

**DOLLARS & SENSE**

**SECONDARY  
School Module**

**ACTIVITY BOOKLET  
4**



**MY SUMMER JOB**



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## ACTIVITY 4 - MY SUMMER JOB

### MATERIALS REQUIRED

Dollars and Sense Secondary School Module

Activity Booklet – Provide Activity Booklet 4 to each student.

### AGENDA MAP

Time (Minutes)	Activity 4 - My Summer Job Effective Money Management - SPENDING Agenda Items	Page
10	1. Notes - Effective Money Management - SPENDING.	3
50	2. My Summer Job Directions	5
60	<b>TOTAL TIME for Activity 4</b>	



## MY SUMMER JOB

### NOTES: EFFECTIVE MONEY MANAGEMENT

There are three areas that will help guide you to effective money management:

1 - planning; 2 - spending; and 3 - managing financial resources. For Activity 1, the focus will be on **spending**. Keep in mind that our ancestors were excellent stewards of nature and today we must become stewards of our financial resources.

#### PLANNING

1. BUILD YOUR SKILLS	<ul style="list-style-type: none"> <li>• Build your skills to understand what you need or want in the future and how to generate the money needed for it.</li> <li>• Figure out where your money is coming from and what you're spending your money on.</li> </ul>
2. SET GOALS	<ul style="list-style-type: none"> <li>• What activity would you like to do in the future?</li> <li>• What items would you like to own in the future?</li> <li>• Identify the steps to achieve this future goal.</li> </ul>
3. DEVELOP BUDGET	<ul style="list-style-type: none"> <li>• Identify how much money you will need for your future goal.</li> <li>• What are the steps to save the amount of money needed?</li> </ul>

#### SPENDING

4. USE MONEY WISELY	<ul style="list-style-type: none"> <li>• Spend the money in the way that you've planned.</li> <li>• Spend less money than you make.</li> <li>• Consider all features and costs before making purchases.</li> </ul>
5. KEEP AN EYE ON THINGS	<ul style="list-style-type: none"> <li>• Keep track of how you are working through the steps to achieve the goal and save the money.</li> <li>• If things change, update your planned steps.</li> </ul>

#### FINANCIAL RESOURCES

6. SAVE MONEY	<ul style="list-style-type: none"> <li>• Build your financial resources.</li> <li>• Set aside money needed for your future goal.</li> <li>• Put your money in a deposit account and make money off it if you can.</li> </ul>
7. PROTECT YOUR CREDIT HISTORY	<ul style="list-style-type: none"> <li>• Protect your financial information.</li> <li>• Pay your bills on time.</li> <li>• Build a good credit history.</li> </ul>

## MY SUMMER JOB

### NOTES: SPENDING WISELY

Having available cash enables you to be in charge and enables you to get through difficult times. Therefore it is very important for you to save your money - the best way is by putting it in an account at the bank. Let your money grow. Become familiar with the ATM fees charged for each withdrawal and to avoid this expense, it is best to plan your cash needs in advance and use the ATM owned by the bank where your account is.

Set savings goals for both short term and long term goals. A short term goal is something you want to achieve in the next year or two, while a long term goal is something that could take 5 or more years to reach. Your goal could be to save to: go on a holiday; buy an I-Pad; buy a car; pay off debt; go to college or university; or cover emergencies, etc. Work out your goals and start saving on a regular basis. Consider what your top priority is, how much it will cost and when you would like to achieve it. Track your spending so that you know where your money is going.

Find ways to cut back on your spending. By making small changes in your life and spending wisely, you can grow your savings.

1. Watch the store ads and shop the sales.
2. When Grocery Shopping: prepare a list and only buy what is on the list; buy in bulk; and use all the food in the cupboard before you buy more.
3. Save on electricity - switch off lights you are not using; keep blinds drawn at night to keep heat/cool air in; turn off the TV and computer if it is not being used; and use energy efficient light bulbs.
4. Save by changing one habit: make your lunch at home; borrow books and DVDs from the library; pay for things with cash; and set limits on birthday and Christmas gifts.



## ACTIVITY 4 DIRECTIONS - MY SUMMER JOB

**TIME**

**(Minutes)**

**ACTIVITY 4 DIRECTIONS**

- 2 1. Refer to Activity Booklet 4 - My Summer Job.
- 30 2. Working in small groups, you have 30 minutes to perform this task.
- 15 3. Share responses with the class.
- 3 4. Facilitator summarizes key findings.

**50 TOTAL Activity Time**



## ACTIVITY 4 – MY SUMMER JOB

Congratulations!!! At your summer job you have saved \$1200.00. With this money you have two choices: **SPEND** or **SAVE**.

Listed on next page on My Summer Job Worksheet are examples of things that you can buy. Each product or experience has an initial cost. However, other items have the initial cost and many other costs tied into it. You need to think “What are the benefits or consequences of this purchase? And, what are the real costs of this purchase?”

For example, if you buy a Smart Phone (similar to a cell phone but with tons of apps), it will cost you at the beginning \$200.00 to purchase. The other costs attached to this phone include the service plans (talk time, text time and digital time) that are approximately \$80.00 per month. Nearly every phone plan will make you sign a contract for one year. This means that it will cost you \$960.00 to keep this phone. So the real costs for one year of owning this new Smart Phone is \$1160.00 (cost to purchase the phone and the cost for the mandatory service plan).

Now, with your small group, you have \$1200.00 and 30 minutes to review the list of things or experiences that you can buy. Here are the steps to this game:

1. Review your items and place a checkmark ✓ in the column of things you want and are going to buy.
2. Go back and take a look at the items you have checked. Now, using your calculator, for each item, record the real costs of this purchase (add the initial cost plus the other costs – results of spending).
3. Total up your real costs in the final column and record it in that column. If you have decided to save some money, then follow the instructions in figuring this out (see the example).



## ACTIVITY 4 - MY SUMMER JOB WORKSHEET

### POSSIBLE EXPENSES:

Type of Expense	Initial Cost	Results of Spending (Other Costs)	Check ✓ if this is the item you are going to buy.	Record the real costs (initial cost + the other costs/ results of spending) of this item
Example: Smart Phone	\$200	Extra costs for the smart phone are \$50/month for talk time and \$30 for digital time. Total ongoing costs to maintain the smart phone for the year is $\$50 + 30 = \$80.00$ month $\$80.00 \times 12$ months = \$960	✓	$200 + 960 =$ \$1160.00 for the year
1. Clothing	\$50 each	Will have the clothing for 1 ½ years		
2. 10-year old car	\$1,000	Extra costs for the care are insurance of \$2,000, gas costing \$200/month, and repairs that cost \$2,000 over the year. Total costs to keep the car on the road are \$6,400 for the year. The car might have been affordable in relation to your income, but the ongoing costs weren't.		
3. MP3 Player	\$200	Extra spending to purchase music was \$5/month. You didn't have a computer to download the music, so you used the computer in the school library. You forgot to logoff the computer in the library, and another student purchased \$100 of downloads on your account. The company required you to pay for it. The battery on the MP3 player died after 6 months, and you couldn't replace the battery. You no longer have an MP3 player that works, and you paid an extra \$130 in costs.		



## ACTIVITY 4 - MY SUMMER JOB WORKSHEET

### POSSIBLE EXPENSES:

Type of Expense	Initial Cost	Results of Spending (Other Costs)	Check ✓ if this is the item you are going to buy.	Record the real costs (initial cost + the other costs/ results of spending) of this item
4. Electronic game system	\$400	The game system only came with 1 game. You spend an extra \$200 for games that you wanted to play. You also spent an extra \$100 for a second game controller so you can play with your friends. The total additional spending for the game system was \$300.		
5. Birthday Gift for Sister – Took her to dinner	\$100	Dinner was great. You have nothing to show for it, but your sister appreciated your thoughtfulness in taking her out for her birthday. You had some good laughs over dinner.		
6. Go to a dinner & movie with friends.	\$80	Dinner and the movie was great. You have some good memories with your friends.		
7. Travel to a pow wow	\$200	Your trip was awesome. You met up with friends you haven't seen in a while, and you made some new friends. You spent an extra \$50 on food that you didn't plan on and you bought some t-shirts that cost \$50. You have some great memories from the trip. You spent \$100 more than you expected.		



## ACTIVITY 4 - MY SUMMER JOB WORKSHEET

### TOTAL UP ALL ITEMS “REAL COSTS”

Type of Expense	Initial Cost	Results of Spending (Other Costs)	Check ✓ if this is the item you are going to buy.	Record the real costs (initial cost + the other costs/ results of spending) of this item
SAVE MONEY		<p>Take the amount and multiply by 5% (bank rate of interest paid to you for saving your money with them in an account). Take these two amounts and add together. This is what you get to keep in your pocket.</p> <p>Example: <math>\\$1200 \times 5\% = \\$60</math>  <math>\\$1200.00 + 60 = \\$1260.00</math>                      You have \$1260.00 in your bank account and it is collecting interest every day.</p>		Gained Money – How much did you gain?





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