

10 Things You Need to Know About Money PowerPoint Notes

<p><u>Slide 4</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>10. Independence means you pay your own way.</p> <p>When others help meet your financial obligations, you are not truly independent.</p>
<p><u>Slide 5</u> Text:</p> <p>Discussion Notes:</p>	<p>Independence is more than not living with your parents.</p> <p>According to a recent Junior Achievement survey, many teens don't expect to be financially independent until their mid-twenties.</p>
<p><u>Slide 6</u> Text:</p> <p>Discussion Notes:</p>	<p>Establishing your own home takes planning and time.</p> <p>Don't expect to have everything right away. Remember your parents spent years developing a lifestyle, accumulating possessions, and building a nest egg. You shouldn't expect to have what they have right away.</p>
<p><u>Slide 7</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>9. Know how to protect your financial identity.</p> <p>The skimmers, scammers, lurkers, bots and phishers work hard to snag your personal information, but there are things you can do to deny them.</p>
<p><u>Slide 8</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Be smart when purchasing online.</p> <p>Be safe when you buy online. If possible, use a credit card not a debit card—a debit card could give hackers access to your bank account. Make sure your anti-virus and anti-spyware software is up-to-date and investigate the integrity of the online merchant. Do not give credit card information to a Web site you haven't thoroughly checked.</p>
<p><u>Slide 9</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Understand and beware of online fraud.</p> <p>Skimmers are electronic devices planted in ATMs and pay-at-the-pump gas pumps. They lift the data stored in the magnetic strip on credit and debit cards. It is always best to pay for gas inside the station, but if that isn't possible examine the card slot carefully for any irregularities. The same holds true for automated teller machines, in fact, consumers are advised to use the ATM inside their bank whenever possible.</p>
<p><u>Slide 10</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Check your credit report on a regular basis.</p> <p>Just as you check your bank balance frequently to detect unexplained transactions, you should also check your credit report. Your credit report will show credit accounts opened in your name. If you did not open a listed account, you could be a victim of identity theft.</p>

10 Things You Need to Know About Money PowerPoint Notes

<p><u>Slide 11</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>8. Track your cash flow.</p> <p>How is it possible that it takes so long to earn money and such a short time to spend it?</p>
<p><u>Slide 12</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Cash flow is a picture of your spending—where does money really go?</p> <p>Experts recommend that you occasionally track all of your spending—every penny. Tracking reveals spending patterns you are unaware of or are ignoring. Ask yourself if you are getting maximum satisfaction from your discretionary spending. For example, are all those mocha cooler coffees worth sacrificing a dream vacation? Research shows the act of recording all spending can help you curb the desire to buy items you don't really need and help achieve financial goals at the same time.</p>
<p><u>Slide 13</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Curb undisciplined spending.</p> <p>If spending gets a little (or a lot) out of control, seek help from friends, family or a financial counselor to get back on track. Learning tricks to control discretionary spending is an invaluable skill, one you will use throughout your life.</p>
<p><u>Slide 14</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>7. Control your debit card.</p> <p>Debit cards really do take money out of a bank account. When using a plastic card it is easy to forget that money is being removed from a real bank account. Every swipe is money you are giving away and not keeping for another purpose.</p>
<p><u>Slide 15</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Record spending as you go.</p> <p>To slow down your spending record each expenditure at the time of purchase. Most banks offer debit or checking registers. These handy record books help track cash flow.</p>
<p><u>Slide 16</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Check your bank balance frequently.</p> <p>Set aside the money needed for fixed expenses and those occasional big expenditures, like car insurance or tuition. It is easy to spend money that needs to go somewhere else if it looks like you have a large balance in your account.</p>
<p><u>Slide 17</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>6. Manage your risk.</p> <p>Understanding the principles of risk management is important. Don't gamble and lose your income or hard-earned investments because of a belief that "everything will be O.K." or, "It will never happen to me."</p>

10 Things You Need to Know About Money PowerPoint Notes

P.3

<p><u>Slide 18</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Control risk by planning.</p> <p>The bad news: living involves risk. You have control over some things and no control over many others. Emergencies can cause long-term financial problems, but the good news: many risks are predictable.</p> <p>There are four basic ways to manage risk: avoid risk, reduce risk, transfer risk, or assume risk.</p>
<p><u>Slide 19</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Avoid risk.</p> <p>Avoid risk—Some of the simple things your mother told you work; don't smoke, never buy a motorcycle and don't jump out of airplanes without a parachute.</p>
<p><u>Slide 20</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Reduce risk.</p> <p>Reduce risk—Risk is reduced by taking precautionary measures such as installing smoke alarms and CO² detectors or eating healthy.</p>
<p><u>Slide 21</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Transfer risk.</p> <p>Transfer risk—The most common cause of serious financial problems is unexpected medical costs. Health insurance can help manage such an emergency. Automobile insurance helps minimize financial loss when an accident occurs. These are examples of <i>Risk Transfer</i>—paying a fee to transfer responsibility for major expenses like a totaled car or major surgery.</p>
<p><u>Slide 22</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Assume risk</p> <p>Assume risk—Be willing to pay the price if something happens. For example, by riding on the back of a motorcycle or “surfing the hood,” you assume the risk of a crash.</p>
<p><u>Slide 23</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>5. Plan for the Unexpected.</p> <p>No matter how carefully you plan, sometimes the unexpected happens. In fact, planning for the unexpected is part of being money smart and financially independent.</p>
<p><u>Slide 24</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Create a strategy.</p> <p>Create an emergency fund by setting aside money on a regular basis. It is only a matter of time before you might have an unexpected trip to the dentist, a flat tire, or another setback. Experts agree that financially responsible people have three to six months living expenses in an emergency fund to handle life's bumps in the road.</p>

10 Things You Need to Know About Money PowerPoint Notes

<p><u>Slide 25</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Plan for the inevitable.</p> <p>Most of us do not have a crystal ball, but can often predict the inevitable and estimate the cost. Need a new set of tires in a few months? Will your textbooks be especially pricey next semester or is your cell phone almost an antique? Plan ahead, work these items into a financial plan, and budget accordingly.</p>
<p><u>Slide 26</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>4. Budgets are for everyone.</p> <p>Some people have the wrong idea about budgeting. Budgets aren't just for old folks. A budget is a framework. Think of it as a flexible plan that helps you manage expenses and plan for the future. A budget is supposed to change and adapt.</p>
<p><u>Slide 27</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>A budget helps you reach financial and personal goals.</p> <p>Budgeting can help you keep your eye on short and long-term goals and prevent you from spending money you don't have month after month.</p>
<p><u>Slide 28</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Estimating expenses helps control spending.</p> <p>Budgeting out a few months at a time shows a picture of how much needs to be allocated to savings for future bills. It can also help curb spending because there is a blueprint for those upcoming expenses.</p>
<p><u>Slide 29</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>3. Needs and wants are different.</p> <p>You have heard this before and it might be boring to hear it again but we don't really need most of the things we think we need. The basic needs for simple food, clothing and shelter are influenced by the artificial needs created by marketing.</p>
<p><u>Slide 30</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Pay for needs first.</p> <p>Paying for needs first is obvious, and then decide how much of the "flexible" money that is left should go for wants. For example, a cell phone may be a need, but data plans, gaming and video capacity on a phone are most definitely wants—wants that cost money.</p>
<p><u>Slide 31</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Defer impulse spending.</p> <p>How often has a purchase languished in a closet or drawer, unused and unappreciated? Avoiding impulse purchases saves a lot of money over the long term. Here are a few tips to reduce this bad habit: Wait a specific time—an hour or a week—to re-evaluate before buying. Avoid shopping with friends who tempt you to spend. Translate the price of the "must have" item into the number of hours of work it will</p>

10 Things You Need to Know About Money PowerPoint Notes

P.5

	<p>take to pay for it. Shop with cash and only bring the amount you can truly afford to spend.</p>
<p><u>Slide 32</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Budget for “wants.”</p> <p>Planning “wants” into the budget prevents us all from feeling deprived. Set aside a certain amount of money each month toward some “want.”</p>
<p><u>Slide 33</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>2. Being responsible with money is hard work.</p> <p>However, not having money for the things you need is hard, too.</p>
<p><u>Slide 34</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>It is always more fun in the moment to spend instead of save.</p> <p>Managing finances is not rocket science; yet repeatedly, intelligent people spend more than they make. There is no end to what you can want. It is an adult responsibility to use available resources to create a satisfying life.</p>
<p><u>Slide 35</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Saving for the future takes discipline.</p> <p>Saving for the unexpected, future wants, needs, and even retirement is not exciting. However, people who manage money have this figured out. Starting to save early builds wealth later—it is just that simple.</p>
<p><u>Slide 36</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Money is linked to emotion.</p> <p>Spending and saving money is as much an emotional response as a financial one. Think about how your emotions affect your spending. Retail therapy, a popular cliché, has financial consequences for people with a budget.</p>
<p><u>Slide 37</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>1. What you own is not who you are.</p> <p>Our consumer culture markets possessions as a way to help us create our identity, and it works. Disconnecting self-image from property is challenging, but possible.</p>
<p><u>Slide 38</u> Slide Text:</p> <p>Discussion Notes:</p>	<p>Advertising works.</p> <p>Advertisers spend billions of dollars on marketing that the typical consumer believes has little or no impact. Admit to yourself that advertising works and learn to minimize its effect by analyzing the marketing that surrounds you. Make it a game to deconstruct ads and see how they play “gotcha.”</p>

10 Things You Need to Know About Money PowerPoint Notes

<u>Slide 39</u> Slide Text:	Few purchases give long-lasting value or satisfaction.
Discussion Notes:	Evaluate your possessions with these two criteria: long-term satisfaction and short-term satisfaction. For most people, few items end up in the “long-term” pile.
<u>Slide 40</u> Slide Text:	Find pleasure in things that don’t require spending money.
Discussion Notes:	Finally, find enjoyment in experiences, friends, and activities that don’t require money. After all, a life well lived is full of memories, not “stuff.”
<u>Slide 41</u> Slide Text:	“Personal finance is more personal than it is finance: it is more behavior than it is math.” Dave Ramsey
Discussion Notes:	One final concept to consider is how you view money. What do you think this quote means? How are your spending patterns influenced by personal behaviors?