

MODULE 4A

LIFE SKILLS SUPPORT GROUP

THE NUTS AND BOLTS

MONEY MANAGEMENT

GOAL: This module is designed to deal with developing a financial budget. Participants can expect to gain a good perspective of their financial needs and resources. They will be able to determine if changes in spending patterns may help them.

OBJECTIVES: Participants will be able to:

- outline a monthly cash flow of income and expenses
- look at frequent/necessary expenses
- make decisions regarding savings/ purchases etc.
- develop a budget plan on a time frame
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MATERIALS: Handouts: Money Management, Cash Flow, Savings, Creative Ways To Increase Income

MONEY MANAGEMENT

There are certain topics that tend to make us feel uncomfortable and money management is such a topic. The subject of money; how we use it, and abuse it, is closely related to our style of functioning and has many ramifications.

There are those who look at money as a tool for enjoyment and pleasure and therefore spend little time planning for the future. There are others who fear running out of money to the extent that they become penny pinchers and don't allow any expenses for self enjoyment without feeling guilty.

Most of us however, can relate to the anxiety around how we are managing our money. No matter how small our income may be, the ability to know what our expenditures are and how much can be saved or trimmed is important to know. We need to take a serious look at our income and determine our spending habits. We will then be able to decide where we can cut back, save, or expand. In other words, we can learn to take better control of the way we manage money.

CASH FLOW

At times it seems that money just slips through your hands and you don't know where it went. If this happens regularly, it indicates that you are not keeping track of expenditures. This leads to overspending and missing important payments. The suggestions below will help to lower frustration around money management and increase the sense of control in this area:

- Know your monthly income
- Write a list of your regular monthly expenses including food, gas, and clothing
- Know when you have special bills for insurance and taxes
- Are you spending less than you bring in?
- Work out a plan of savings

Income

Expenses

Savings

SAVINGS

If you completed your cash flow chart and there is no money left for a savings, use this sheet to look at your expenditures to see what can be cut or reduced until the desired amount is obtained.

THINGS THAT CAN BE CUT

Please list the item(s) that can be cut for the purpose of saving the desired or needed amount:

Categories:	Amount of Cost	Amount Saved
1. Junk food		
2. Clothing		
3. Entertainment		
4. Eating Out		
5. Hair Appointments		
6. Nail Appointments		
7. Other		
8.		
9.		
10.		Total Saved _____

CREATIVE WAYS TO STRETCH INCOME

Examples:

- Barter (exchange) for services with your neighbors or at your child's school
- Child care or drop off children at school
- Tutoring parents and children in your area of strength
- House cleaning, grocery shopping or running errands
- Hair cuts, manicures / pedicures
- Collect and exchange manufacturer's coupons with friends and acquaintances
- Shop at supermarkets that offer double coupons
- Shop at stores that offer good discounts
- Purchase clothes at thrift shops/ exchange with a friend
- Save aluminum cans and glass bottles
- Plant flowers in a neighbor's yard
- Paint house numbers on curbs using stencils for a price
- Save pennies in a piggy bank
- Wash cars for your neighbors and friends
- Seamstress services like hemming, mending and buttons
- Plan your daily driving route before you leave your home to accomplish more than one thing to save gas
- Advertise the above services by giving out flyers in your neighborhood and at school. Make your own business cards and pass them out to anyone who may need your service.