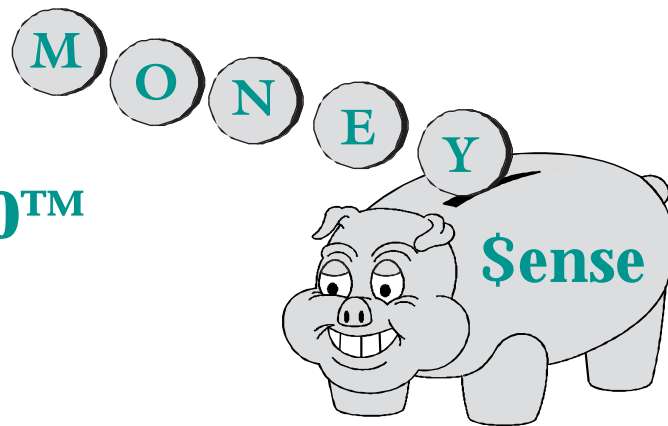


Money 2000™



For Teens

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Welcome

Welcome to the FIRST issue of **Money Sense for Teens**. This newsletter is designed specifically for teenagers enrolled in the **Money 2000™** program. Every three months, you will receive information on using your money wisely, making good financial decisions, setting financial goals you can reach and much, much more. A few facts to think about when reading this newsletter:

In 1998:

- American teenagers earned \$121 billion, 9 percent more than in 1997. But they spent \$141 billion, up 16 percent from 1997.

- One-third of teens aged 18 to 19 had at least one credit card in their own name.
- 66 percent of teens put something in a savings account.
- 7 percent of teenagers put money into a mutual fund.
- 55 percent of teen's money came from parents, 30 percent from part-time jobs, 12 percent from full-time jobs.

Learning about money management now can start you down the road to financial fitness for the rest of your life. If you have suggestions for this newsletter, please contact your county extension office or e-mail Wanda Shelby at shelby@uamont.edu.

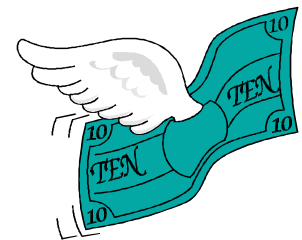
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Where Does Your Money Go?

The average person spends money about three times a day or 100 times a month. This includes large purchases as well as small purchases, such as a pencil or a piece of gum. Is your spending average or above average? Do you have a plan for how you spend your money? Or have you ever gotten

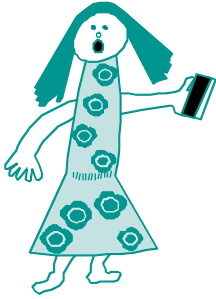
paid on Friday and on the following Monday asked yourself, "where did my money go?" Now is the time to begin keeping track of where your money goes. It may not be easy.



One way to know where your money goes is to keep a record of every purchase you make. Keep a small notebook with you or ask your county extension agent for a

pocket-sized *Expense Record Book* (MP306). Each time you buy anything, even a small item, list the name of the item and the cost. At the end of the week, look at the record of

your expenses. Are you happy with the way you spend your money? Could you have done without some items and saved for something you want or need later?



Did You Know?

If you had purchased one share of Coca-Cola stock in 1919, the year the company went public, it would have been worth \$92,000 in 1997?

Circle the hidden words that relate to money.



M	I	S	E	R	E	T	A	I	L	E	R	R	A
A	F	A	L	Y	L	I	M	A	F	H	A	E	S
D	D	E	B	T	A	D	N	E	P	S	D	R	X
V	A	L	U	E	S	E	S	V	R	A	O	U	T
E	P	A	Y	E	N	R	D	A	I	C	L	T	O
R	E	S	O	U	R	C	E	S	E	L	L	C	E
T	H	R	I	F	T	X	A	T	I	N	A	A	F
I	P	R	I	C	E	S	D	N	E	I	R	F	F
S	L	A	O	G	A	T	S	N	A	O	L	U	P
N	E	E	D	S	B	A	R	G	A	I	N	A	O
G	B	O	R	R	O	W	E	Y	E	N	O	M	I



Ask the Money Guy

Each month you will have the opportunity to “Ask the Money Guy” about money management questions. If you have a question you would like answered, send your e-mail to shelby@uamont.edu.

Dear Money Guy:

I never have ANY money left at the end of the week. What should I do?

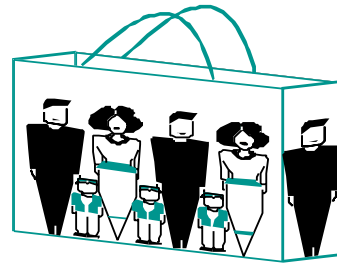
Desperate Dan

Dear Desperate:

You have three choices

- 1) increase your income,
- 2) decrease your spending or
- 3) increase your income and decrease your spending.

You could get a job or another job, but with school you may not have time. Decreasing your spending is an option, but it may not be fun. Read the “Are You Using Money Wisely?” article in this



newsletter and begin keeping up with how much you spend. Remember, one \$.60 soft drink a day for a month (30 days) adds up to \$18.00. Suppose

you go to the movies once a week and have a snack while watching the movie. This could add up to \$8 to \$10 each time.

Could you skip one week and watch a video? You make the choice.

The Money Guy

What Does Money Mean to You?

Money means different things to different people. For some, having LOTS of money is VERY important. For others, money matters little. How you feel about money is important. How you feel is influenced by your parents, friends, television, movies, religion and other things and people. Finish these statements to get an idea of how you feel about money. When you finish, ask your parent(s) to do the same and talk about your answers.

- \$ Money is _____.
- \$ If I had \$100 to spend on me, I would _____.
- \$ I think people with lots of money _____.
- \$ When I get money, I _____.
- \$ When I don't have money, I _____.
- \$ When I need or want money, I _____.

Have a Plan



Make a plan for using your money:

- STEP 1:** List your income and where you get it.
- STEP 2:** List the things you have to pay for each week – things you need.
- STEP 3:** List everything you spend money on weekly that isn't needed (snacks, CDs, clothing) and other things you want.
- STEP 4:** Add together the dollar amount from steps 2 and 3. Is that amount more than your income. If so, work harder to plan your spending by cutting expenses. What expenses could you cut?

Are You Using Your Money Wisely?

Plan



Set goals for getting, spending, sharing and saving money. Find out the cost of things you need or want, and figure out how to get the most and/or best product or service for the least amount of money.

Control



Keep track of your expenses, and know when goals are met or not met. If goals are not met, why. Do you need to change the way you spend money?

Organize



Know what your income and expenses are by keeping good records, using a checking account to track and protect your money and using savings or other investments to make the most of the money you save.

Rate Your Satisfaction

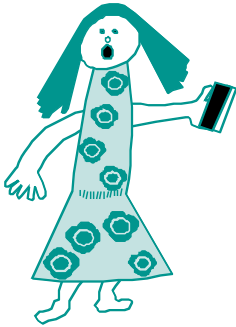


Do you feel okay or not okay about the way you spend your money? Should you keep managing money the same way or make changes?

??????? Question of the Month ????????

This newsletter will feature a question each issue. The answer will be in the next newsletter. You will have three months to find the answer. Do you know the correct answer to the question below?

Josie saved \$2,000 a year from the time she was 19 years old until she was 26. She never added any more money to the account after that time. Jack began saving at age 27 and saved \$2,000 each year until he was 65 years old. Both Josie and Jack saved their money in a tax-deferred account (the money is not taxed until it is taken out of the account) that earned 10 percent per year. Will Josie or Jack have the most money at age 65?



Did You Know?

*Consumers have eaten
362 billion Oreo cookies since
they were developed in 1912.
How many have YOU
eaten?*

Wanda W. Shelby
Wanda W. Shelby
District Extension Family Resource
Management Specialist