt and have to buy a new one. It costs you

\$24.95



It snows hard and covers your sidewalk with six inches of snow. You are required to keep your sidewalk free of snow, so you must buy a snow shovel.

This costs you

\$17.26



Your uncle dies, and you need to send a sympathy card and flowers to the family. This costs you

\$55.96



Your laptop breaks down, and you need to get a technician to repair it. This costs you

\$125



You have a leaky faucet and need some parts and tools to repair the leak. This costs you

\$38.90



You get a toothache and have to go to the dentist, where you are told you have a cavity. You haven't been brushing or flossing your teeth as well as you should. This costs you

\$215



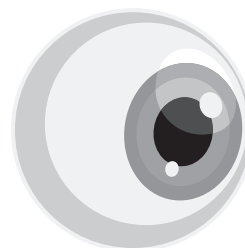
You get a speeding ticket for going 35 miles per hour in a school zone, where you are supposed to go only 20 miles per hour. The ticket costs you

\$83.17



You lose your contact lens and have to pay for a replacement. This costs you

\$140



You decide to have a party and provide chips, cake, and punch for everyone at the party. This costs you an extra

\$64.93



Your kitten urinates on the carpet. You need to rent a carpet shampooer and some carpet shampoo. This costs you

\$43.28



It is your best friend's birthday, and you need to buy a gift. You spend

\$23.66



You drop your cell phone in the bathtub and have to replace it.

This costs you
\$100



You work eight hours overtime and bring home an additional

\$85



You buy espresso and a candy bar at the local coffee shop.

This costs you
\$8.40



You decide to buy a Christmas tree and some decorations so you can spruce up your little apartment for the Christmas season.

This costs you

\$35.87



Since your parents have done so much for you as you've prepared to live independently, you have decided to take them out to dinner. Although you go to a fairly inexpensive restaurant, the three meals, tax, and a 15 percent tip comes to

\$40.43



You buy yourself a pair of designer jeans at the mall. This costs you

\$110.48



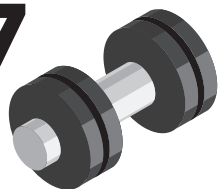
You have decided to start jogging to get some exercise, but you need some good running shoes and jogging clothes. This costs you

\$104.99



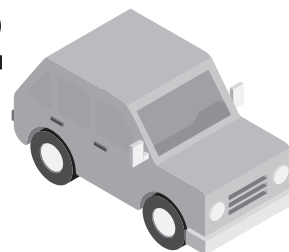
You decide to buy yourself a membership at the local gym so that you can get some much-needed exercise. This costs you

\$238.17



Your car runs out of windshield wiper fluid. To replace this, it will cost you

\$6.42



Your Future—Month Two

(Minimum Wage \$7.25/hour)

Happily, you've made it through your first month of living on your own, and you've even managed to put a little money into savings. This is how much you've put in savings: _____. Your checkbook should indicate that you have this much money left over. This isn't nearly as much money as you thought you'd be able to save, so you've decided that maybe it would be wise to cut down on some of your expenses. You have to decide what you can live without or if you'd like to keep everything the way it is. If you decide to keep things the way they are, your bills are below. If you decide to change some things about your lifestyle, please write those changes below and cross out any bills that do not pertain to you anymore.

Things I want to change in my lifestyle:

- 1) _____
- 2) _____
- 3) _____
- 4) _____

First, deposit your paycheck from Bargain Burgers:	\$928.00
Now pay your bills from this month (cross out those that no longer pertain to you):	
_____ Rent (living alone)— <i>6th Street Apartments</i>	\$400.00
_____ Rent (with a roommate)— <i>6th Street Apartments</i>	\$200.00
_____ Electricity (living alone)— <i>Practical Power Co.</i>	\$60.20
_____ Electricity (with a roommate)— <i>Practical Power Co.</i>	\$30.10
_____ Basic cable (living alone)— <i>Channel-Surfing Cable</i>	\$65.00
_____ Basic cable (with a roommate)— <i>Channel-Surfing Cable</i>	\$32.50
_____ DSL Internet service (living alone)— <i>Faster-Service Internet</i>	\$35.00
_____ DSL Internet service (with a roommate)— <i>Faster-Service Internet</i>	\$17.50
_____ Groceries and supplies (living alone)— <i>Vernon's Grocery</i>	\$112.80
_____ Groceries and supplies (with a roommate)— <i>Vernon's Grocery</i>	\$94.56
_____ Cell phone / texting— <i>Cellway Wireless</i>	\$80.00
_____ Laptop payment— <i>Workstation Central</i>	\$100.00
_____ Cigarettes— <i>Quickway</i>	\$72.34
_____ Car payment— <i>Junker's Used Cars</i>	\$98.00
_____ Gas for car— <i>Tumbleweed</i>	\$82.72
_____ Car maintenance— <i>Joe's Auto Repair</i>	\$43.24
_____ Automobile liability insurance— <i>Trust-Us Insurance Co.</i>	\$93.65
_____ Entertainment— <i>CASH</i>	\$80.36
_____ Clothing payment— <i>Deshler's Thrift Store</i>	\$48.96

**(Minimum Wage \$10.00/hour)**

Happily, you've made it through your first month of living on your own, and you've even managed to put a little money into savings. This is how much you've put in savings: _____. Your checkbook should indicate that you have this much money left over. This isn't nearly as much money as you thought you'd be able to save, so you've decided that maybe it would be wise to cut down on some of your expenses. You have to decide what you can live without or if you'd like to keep everything the way it is. If you decide to keep things the way they are, your bills are below. If you decide to change some things about your lifestyle, please write those changes below and cross out any bills that don't pertain to you anymore.

Things I want to change in my lifestyle:

- 1) _____
- 2) _____
- 3) _____
- 4) _____

First, deposit your paycheck from Bargain Burgers:	\$1,280.00
Now pay your bills from this month (cross out those that no longer pertain to you):	
_____ Rent (living alone)— <i>6th Street Apartments</i>	\$550.00
_____ Rent (with a roommate)— <i>6th Street Apartments</i>	\$275.00
_____ Electricity (living alone)— <i>Practical Power Co.</i>	\$86.40
_____ Electricity (with a roommate)— <i>Practical Power Co.</i>	\$43.20
_____ Basic cable (living alone)— <i>Channel-Surfing Cable</i>	\$75.00
_____ Basic cable (with a roommate)— <i>Channel-Surfing Cable</i>	\$37.50
_____ DSL Internet service (living alone)— <i>Faster-Service Internet</i>	\$45.00
_____ DSL Internet service (with a roommate)— <i>Faster-Service Internet</i>	\$22.50
_____ Groceries and supplies (living alone)— <i>Vernon's Grocery</i>	\$152.80
_____ Groceries and supplies (with a roommate)— <i>Vernon's Grocery</i>	\$112.38
_____ Cell phone / texting— <i>Cellway Wireless</i>	\$87.00
_____ Laptop payment— <i>Workstation Central</i>	\$120.00
_____ Cigarettes— <i>Quickway</i>	\$68.16
_____ Car payment— <i>Junker's Used Cars</i>	\$150.00
_____ Gas for car— <i>Tumbleweed</i>	\$117.72
_____ Car maintenance— <i>Joe's Auto Repair</i>	\$95.87
_____ Automobile liability insurance— <i>Trust-Us Insurance Co.</i>	\$123.65
_____ Entertainment— <i>CASH</i>	\$108.00
_____ Clothing payment— <i>Deshler's Thrift Store</i>	\$68.42

**(Minimum Wage \$15.00/hour)**

Happily, you've made it through your first month of living on your own, and you've even managed to put a little money into savings. This is how much you've put in savings: _____. Your checkbook should indicate that you have this much money left over. This isn't nearly as much money as you thought you'd be able to save, so you've decided that maybe it would be wise to cut down on some of your expenses. You have to decide what you can live without or if you'd like to keep everything the way it is. If you decide to keep things the way they are, your bills are below. If you decide to change some things about your lifestyle, please write those changes below and cross out any bills that don't pertain to you anymore.

Things I want to change in my lifestyle:

- 1) _____
- 2) _____
- 3) _____
- 4) _____

First, deposit your paycheck from Bargain Burgers:	\$1,920.00
Now pay your bills from this month (cross out those that no longer pertain to you):	
_____ Rent (living alone)— <i>6th Street Apartments</i>	\$800.00
_____ Rent (with a roommate)— <i>6th Street Apartments</i>	\$400.00
_____ Electricity (living alone)— <i>Practical Power Co.</i>	\$155.20
_____ Electricity (with a roommate)— <i>Practical Power Co.</i>	\$77.60
_____ Basic cable (living alone)— <i>Channel-Surfing Cable</i>	\$105.00
_____ Basic cable (with a roommate)— <i>Channel-Surfing Cable</i>	\$52.50
_____ DSL Internet service (living alone)— <i>Faster-Service Internet</i>	\$75.00
_____ DSL Internet service (with a roommate)— <i>Faster-Service Internet</i>	\$37.50
_____ Groceries and supplies (living alone)— <i>Vernon's Grocery</i>	\$210.80
_____ Groceries and supplies (with a roommate)— <i>Vernon's Grocery</i>	\$115.43
_____ Cell phone / texting— <i>Cellway Wireless</i>	\$115.00
_____ Laptop payment— <i>Workstation Central</i>	\$160.00
_____ Cigarettes— <i>Quickway</i>	\$105.16
_____ Car payment— <i>Junker's Used Cars</i>	\$158.00
_____ Gas for car— <i>Tumbleweed</i>	\$130.72
_____ Car maintenance— <i>Joe's Auto Repair</i>	\$78.24
_____ Automobile liability insurance— <i>Trust-Us Insurance Co.</i>	\$153.65
_____ Entertainment— <i>CASH</i>	\$145.36
_____ Clothing payment— <i>Deshler's Thrift Store</i>	\$96.16



Real-Life Application Problems

With a minimum wage of \$7.25 per hour, you would earn \$290 a week. There are fifty-two weeks in a year, so in a year you would earn \$15,080. This might sound like a lot, but the national poverty rate for a single person under age sixty-five is \$11,880 per year (\$972.50 per month). The poverty rate for a two-person family is \$16,020 per year (\$1,310.83 per month) (Federal Poverty Guidelines, 2016). Keep this in mind when solving the following real-life application problems.

Cigarettes now cost \$5.37 plus 3 percent tax on each pack. By 2039, the cost is expected to be \$14.70 a pack. If you smoked from now until the year 2039, you would spend \$120,000 or more on cigarettes. The cost is not only to your health but also to your pocketbook. Discuss how smoking devalues property (homes/cars), raises health insurance rates, hurts your health, etc.

1. Calculate the cost of one pack a week for a year.
2. Two packs a week for a year.
3. A pack a day for a year.
4. Figure rent costs for an efficiency apartment at \$400 per month for one year.
5. Figure rent costs for an apartment at \$800 per month for one year.
6. Figure rent costs for an apartment at \$1,100 per month for one year.
7. Figure yearly interest on a savings account at 1 percent—\$1,000; \$10,000; \$100,000.
8. Figure interest on credit card debt at 12 percent a year—\$1,000; \$10,000; \$50,000.
9. Figure out the total cost of a \$25,000 car with 6 percent interest per year on a five-year loan.
10. Figure out the total cost of a \$150,000 house with 3 percent interest per year on a thirty-year loan.
11. Figure the cost of TV with full cable (\$80/month) for an entire year.
12. Figure the cost of a cell phone (\$50/month—plain phone; \$100/month—smartphone) for an entire year.
13. Figure take-home pay (before deductions for taxes, social security, etc.) working full-time for an entire year at minimum wage (\$7.25/hour).
14. Figure take-home pay (before deductions for taxes, social security, etc.) working full-time for an entire year at minimum wage (\$10.00/hour).
15. Figure take-home pay (before deductions for taxes, social security, etc.) working full-time for an entire year at minimum wage (\$15.00/hour).
16. Figure the tax (6 percent), tip (15 percent), and resulting total cost on various-priced restaurant meals.

Post-unit Essay Assessment

Pretend you are eighteen years old. You have recently graduated from high school, have a job, and are excited to move out of your parents' home and live on your own. You know you will have to pay your own bills, but you do have a job. You also know that you will be able to make your own decisions and do what you want to do when you want to do it without getting permission from your parents.

Write about your independent life. Have fun with this, but try to write as realistically as possible.

Describe your home and the expenses involved:

Describe your form of transportation and the expenses involved:

Describe your possessions (things you will own, such as furniture [bedroom, kitchen, living room], electronics, clothing, etc.) and the expenses involved:

Describe your food and the expenses involved:

Write about how you will spend your time (working, entertainment, etc.) and the expenses involved:

Write also about your future plans—what career you would like to eventually have and what type of education you will need in order to have that career:

One-Week Menu

Write down what you plan to eat for each meal/snack for one entire week.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Breakfast							
Lunch							
Dinner							
Snacks							

Ingredients Needed for the Week

For each item on your week’s menu, list the ingredients you will need to purchase and which ones you have on hand.

Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients
Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients
Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients
Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients
Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients
Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients
Menu Item	Ingredients	Menu Item	Ingredients	Menu Item	Ingredients



Grocery Shopping List

[illegible]

Food Price List

Fruit	Vegetables
Cantaloupe.....\$2.50	1 onion \$0.98
Watermelon (medium).....\$4.98	Bag of 10 potatoes..... \$3.04
10 apples\$3.94	Bag of 10 sweet potatoes \$2.48
6 grapefruit\$5.54	Corn on the cob \$0.25
6 oranges\$3.98	Bag of carrots (about 6) \$0.78
6 bananas.....\$2.04	Bag of baby carrots.....\$1.88
Bag of grapes.....\$1.98	Bunch of radishes \$0.98
Carton of blueberries.....\$2.98	1 green pepper..... \$0.94
Jar of applesauce\$1.98	1 red, orange, or yellow pepper.....\$1.47
Canned fruit (any kind)\$1.48	6 tomatoes.....\$1.98
1 pineapple\$2.98	1 box cherry tomatoes..... \$2.98
24 oz. frozen fruit\$2.54	Head of iceberg lettuce.....\$1.48
	1 avocado.....\$1.15
	16 oz. veggies (any kind)\$1.12
	16 oz. baked beans (any kind)\$1.48
	12 oz. frozen veggies (any kind)\$1.12
Grains	Meat
6 large glazed donuts\$2.78	1 lb. hamburger (80% lean)..... \$4.18
24 mini powdered donuts.....\$2.98	2 steaks.....\$5.44
6 bagels\$1.98	Rump roast..... \$15.01
Average-sized box of cereal\$3.27	2 pork chops\$4.98
Refrigerator roll biscuits (10).....\$1.54	6 brats\$4.24
6 English muffins.....\$1.77	2 chicken breasts.....\$5.40
10 taco shells / tortillas.....\$1.88	16 chicken legs\$5.51
24 bags of microwave popcorn\$5.00	1 lb. bacon\$4.98
8 Pop-Tarts\$1.48	14 Polish sausage links.....\$4.48
10 packets instant oatmeal.....\$2.50	8 beef hot dogs.....\$2.98
1 lb. box of oatmeal\$2.68	20 slices of ham lunch meat\$4.98
5 lb. flour.....\$1.72	20 slices of beef bologna.....\$2.24
1 lb. spaghetti/macaroni noodles\$1.38	20 slices turkey or chicken lunch meat\$3.48
1 loaf of white bread\$1.88	1 can of tuna \$1.47
1 loaf of whole wheat bread.....\$2.48	
8 hot dog / hamburger buns\$1.98	
12 Eggo waffles.....\$4.88	

Dairy	Condiments, Spices, Toppings
10 slices of cheese \$2.74 (Swiss, cheddar, provolone, Colby, pepper jack, etc.)	2 lb. honey \$7.88
16 slices of American cheese \$2.94	16 oz. jam/jelly \$0.87
8 oz. package shredded cheese \$2.50 (Swiss, cheddar, Mexican, provolone, Colby, pepper jack, etc.)	1 pt. salad dressing (any kind) \$3.24
1 lb. block cheese \$4.84 (any kind)	Bottle of chocolate, strawberry, butterscotch, etc. syrup \$2.68
Package of 12 string cheese (any kind) \$2.98	1 lb. mayonnaise \$3.20
12 oz. cream cheese \$3.68	1 lb. ketchup \$2.22
Tub of margarine \$2.88	8 oz. mustard \$1.38
4 sticks of butter \$5.24	1 lb. peanut butter \$2.48
4 servings of yogurt (any kind) \$2.47	Spices (any kind) \$1.25
1 gallon milk (whole, skim, 1%, 2%) \$2.45	2 pts. pancake syrup \$1.98
1 quart half-and-half \$2.16	1.5 qt. cooking oil \$2.74
Whipped cream \$1.78	2 lb. cooking stock/broth \$1.98
1 dozen eggs \$1.84	16 oz. tomato sauce \$0.98
1 lb. cottage cheese \$2.98	6 oz. tomato paste \$0.64
1 lb. sour cream \$1.68	16 oz. taco sauce \$2.98
1 can evaporated milk \$1.98	
2 pts. ice cream (any flavor) \$3.97	
½ gal. ice cream (any flavor) \$6.97	
20 ice cream bars (any kind) \$4.50	
Beverages	Other
½ gal. juice (orange, grape, apple, cranberry, grapefruit, etc.) \$2.96	1 package Jell-O (any flavor) \$1.12
½ gal. lemonade, fruit punch, etc. \$1.50	Bag of marshmallows \$1.14
12 cans soda pop \$3.50	4 lb. sugar \$1.98
2 liters of soda pop \$1.68	1 cake mix \$1.28
	1 tub of frosting \$1.00
	2 tubs microwave mac & cheese \$3.50
	1 box instant mac & cheese \$1.94
	Instant scalloped potatoes, dressing, etc. \$2.25
	1 can soup (any kind) \$1.24
	1 pkg. ramen noodles \$0.36
	1.5 lb. spaghetti sauce \$1.77
	Jar of pickles/olives \$2.14
	Large frozen pizza \$4.42
	Frozen dinner (any kind) \$2.50
	12 sausage/buttermilk biscuits \$1.97
	20 popsicles (any kind) \$4.57
	Large bag potato chips (any kind) \$2.50

Abbreviations in Rental Ads

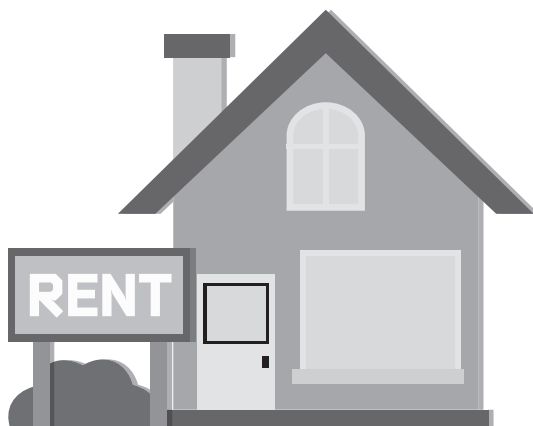
- | | |
|--------------------------|--|
| _____ 1. apt | a. washer/dryer |
| _____ 2. bd or bdrm | b. year |
| _____ 3. ba | c. utilities (gas, electricity, garbage, etc.) |
| _____ 4. w/d | d. garage |
| _____ 5. w/d hu | e. negotiated/negotiable |
| _____ 6. d/w | f. no smoking |
| _____ 7. mo | g. bathroom(s) |
| _____ 8. yr | h. paid |
| _____ 9. inc | i. no pets |
| _____ 10. util or utils | j. month |
| _____ 11. pd | k. included |
| _____ 12. g or gar | l. basement |
| _____ 13. dep | m. electricity |
| _____ 14. ns | n. dishwasher |
| _____ 15. np | o. washer/dryer hookup |
| _____ 16. neg | p. deposit (security) |
| _____ 17. bsmnt | q. mobile home |
| _____ 18. off-str. prkng | r. apartment |
| _____ 19. elec | s. bedroom(s) |
| _____ 20. m.h. | t. off-street parking |



Rental Price Comparison Chart

(Use Newspaper Ads or **Sample Ads** Handout)

Rental Type	Size (Bedrooms/Bathrooms)	Price per Month
<i>Room</i>		
<i>Apartment</i>		
<i>Mobile Home</i>		
<i>House</i>		



Sample Ads

(Use with **Rental Price Comparison Chart**)



Rooms:

- 1br, \$300/mo., utils pd., ns, np
- 1br, \$350/mo., inc util, WIFI, TV, np,
- 1br, \$390/mo., util inc., off-str. prkng, pets neg.
- 1br, \$400/mo. + utils, np, lease, dep, references
- 1bd duplex, \$575/mo + util, w/d, ns, pets neg.

Apartments:

- 2bdrm, nearly new, w/d, d/w, n/s, n/p, 1 yr lease, \$650/mo, \$700 dep.
- 2br apt., very nice, \$650/mo + dep, w/d, ns, np
- 2bdrm, \$650/mo. + utils., w/d, d/w, np, ns
- 2br, 1ba w/gar, \$775, ns, dog neg.
- 2br bsmt, 2blk from univ., \$650, util inc, ns, dog neg.
- 2br bsmt, \$630, inc utils., 12 mo. lease, dep, ns, np, w/d, d/w, off-str. prkng
- 3br, 1ba, all util, tv, internet inc., \$999/mo., ns, np
- 2br, 1ba, w/d hu, ns, np, off-str. prkng, lease, \$575/mo. + dep + elec
- 2br, 1½ ba duplex, w/d hu, 1 car gar, yard, ns, pet neg. \$750/mo. + utils
- 2br, \$600/mo + elec. Lease, w/d, ns, np

Mobile Homes:

- Large, 3br, 2ba M.H., w/d, shed, fenced yard, pets ok, \$400/mo.
- 2bd, 1 ba, fenced yard, dogs ok, \$350/mo.
- 3bd, 2 ba, partly furnished, \$450/mo.


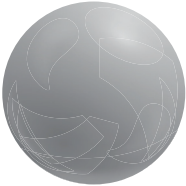

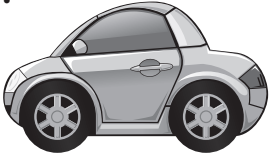


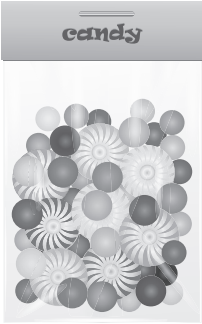
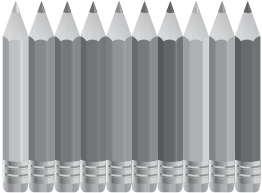
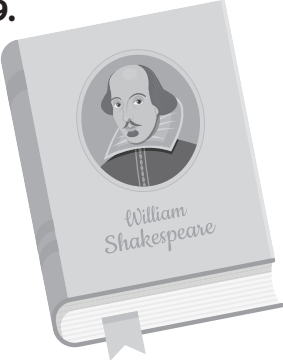
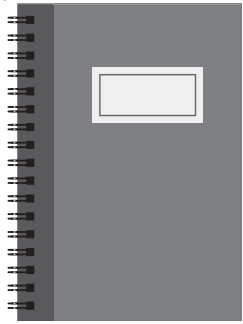



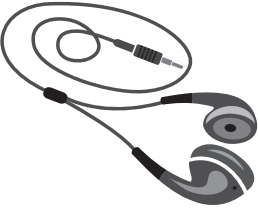


Homes:

- Cute 1bd house, \$600/mo + g & elec, ns, np
- Huge, beautiful 5bd home, only \$1800 + util, dog neg. lease.
- 3br, 2ba, \$900 + elec., ns, np, dep & lease req.
- 4br, 2ba, \$1200 + elec., np, ns, dep & lease req.
- 2br, 1ba, \$750 (all util inc), ns, np, dep & lease req.
- Newer 3br, 3ba home, \$1250/mo + util, ns, np
- 3bd, 2ba, gar, fenced year, dogs ok, \$700/mo.
- 3bd house, nice yard, w/d hu, ns, np, \$800/mo. + util + lease + dep
- 2bd, w/d, \$750/mo. + ½ utils, ns, np
- \$1100/mo + utils, 1,000 sqft, 2bd, 1ba, pets allowed, dep req.
- 1bdrm house near groc. store and univ., \$625/mo. + utils, small pet poss. Lease, dep
- 3bd, w/d, pets ok, \$1000/mo, all util pd
- 3bd, 2ba, horse property, \$900/mo. + utils.

Cash Register

\$20 Bills	\$10 Bills	\$5 Bills	\$1 Bills
Half-Dollars	Dimes	Nickels	Pennies
Quarters			

Store Items

1. 
2. 
3. 
4. 
5. 
6. 
7. 
8. 
9. 
10. 
11. 
12. 
13. 
14. 
15. 
16. 

Recording Sheet

Item #	Cash Given to Cashier	Price of Item	Change Received	Calculator Check
1	\$1.00	\$0.36		
2	\$1.00	\$0.58		
3	\$1.00	\$0.72		
4	\$1.00	\$0.99		
5	\$2.00	\$1.37		
6	\$2.00	\$1.83		
7	\$2.00	\$1.05		
8	\$5.00	\$3.15		
9	\$5.00	\$4.61		
10	\$5.00	\$1.96		
11	\$5.00	\$0.33		
12	\$10.00	\$8.48		
13	\$10.00	\$7.63		
14	\$10.00	\$7.88		
15	\$20.00	\$13.77		
16	\$20.00	\$7.92		

Answer Key

Vocabulary Assessment

- | | | | |
|------|------|------|-------|
| 1. J | 4. I | 7. D | 10. C |
| 2. H | 5. B | 8. G | 11. E |
| 3. K | 6. A | 9. F | |

Figuring Take-Home Pay (Minimum Wage \$7.25/hour)

40 hours per week x 4 weeks = 160 hours per month

\$7.25 per hour x 160 hours per month = \$1,160 monthly pay

\$1,160 monthly pay x .05% for social security = \$58 social security deduction

\$1,160 monthly pay - \$58 social security deduction = \$1,102 left in paycheck

\$1,160 monthly pay x .15% for federal taxes = \$174 federal tax deduction

\$1,102 after social security deduction - \$174 federal tax deduction = \$928 take-home pay

\$1,000 savings + \$928 take-home pay = \$1,928 to begin your checking account

Figuring Take-Home Pay (Minimum Wage \$10.00/hour)

40 hours per week x 4 weeks = 160 hours per month

\$10.00 per hour x 160 hours per month = \$1,600 monthly pay

\$1,600 monthly pay x .05% for social security = \$80 social security deduction

\$1,600 monthly pay - \$80 social security deduction = \$1,520 left in paycheck

\$1,600 monthly pay x .15% for federal taxes = \$240 federal tax deduction

\$1,520 after social security deduction - \$240 federal tax deduction = \$1,280 take-home pay

\$1,200 savings + \$1,280 take-home pay = \$2,480 to begin your checking account

Figuring Take-Home Pay (Minimum Wage \$15.00/hour)

40 hours per week x 4 weeks = 160 hours per month

\$15.00 per hour x 160 hours per month = \$2,400 monthly pay

\$2,400 monthly pay x .05% for social security = \$120 social security deduction

\$2,400 monthly pay - \$120 social security deduction = \$2,280 left in paycheck

\$2,400 monthly pay x .15% for federal taxes = \$360 federal tax deduction

\$2,280 after social security deduction - \$360 federal tax deduction = \$1,920 take-home pay

\$1,500 savings + \$1,920 take-home pay = \$3,420 to begin your checking account

Answer Key

Real-Life Application Problems

1. \$287.56
2. \$575.12
3. \$2,018.45
4. \$4,800
5. \$9,600
6. \$13,200
7. \$10; \$100; \$1,000
8. \$120; \$1,200; \$6,000
9. \$32,500
10. \$285,000
11. \$960
12. \$600; \$1,200
13. \$15,080
14. \$20,800
15. \$31,200
16. Answers will vary.

Abbreviations in Rental Ads

1. r
2. s
3. g
4. a
5. o
6. n
7. j
8. b
9. k
10. c
11. h
12. d
13. p
14. f
15. i
16. e
17. l
18. t
19. m
20. q

Counting Back Change

1. \$0.64
2. \$0.42
3. \$0.28
4. \$0.01
5. \$0.63
6. \$0.17
7. \$0.95
8. \$1.85
9. \$0.39
10. \$3.04
11. \$4.67
12. \$1.52
13. \$2.37
14. \$2.12
15. \$6.23
16. \$12.08

Checkbook / Debit Card Register— First Month Key

Minimum Wage \$7.25/hour

Date	Item	Payment	Deposit	Balance
	Savings & paycheck			-----
	Bargain Burgers		1,928.00	1,928.00
	Rent / security deposit	800.00		-800.00
	6th Street Apartments			1,128.00
	Electricity	53.36		-53.36
	Practical Power Co.			1,074.64
	Basic cable	65.00		-65.00
	Channel-Surfing Cable			1,009.64
	DSL Internet service	35.00		-35.00
	Faster-Service Internet			974.64
	Cell phone / texting	75.00		-75.00
	Cellway Wireless			899.64
	Car payment	98.00		-98.00
	Junker's Used Cars			801.64
	Groceries / supplies	163.86		-163.86
	Vernon's Grocery			637.78
	Cigarettes	67.16		-67.16
	Quick-Way			570.62
	Gas	95.82		-95.82
	Tumbleweed			474.80
	Entertainment	75.00		-75.00
	CASH			399.80
	Car maintenance	83.92		-83.92
	Joe's Auto Repair			315.88
	Auto liability insurance	93.65		-93.65
	Trust-Us Insurance Co.			222.23
	New clothes	74.37		-74.37
	Deshler's Thrift Store			147.86
	Laptop payment	100.00		-100.00
	Workstation Central			47.86

Answer Key

Checkbook / Debit Card Register—First Month Key

Minimum Wage \$10.00/hour

Date	Item	Payment	Deposit	Balance
	Savings & paycheck			-----
	Bargain Burgers		2,480.00	2,480.00
	Rent / security deposit	1,100.00		-1,100.00
	6th Street Apartments			1,380.00
	Electricity	87.36		-87.36
	Practical Power Co.			1,292.64
	Basic cable	75.00		-75.00
	Channel-Surfing Cable			1,217.64
	DSL Internet service	45.00		-45.00
	Faster-Service Internet			1,172.64
	Cell phone / texting	80.00		-80.00
	Cellway Wireless			1,092.64
	Car payment	150.00		-150.00
	Junker's Used Cars			942.64
	Groceries / supplies	183.86		-183.86
	Vernon's Grocery			758.78
	Cigarettes	87.16		-87.16
	Quick-Way			671.62
	Gas	115.82		-115.82
	Tumbleweed			555.80
	Entertainment	105.00		-105.00
	CASH			450.80
	Car maintenance	103.92		-103.92
	Joe's Auto Repair			346.88
	Auto liability insurance	123.65		-123.65
	Trust-Us Insurance Co.			223.23
	New clothes	74.37		-74.37
	Deshler's Thrift Store			148.86
	Laptop payment	100.00		-100.00
	Workstation Central			48.86

Checkbook / Debit Card Register— First Month Key

Minimum Wage \$15.00/hour

Date	Item	Payment	Deposit	Balance
	Savings & paycheck			-----
	Bargain Burgers		3,420.00	3,420.00
	Rent / security deposit	1,600.00		-1,600.00
	6th Street Apartments			1,820.00
	Electricity	153.36		-153.36
	Practical Power Co.			1,666.64
	Basic cable	105.00		-105.00
	Channel-Surfing Cable			1,561.64
	DSL Internet service	75.00		-75.00
	Faster-Service Internet			1,486.64
	Cell phone / texting	115.00		-115.00
	Cellway Wireless			1,371.64
	Car payment	158.00		-158.00
	Junker's Used Cars			1,213.64
	Groceries / supplies	213.86		-213.86
	Vernon's Grocery			999.78
	Cigarettes	107.16		-107.16
	Quick-Way			892.62
	Gas	135.82		-135.82
	Tumbleweed			756.80
	Entertainment	145.00		-145.00
	CASH			611.80
	Car maintenance	133.92		-133.92
	Joe's Auto Repair			477.88
	Auto liability insurance	153.65		-153.65
	Trust-Us Insurance Co.			324.23
	New clothes	114.37		-114.37
	Deshler's Thrift Store			209.86
	Laptop payment	160.00		-160.00
	Workstation Central			49.86

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