

## OVERVIEW

Habits can help you soar to success or keep you panting on the treadmill, with success always out of reach. They're sneaky, too. Because habits are automatic, they kick in before you can stop to think about how they're going to help you or hurt you in the long run.

Today's lesson will help you examine and better understand your current habits, spending values and money attitudes, and how these can impact your relationships and financial future.

## LEARNING OUTCOMES

In this lesson you will explore how spending, saving and values impact your finances.

Along the way you will:

- Discuss the value of having a process to plan how you will use your money.
- Give examples of sensible and unwise spending decisions and behaviors.
- Compare spending priorities.

Use what you learn to outline a personal money motto that describes how you value and use money.

## LEARNING TASKS

These tasks match pages 3-13 in Student Guide 1.

__ 1.	Can you think of a time when you bought something on impulse or overspent money on something you didn't need? When have you ever wasted money on something and wished you hadn't?
__ 2.	Complete <b>Activity 1.1: My Money Habits</b> to evaluate your money habits.
__ 3.	List what you spent money on in the past week as you complete <b>Activity 1.2: My Disappearing Dollars</b> .
__ 4.	Sometimes we make poor spending decisions because we confuse wants and needs. Participate in a game that forces you to choose. Be prepared to defend your answers!
__ 5.	Complete <b>Activity 1.4: My Needs and Wants</b> to categorize items you recently purchased.
__ 6.	Think about the question, "If all of my bills were paid, and I 'found' an extra \$100, what would I spend it on?" Complete a survey to assess your money values. Complete <b>Activity 1.5: My Values</b> to identify what is important to you when spending your money.
__ 7.	In 30 words or less, write a catchy <b>personal money motto</b> —a rule to live by—that inspires you to stick to sensible spending habits that match your values.



## TAKING IT HOME

How do your spending and money values compare to your family's values? Use the Values and Spending Survey task to interview a family member. Compare that person's responses to your response.

In what ways do you share the same spending and money values? In what ways are you two different? How can this information help you both better understand where the other is coming from when it comes to spending money?



## FURTHER STUDY

How DO you spend your money? The more you know about your current spending habits, the better informed you are to create a budget you can stick with and to plan for your future. For the next week, track everything you spend.

Compare your actual spending to your Money Motto and your Values and Spending Survey results. How well do your spending habits match your values?

## Activity 1.1a: My Money Habits

NAME:

DATE:

### Directions:

What money habits do you have?

- A. List your money habits.
- B. Mark them as sensible (+), unwise (-) or neutral (N).

We'll come back to finish the right-hand column in this chart later.

Habit	+ / - / N	Possible Impact
<i>Stopping for fast food on the way home every day</i>	-	<i>Since I could wait to eat until I get home, that money could be used for other, more important things</i>
<i>Putting spare change in a jar every night</i>	+	<i>I can use it to buy something I want in a few months</i>

## Activity 1.1b: My Money Habits

**Directions:** Look at your money habits in the left column above. Think about how each habit could affect you in the future. For each unwise habit you listed, write a sensible habit to replace it.

## Activity 1.2: My Disappearing Dollars

**NAME:**

**DATE:**

**Directions:**

How much money did you spend in the past week? What did you buy?

List what you spent money on in the past week (or month) and use the information to gather evidence in the case of Your Disappearing Dollars.

## Activity 1.3: Why Wait?

**NAME:**

**DATE:**

**Directions:**

There are benefits to waiting to buy something. A sample is provided below.

Can you think of two or three additional reasons to hold off on a purchase?

**Reasons to Wait to Buy Something:**

Sample response: *If I don't spend the money now on \_\_\_\_, then I'll have money on hand if something more important to me turns up, such as \_\_\_\_.*

# Activity 1.4: My Needs and Wants: Can I Tell the Difference?



**NAME:**

**DATE:**

How much money did you spend in the past week? What did you buy?

**Directions:**

List what you spent money on in the past week (or month), and use the information to gather evidence in the case of *Your Disappearing Dollars*.

- A. Look at your spending log in Activity 1.2: My Disappearing Dollars.
- B. Write down five things you spent money on.
- C. Decide if each is a need or a want. A practice sample is provided for you.
- D. Review your list.
  - Are you sure your needs are real needs?
  - Do you think your friends or family would agree with your decisions?
  - Are there times when your wants may become a need?

Item	Need?	Want?
<i>Jacket to replace one that is outgrown</i>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Second jacket that is still in good shape</i>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

# Activity 1.5: My Values

**NAME:**

**DATE:**

**Directions:**

- A. What three or four things are most important to you?
- B. Why is each important to you?

Value	Why it's Important

# Task: Values and Spending Survey

**NAME:**

**DATE:**

**Directions:** Below you will find a list of 45 unique pairs comparing two of 10 different values. Consider the question, "If all of your bills were paid, and you 'found' an extra \$100, what would you spend it on?"

Circle one value for every pair that represents your preference. (NOTE: There are no wrong or trick answers. This exercise will simply give an indication about your spending values.)

8. Recreation (sports/ hobbies)  
5. Charity

9. Social Activities  
3. Clothes/Accessories

1. Savings/Investments  
4. Household

7. Education/Children  
3. Clothes/Accessories

2. Food/Eating Out  
4. Household

5. Charity  
10. Personal Appearance

1. Savings/Investments  
8. Recreation (sports/hobbies)

7. Education/Children  
4. Household

2. Food/Eating Out  
8. Recreation (sports/hobbies)

10. Personal Appearance  
2. Food/Eating Out

9. Social Activities  
5. Charity

10. Personal Appearance  
3. Clothes/Accessories

1. Savings/Investments  
5. Charity

8. Recreation (sports/hobbies)  
3. Clothes/Accessories

2. Food/Eating Out  
5. Charity

6. Travel  
7. Education/Children

1. Savings/Investments  
9. Social Activities

8. Recreation (sports/hobbies)  
4. Household

2. Food/Eating Out  
9. Social Activities

4. Household  
3. Clothes/Accessories

3. Clothes/Accessories  
5. Charity

8. Recreation (sports/hobbies)  
9. Social Activities

5. Charity  
4. Household

6. Travel  
1. Savings/Investments

9. Social Activities  
4. Household

6. Travel  
10. Personal Appearance

10. Personal Appearance  
1. Savings/Investments

5. Charity  
6. Travel

2. Food/Eating Out  
1. Savings/Investments

8. Recreation (sports/hobbies)  
6. Travel

9. Social Activities  
7. Education/Children

6. Travel  
2. Food/Eating Out

10. Personal Appearance  
9. Social Activities

3. Clothes/Accessories  
6. Travel

8. Recreation (sports/hobbies)  
10. Personal Appearance

6. Travel  
4. Household

7. Education/Children  
1. Savings/Investments

10. Personal Appearance  
4. Household

7. Education/Children  
8. Recreation (sports/hobbies)

3. Clothes/Accessories  
2. Food/Eating Out

5. Charity  
7. Education/Children

3. Clothes/Accessories  
1. Savings/Investments

9. Social Activities  
6. Travel

10. Personal Appearance  
7. Education/Children

2. Food/Eating Out  
7. Education/Children

# Task: Values and Spending Survey

A. Add up the number of times you picked each option and write it here:

- Charity \_\_\_\_\_
- Clothes/Accessories \_\_\_\_\_
- Education/Children \_\_\_\_\_
- Food/Eating Out \_\_\_\_\_
- Household \_\_\_\_\_
- Personal Appearance \_\_\_\_\_
- Recreation \_\_\_\_\_
- Savings/Investments \_\_\_\_\_
- Social Activities: \_\_\_\_\_
- Travel \_\_\_\_\_

B. Now rank the categories by writing the item having the greatest number next to number 1. If there is a tie, write the items in the order of your choosing.

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_
- 6. \_\_\_\_\_
- 7. \_\_\_\_\_
- 8. \_\_\_\_\_
- 9. \_\_\_\_\_
- 10. \_\_\_\_\_

List B reflects the items you consider **most important** in their order of importance. Knowing this can help you set priorities for your financial decisions and planning.

Compare this priority list to your recent financial decisions and goals. How do your values and priorities match your recent spending and saving actions?

TIP: Keep this list available to reference as you make money decisions.