

Essential Money Management has been designed to allow you to present specific personal finance topics in one week or less.

The Basics contains the following resources:

- This outline which explains in detail what is presented in each lesson and lists national standards that are met by the lessons.
- 4 in depth, activity-based lessons that will teach your students how to shop smart when buying food and clothing, choosing a vehicle or renting an apartment.
- An assessment that can be used as a pre-test as well as a post-test to evaluate what your students have learned and to identify those areas that might require additional instruction.



The Four Lessons

The Basics includes the following 4 lessons. Each lesson contains 1 page of explanatory text, 1 or more reproducible student activities and a teacher's key with answers, suggestions and step-by-step math solutions where appropriate.

Lesson 1: Buying Food

Your students will read:

- A list of ways to save when shopping for groceries.
- Some facts about eating fast food and dining out.

Student activities:

- Students will read six situations concerning Brittany's problems with meals and explain why they believe she made a good or bad decision in each situation.
- Students will calculate the nutritional cost and dollar cost of several fast food meals. They will also answer accompanying questions.

Lesson 2: Buying Clothing

Your students will read:

- Why we buy clothing and the different types of clothing needed in a wardrobe.
- Where we can buy clothing.
- How to shop smart for clothing.

Student activities:

- Students will purchase a wardrobe for Jessica that includes at least 10 items and stays within her budget. A list of clothing choices is provided.
- Students will purchase a wardrobe for Zack that includes at least 10 items and stays within his budget. A list of clothing choices is provided.

Lesson 3: Shopping For Wheels

Your students will read:

- How to choose the right vehicle.
- Where to look for a vehicle.
- How to shop smart for a vehicle.

Student activities:

- Students will calculate the driving range, average price and fuel savings per month for 7 new fuel efficient cars that Amanda is considering buying.
- Students will explain the advantages and disadvantages of each of the 7 cars and determine which one they believe Amanda should buy.

Lesson 4: Your First Apartment

Your students will read:

- An explanation of how to choose an apartment and the various costs involved in renting an apartment.
- The advantages and disadvantages of having a roommate and suggestions on how to make having a roommate a positive experience.

Student activities:

- Students will read six situations concerning Tyler’s first apartment and explain why they believe he made a good or bad decision in each situation.

The Basics Assessment

The assessment includes:

- 20 True or False questions
- 4 multi-step problems dealing with buying food and clothing, choosing a car and renting an apartment

Meeting National Standards

This module meets the following national standards:

- The JumpStart Coalition for Personal Finance Education . Planning and Money Management Standard 4
Credit and Debt Standard 1
- Family and Consumer Science National Standards:..... Consumer and Family Resources 2.1
Consumer Services 3.5
- National Council for the Social Studies (Economics)..... Allocations of Goods and Services
Market-Price and Quantity Determination
The Role of Price in Market Systems
The Role of Competition

Your First Apartment:

When the time comes for you to live on your own, you will probably start out in an apartment and you may share it with one or more roommates.

To find that first apartment you can ask friends who are renting, look online, check out the "For Rent" ads in the newspaper, ask a local realtor or simply stop by apartment complexes and talk with the managers.



The cost of any apartment you look at will depend on the location, the quality, the size and the amenities such as parking, storage, security, fitness center and swimming pool. Be sure to check out the apartment, the amenities and the neighborhood thoroughly before you make a decision. Don't rely on a picture and description on the internet or someone else's recommendation without inspecting it yourself. If possible, talk with other residents to get their opinion.

Many landlords will require you to fill out an application which they will use along with a credit check to be sure you are a desirable tenant, can afford to pay the rent and have a history of paying your bills. If your application is accepted, you'll probably be asked to sign a lease which is a legal contract defining the rights and responsibilities of both you and the landlord. Be sure you understand the lease before you sign it. If you have difficulty reading or understanding it, get someone other than the landlord to explain it to you. A lease is typically for one year and if you decide to move before the lease is up, you are obligated to pay the remaining rent.

If you do not want to sign a long-term lease, you may be able to find a landlord who will allow you to rent month-to-month. You'll probably still be asked to sign a rental agreement, but either you or the landlord can end the agreement with only one month's notice.

To move in, you'll have to pay the first month's rent in advance and a security deposit which could be equal to one month's rent or more. The security deposit can be used by the landlord to pay for damages you cause to the apartment or to cover the rent if you fail to pay it. Along with the rent and the security deposit, also expect a utility deposit for electricity and perhaps installation charges for cable and internet. You'll also probably spend some money on furnishings and decorating. Finally, you'll want to get a tenant's insurance policy to protect your belongings and to protect you if someone is hurt in your apartment.

Once you move in, your monthly expenses will include the rent, your utility bills and your tenant's insurance premiums.

Roommates:

Sharing an apartment with one or more roommates can make it possible for you to live independently.

By sharing the rent and utilities you can save a lot of money to use for other things. But keep in mind that you will be sharing the living space and be depending on the roommate to pay their fair share on time. So be sure you choose your roommate carefully. You want someone you can get along with and who you can depend on.



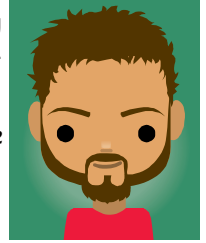
Also be careful about renting an apartment that you can only afford with a roommate. If the roommate decides to leave, you will still be responsible for the rent and utilities until you can find another roommate.



One of the things that can make having a roommate work out is signing a roommate contract. With a contract, everyone knows their responsibilities up front, what is expected of each person and how problems are to be solved.

Tyler's Apartment

Tyler has graduated from the local community college with an associate degree and has started working at his first full-time job. While he was in school he lived with his parents, but that is about to change. Tyler is ready to rent his own apartment and his best friend, Jeff, has agreed to be his roommate.



1. Tyler is going to look at apartments today and his parents have offered to go with him. But he has decided to handle it himself.

Do you think this is a good decision? Why or why not?

Four horizontal lines for writing a response to question 1.

2. Tyler has found the apartment he wants. It has two bedrooms, a living room, one bathroom and a kitchen with a dining area and an indoor parking space. The apartment complex also has a pool and fitness center. The rent is \$900 a month.

Tyler leased the apartment for a year and Jeff is going to be his roommate. Tyler's dad suggested that he have Jeff sign a roommate contract, but Tyler felt that was unnecessary since he and Jeff had been best friends forever.

Do you think this is a good personal finance decision? Why or why not?

Four horizontal lines for writing a response to question 2.

3. Along with their monthly rent, Tyler and Jeff will have a cable TV bill and an electric bill each month. The apartment complex includes water, sewer, trash pickup and free WiFi with the rent and they each pay for their own phone plan.

Tyler has agreed to put the cable and electric bills in his name and be responsible for paying them each month and collecting Jeff's share.

Do you think this was a good personal finance decision? Why or why not?

Four horizontal lines for writing a response to question 3.

Name:

Period: