



your money and you

DO YOU have money of your own with which to get things you want—a trip? dates? a radio? a party dress? even a car? Are you always wishing that somehow you could have more money?

You've probably heard your parents or grandparents make such statements as "money doesn't grow on trees," "money isn't everything," or "the best things in life are free." Of course, there's a lot of truth in all three statements. We know that there are many values and family satisfactions and much happiness that money cannot buy. These include love of family, friendship, being thoughtful and considerate of others, and the joy of doing something worth while. Nevertheless, it does take money to get the things we want and need.

How Much Is Enough?

"The more we get the more we want." *More* money is not likely to solve money problems. The *amount* you have is important. But the *way you use* what you do have is more important, whether you have 50 cents per week or \$3 per week.

The amount of money you get will depend on:

1. How much the total family income is.
2. How much of that income it takes to run the home and the farm or business.
3. How many in your family depend on that family income.
4. The understanding you have with your parents and other family members.

Remember, your parents have money problems of their own. Do you have any idea how much it costs to operate a farm or business? How much does it take to pay debts, taxes, insurance premiums, pay for the house, car, tractor, gas, oil and other repair bills? And what about the many other things?

Some families get together regularly to discuss these money problems and the needs of individual family members. Such an experience is sure to bring about better understanding on everybody's part and a better solution to problems.

5. How much can you earn for yourself?

Perhaps you can earn at least part of what you need. This is excellent training and experience. It should not interfere with school activities or your fair share in helping with work at home. You don't expect to get paid for doing home chores any more than your mother would expect to get paid for preparing your meals, mending and washing your clothes, and taking care of you when you are sick. You might expect pay for special jobs that your parents may regularly hire an outsider to do such as mowing the law or washing the car.

Whether you have much or little money, you can practice money management. No one is

born with the knowledge and skill to do it well. It has to be learned just as "readin', writin' and 'rithmetic," or driving a car.

Why Make a Plan

It is much easier to *spend* money than earn it. Most of us have trouble in making our money stretch far enough to get everything we would like to have. If we spend without planning ahead, we generally spend carelessly and fail to "make ends meet". When this happens, there is trouble and unhappiness at home.

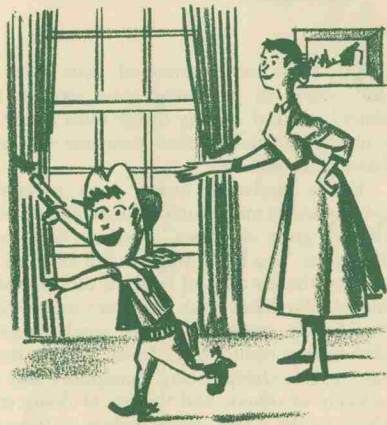
A spending plan will not buy things for you, but it *will* tell you whether your income will buy what you need and want. It will help you to see where your money is going *before* it goes. It will help you to keep from buying things you can't afford, and to learn to be a better buyer. This is good money management. "The only time you can manage money is while you still have it. It is too late after the money has been spent."

How To Make a Plan

1. Know (or estimate) the amount of money you will get for the next month. Here is a simple, easy form to use to get it on paper:



You fellows may be able to earn some extra money during summer months mowing lawns.



Baby sitting for your neighbor is a good way for girls to earn some extra spending money.

My Money Will Come From

	1st week	2nd week	3rd week	4th week	5th week	Total
Earnings						
Gifts						
Allowance						
Total						

2. List the things you plan to use your money for during one month and the estimated cost of each. Here is a form that will help you do this:

I Plan to Use My Money For

	1st week	2nd week	3rd week	4th week	5th week	Total
Food						
Clothing						
Room						
Health						
Personal Care						
4-H Projects						
Education						
Transportation						
Recreation						
Contributions						
Gifts						
Savings						
Total						

3. Now, compare the totals, like this:
 Income for one month \$ _____?
 Planned use for one month \$ _____?
 If "planned use" is more than "Income", this means "you're in the red" \$ _____ (difference between income and planned use.)

4. Now, what will you do?

You can do one of two things:

- (a) Increase the money you get, or
- (b) Cut down somewhere on your spending and saving plan.

5. Go over the list of things you had planned to get with your money (No. 2 above). Take each item, one at a time, and ask yourself these questions about it:

- a. Do I *really* need it?
- b. Could I be happy without it?
- c. Could I make it at home at less cost?

d. Could I learn more about it and be able to buy a satisfactory product at lower cost?

6. Suppose things don't work out just as you had planned? Remember, the purpose of a spending plan is to serve as your guide in the use of your money. Unexpected things may, and often do, happen. Then, you will need to change your spending plan, too. No one can make a spending plan that won't have to be changed from time to time to suit changes in income or prices, or in family needs.

Remember, too, that a spending plan will give you very valuable experience in money management now while you are young. When you are older with a home and family of your own, you will find it much easier to manage the family money.

SUGGESTED HOME WORK

1. Talk these problems over with your family and get them to help you in figuring out what to do.
2. Adjust your "use of money" plans so that it will be equal to, or less than, the amount of money you expect to have for your own use.
3. When you get your plan adjusted to fit your income, try it out for one month.
4. At the end of one month, check to see how well your plan worked.
5. If you had any problems in connection with your planning, decide how you might overcome them.
6. Then, plan the use of your money for the next three months.
7. Write a story on this unit, "*Plan the Use of Your Money*," telling how it has helped you to be a better money manager. Also tell how your family has worked with you on your money management problems.



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