

# LIFE LESSONS WITH HOUSTON HIGHWAY CREDIT UNION

Elementary PreK-2 Grade Financial Fitness

# Allowance and Spending

- Some students get an allowance at home, some do not. That is a home decision but either way we all need to know how to spend wisely. First, we want to pay ourselves... then we want to save... and then we will spend. Why pay yourself first? You want to have money for the item you want, and you want to learn to be able to spend for the items you are using on a regular basis. So, let's see ...

## WHAT ARE NEEDS AND WANTS?

A **need** is something that you cannot live without.



**Water**



**Food**



**Shelter**



**Clothes**



**Medical Care**

A **want** is something you would like, but can live without.



**Toys**



**Candy**



**Video Games**



**Jewelry**



**Movie Tickets**

# Areas We Usually Spend Money On



SCHOOL  
LUNCHES



VIDEO  
GAMES



MOVIES



SPORTS



CLOTHES




DONATIONS

# Saving...

Saving is important so you have money for a future item or experience you wish to have.

Many people try and save five percent of their income. Some do one percent. You choose.

Consistent saving is the important thing.



# LET'S LOOK AT OPTIONS

Save, Spend, Share



[This Photo](#) by Unknown Author is licensed under [CC BY](#)

# School Lunch Options

1

Bring from home

2

Buy at School

3

Get on the School  
Lunch Program

# Video Games

1

Play with  
games you  
already have

2

Obtain used  
games

3

Play at an  
arcade

4

Buy new  
games



# Movies



BORROW FROM  
THE PUBLIC  
LIBRARY



RENT



GO TO A  
DISCOUNT TIME  
AT THE THEATRE



GO TO THE  
THEATRE AT  
FULL-PRICE

# Sports

1

Use the  
equipment you  
already have

2

Buy used  
equipment

3

Buy off brand  
new  
equipment

4

Buy brand  
name  
equipment

# Clothes



WEAR WHAT YOU  
HAVE



BUY AT A THRIFT  
STORE



BUY AT A  
DISCOUNT STORE



BUY AT A  
DEPARTMENT  
STORE

# Donations (SHARE): church or charity organizations

Less than  
five percent

Five  
percent

Ten  
percent

# What Does This Look Like?

Take \$5.00 a week and put your spending in each category... remember pay yourself first.

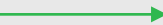


Do this for a month—how does this look at the end of the month?  
\$20—

# Remember... the categories



PAY  
YOURSELF



SAVE



SCHOOL  
LUNCH



VIDEO



MOVIES



SPORTS



CLOTHES



DONATIONS  
(SHARE)



# MONEY RESPONSIBILITIES

Decision Making

# Decision Making is One of the Biggest Character Building Traits

- Terms---learn the vocabulary
- Apply critical thinking
- Demonstrate the use of the Decision Making Model: PACED
  - Define the **P**roblem
  - List the **A**lternatives
  - Determine the **C**riteria
  - Evaluate the **A**lternatives
  - Make the **D**ecision
-



# Example of PACED

- **CHOICES**

- **Think about a choice that you made today. Perhaps it was to push snooze instead of get-up. Maybe it was to ignore your sister/brother at breakfast versus engage them in conversation? Maybe it was to sit next to someone new at lunch?**

- **What was the choice you made?** \_\_\_\_\_

- **What was the alternative(s) to the choice you made?**  
\_\_\_\_\_  
\_\_\_\_\_

- **Why did you choose one thing over another?** \_\_\_\_\_

- \_\_\_\_\_

- **Why couldn't you have both options at the same time?**

- \_\_\_\_\_


- \_\_\_\_\_

# PACED Process

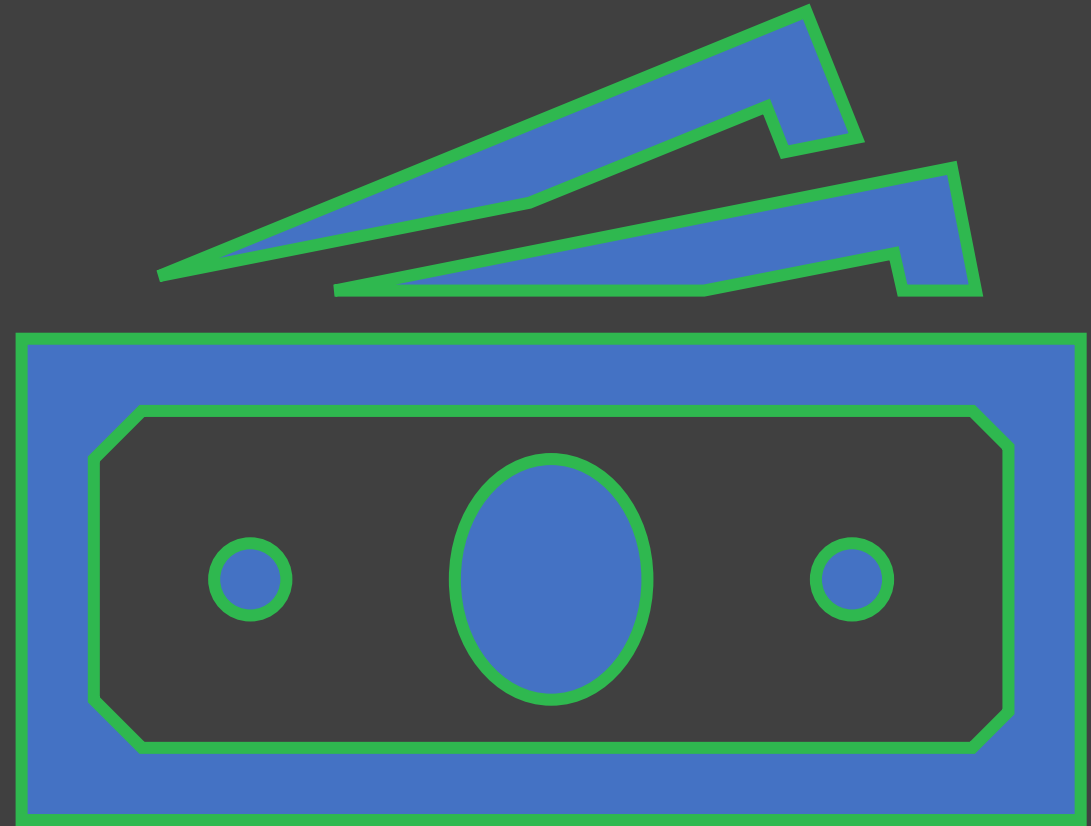
- **P** = State the PROBLEM
- **A** = List the ALTERNATIVES
- **C** = Identify the CRITERIA
- **E** = EVALUATE the options, based on the criteria
- **D** = Make a DECISION
- **PROBLEM:** What decision do you need to make? Are you trying to decide which outfit to buy? Which movie to see? Where to vacation? Where to attend college? To solve a problem, the first step is, writing down what decision must be made.
- **ALTERNATIVES:** Each of the questions above has several possible answers, which means you have a lot of options from which to choose. Make a list of all of the possible choices that you have.
- **CRITERIA:** What is important to you? What are you using to measure your options? For example, suppose your problem is deciding where to go to college, you might consider location, cost, majors offered, availability of financial aid, etc....
- **EVALUATE:** How well does each option meet your criteria? If your favorite location is out of your budget and offers no scholarships, it may not be the best choice.
- **DECIDE:** Based on your evaluation of the options you have listed, what is the best choice for you? It may not be your favorite place, but it may be the best solution to your problem at this time.

# Responsibilities

- Keep track of where you spend your money
  - Journal
  - Envelope
  - On line



MAKING  
CHOICES:  
MONEY  
SITUATIONS



# Lending Consequence



- You lend part of your allowance money to a friend. Your friend promises to pay you back tomorrow but doesn't. It is a week later, and you need the money. What should you do?

“I forgot”

- You lend money to a friend. Your friend repays you the borrowed money. A week later, the friend repays you a second time. What would you do?

**Share?**

- You and your best friend go to the movies. Your friend wants to buy popcorn and doesn't have enough money. You have some extra money in your pocket. Describe what you would do and why.

# Character

- Walking home from school, you find a wallet with \$100 in it. The owner's identification is in the wallet.
- What would you do?



- You and your friend go to the movies. The price for children 10 and under is half price. You just had your 11th birthday. The ticket seller thinks you are under 10.
- What would you do?

**Character**



# HOW DO WE MAKE DECISIONS?

*That makes us be responsible*

# Learning to Set Goals ... In Life and Money

- A goal is something you're willing to work for. The best way to reach your goal is by making a plan AND following it. A goal has to be SMART.
- **S – Specific**
- **M – Measurable**
- **A – Attainable**
- **R – Rewarding**
- **T – Timely**

# List Your Needs and Wants

## **NEEDS**

- Make a List of Needs
- Review it weekly.
- Make a Goal for each
- Write out how you are going to obtain it.

## **WANTS**

- Make a list of Wants
- Develop a Goal on How to Obtain Them.
- Put a timeline of when you would like to have this.
- Propose how you will work to obtain this WANT.

# Savings Plan

- Hear from others how they learned to save
- Connect Savings with Obtaining Wants and Providing for Their Needs
- Learn different ways to save
  - Piggy Bank
  - Parents
  - Get Your Own Savings Account
  - Ask the following:

## DO YOU OFFER NO-FEE SAVINGS ACCOUNTS?

- **If no:** *leave.*
- **If yes:**
  - a. *What is the minimum balance I need for free savings?*
  - b. *Will you pay me interest? If so, how much?*
- - Interview AT LEAST two banks/credit unions before opening an account.



# SAVINGS GOAL

A goal is a promise that you make – not to your boss, your parents, not to your kids, or your spouse – but to yourself.

# Ways to Save...

**There are two ways to save money:**

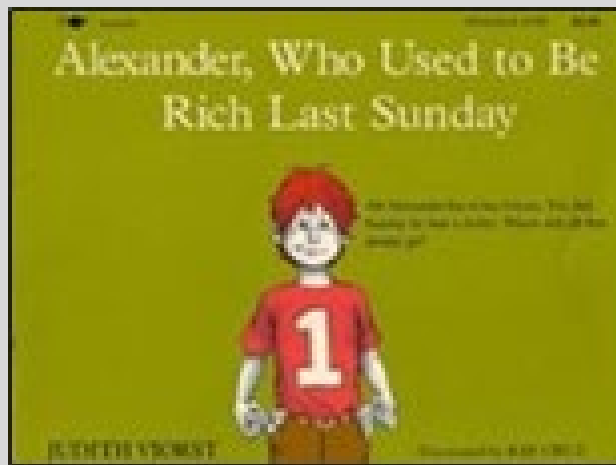
- The first is to save before you spend. Pay yourself first...
- The second is to save after you spend wisely.
- Both ways require your dedication and commitment.

# Character –Following Through Builds Credibility...

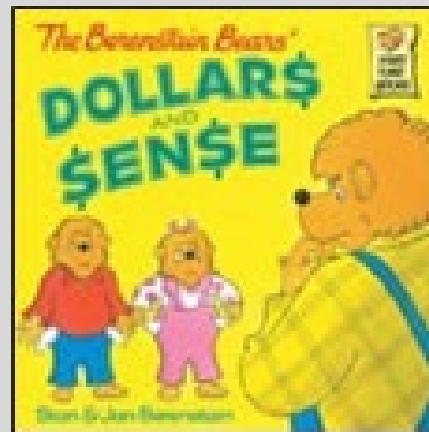
- Following through on your goals builds credibility—someone can trust you.
- This leads later in their life to good credit... banks, stores, etc can trust you will pay them back.
- Right now, learning how to follow through on a promise demonstrates you are building character –one that your friends, your classmates and you can trust.



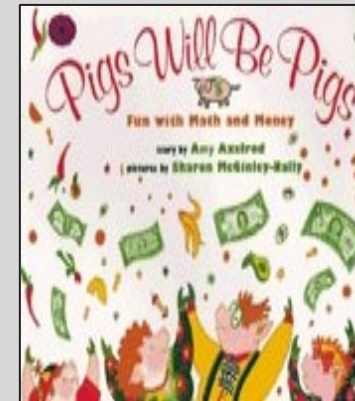
# Story Hour Books to Reinforce Ideas



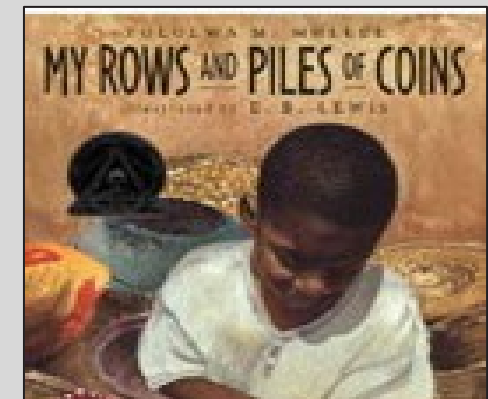
Alexander Who Used to be Rich Last Sunday. Viorst, Judith



The Berenstain Bears' Dollar\$ and \$en\$. Stan & Jan Berenstain



Axelrod, Amy. Pigs Will Be Pigs.



Mollel, Tololwa. My Rows and Piles of Coins. New York: Clarion Books,



# MONEY HABITUDES— EXCELLENT RESOURCE

Talking about money values gives you the means for discussions about money—  
fun and engaging...

[www.moneyhabitudes.com](http://www.moneyhabitudes.com)



# IN DECIDING—IS IT A WANT OR A NEED

Making a decision...values come into play

# Values



BELIEFS



IDEAS YOU HOLD  
TRUE FOR YOU



FOUNDATION OF  
WHO YOU ARE



You are what you  
believe yourself to be.

Paulo Coelho

WHAT DO YOU BELIEVE TO BE TRUE ABOUT YOU!

quote fancy



# HOW CAN I MAKE MONEY?

WHAT CAN YOU DO?



**GIVEN YOUR AGE AND  
EXPERIENCE**



This Photo by Unknown Author is licensed under [CC BY-SA](#)

DREAM...

Explore your thoughts



WHAT ARE SOME  
OF YOUR

DREAMS

WHATEVER  
YOUR DREAMS  
ARE...

You will have a  
plan to make the  
dream come  
true...

# Remember



SAVE



SHARE



SPEND



# HOUSTON HIGHWAY CREDIT UNION HAS MORE FOR YOU...

**Want to learn more, just ask... more can be sent to you...**



GIVE ME A SHOUT OUT!

[CINDY@HOUSTONHIGHWAYCU.COM](mailto:CINDY@HOUSTONHIGHWAYCU.COM)

YOU CAN CHECK OUT OUR WEBSITE

[WWW.HOUSTONHIGHWAYCU.COM](http://WWW.HOUSTONHIGHWAYCU.COM)