

Intermediate: (Must know 6 of 8)

1. Knows how to open a checking or savings account



Checking account: an account used to write checks or pay bills, and obtain an ATM card

Savings account: an account that earns interest, help you save money, obtain an ATM card

Interest: money paid regularly at a particular rate for the use of money lent, or for delaying the repayment of a debt

Steps to opening your own checking/savings account:

1. Find a bank that is most accessible to you.
2. Decide whether a *checking or savings* account would benefit you most.
3. Ask bank teller if there are account fees.
4. What you need to bring with you to the bank:

1. *Picture ID/Driver's license*



2. *Social security card or know SS #*



3. *Cash for deposit*



4. *Piece of mail for proof of address*

5. **Good Credit Score:** is a number assigned to a person that indicates to lenders; (such as a bank) a person's ability to repay a loan.

6. Reasonable location without fees and without a required minimum balance.

Advantages to having a Checking account:

Keep your money safe Write checks Use ATM/Debit card for purchases Pay bills

Advantages to having a Savings account:

Save money Keep your money safe Use ATM card to withdraw money Earn interest

Practice Worksheet



1) **Check off at least 3 things that you would need to bring with you to the bank in order to open your own checking or savings account:**

- Driver's license
- Birth certificate
- Social Security card
- Piece of mail
- Cash
- Money order
- Phone

2) **Fill in the blank for which definition describes a checking account or savings account:**

_____ : An account used to write checks or pay bills, and obtain a Debit ATM card

_____ : An account that earns interest, help you save money, obtain an ATM card

3) **Identify one benefit of having your own Savings account?**

- To help you save money
- To make store purchases
- To write checks to pay bills

4) **Identify one benefit of having your own Checking account?**

- To write checks to pay bills
- To help you save money
- To earn interest

Answer Worksheet



5) Check off at least 3 things that you would need to bring with you to the bank in order to open your own checking or savings account:

- Driver's license
- Birth certificate
- Social Security card
- Piece of mail
- Cash
- Money order
- Phone

6) Fill in the blank for which definition describes a checking account or savings account:

checking account: An account used to write checks or pay bills, and obtain a Debit ATM card

savings account: An account that earns interest, help you save money, obtain an ATM card

7) Identify one benefit of having your own Savings account?

- To help you save money
- To make store purchases
- To write checks to pay bills

8) Identify one benefit of having your own Checking account?

- To write checks to pay bills
- To help you save money
- To earn interest

2. Knows how to read bills

What is a bill? An amount of money owed for goods supplied or services rendered, set out in a printed or written statement of charges.

How to read a bill



Name John Q Customer
Service 123 Anywhere St
Address Baltimore, MD 21204
Account # 0000000000

3 Next Scheduled Reading July 1, 2014

1 Summary

Billing Date:	June 4, 2014
Previous Balance	\$122.62
Payments Received	
May 14, 2014	-\$122.62
BGE Outstanding Balance	\$0.00
Charges/Adjustments this Period	
BGE Electric	82.71
BGE Gas Delivery Service	20.57
BGE Gas Commodity	10.40
Total Charges This Period	\$113.68
Total Amount Due by Jun 27, 2014	\$ 113.68

A late charge will be applied to payments received after Jun 27, 2014.
A late payment charge is applied to the unpaid balance of your BGE charges. The charge is up to 1.5% for the first month; additional charges will be assessed on unpaid balances past the first month, not to exceed 5%.

4 Electric Usage Profile

Month/Year	Type of Reading	Days	kWh	Avg. Daily Use	Avg. Temp
Jun 14	Actual	33	565	17.1	67
May 14	Actual	30	386	12.9	56
Jun 13	Actual	34	611	18.0	67

5 Gas Usage Profile

Month/Year	Type of Reading	Days	Therms	Avg. Daily Use	Avg. Temp
Jun 14	Actual	33	21	0.6	67
May 14	Actual	30	62	2.1	56
Jun 13	Actual	34	25	0.7	67

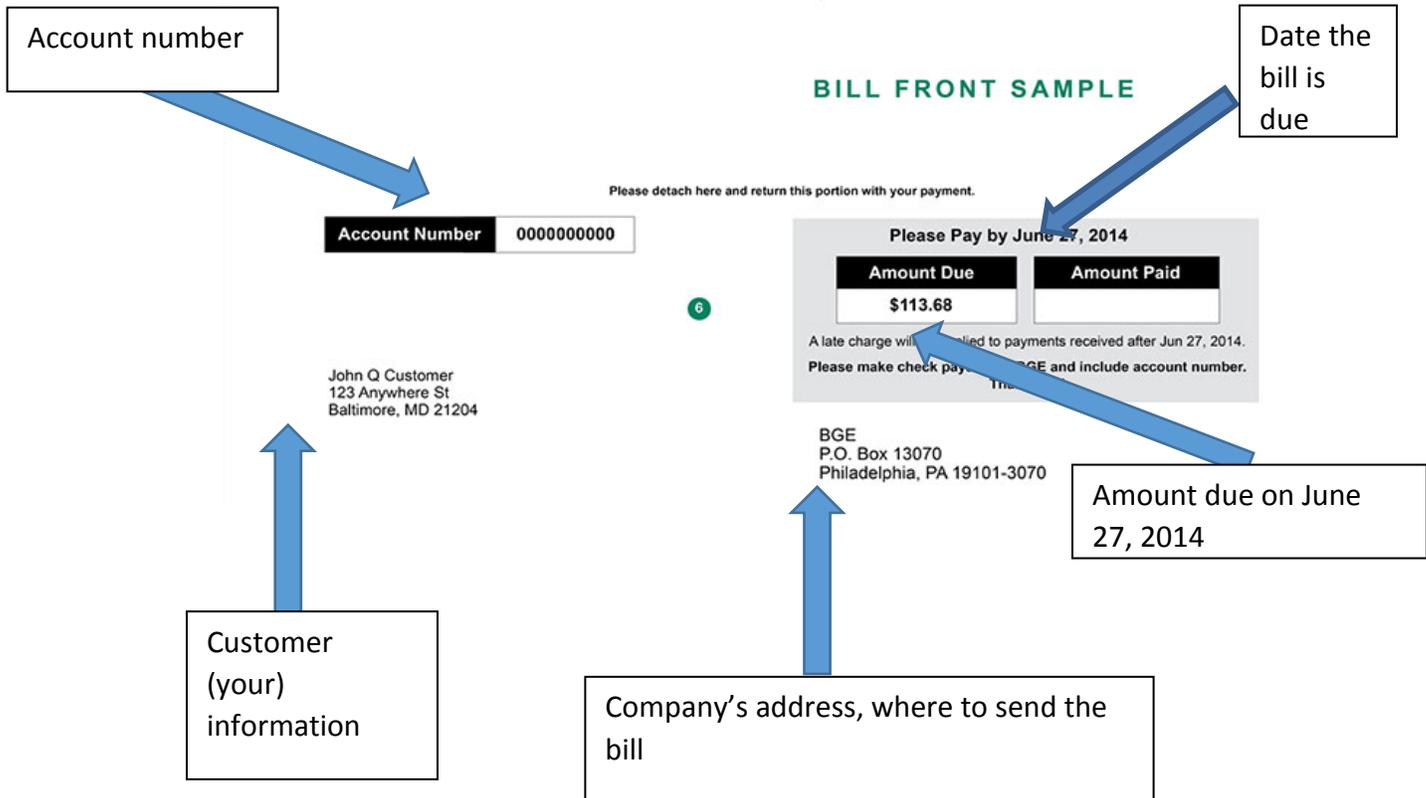
Hot weather can significantly impact your bill. During the current bill period, the temperature at BWI Airport was at or above 85 degrees a total of 15 hours. Find out more at www.bge.com.

2 Important Information About Your Bill

Moving? To stop or transfer service, contact BGE at least 3 business days prior to your move date. You are responsible for all service at your present address until you notify us.

Important Information About Your Bill

BGE Supply Price Comparison Information: The current price for Standard Offer Service (SOS) electricity is 8.857 cents/kWh, effective through September 30, 2014. SOS electricity will cost 8.616 cents/kWh beginning October 1, 2014 through May 31, 2015. The weighted average price of SOS electricity will be 8.703 through May 31, 2015. The price for SOS from June 1, 2015 through September 30, 2015 will be set in November 2014.



3. Knows how and when to pay bills using checks, money orders, and/or online

Money order: is a safe form of payment involving a written order used to pay a specific amount of money to a specific person or company. A small fee is paid in order to use this payment method. This is the best option for people who don't have a bank account and need to pay bills. **Tip:** *Money orders can also be cashed, and deposited just like a check.*

Money orders are issued by:

- Banks and credit unions



- Supermarkets and convenience stores (lowest fees)



- Check cashing, money transfer, and payday loan stores



- United States Post offices



How to Write a Money Order:

Tips:

- Always make sure to check that amount to be paid is correct.
- Add this amount to your check register.
- Keep a receipt



Pay to: write out name or company payment is for

Amount: write out in numeric form money to be paid

Address: "Your" address is to be written on this line.

Purchaser: aka "Sender" This is "you", because you are purchasing the money order. Make sure to sign your name on this line.

How to write a check:

© 1999 WFB, N.A. CERTIFICATE

Today's date, or the date you would like the check cashed **10-28-2013** Date

096

Name of recipient **Joe Nelson**

Pay to the Order of **Joe Nelson** | \$ **20⁰⁰** Check amount in dollars and cents

Twenty dollars and 0/100 cents Dollars

WELLS FARGO Wells Fargo Bank South Dakota, N.A. 41st & Marion Rd. Sioux Falls, SD 57106 www.wellsfargo.com

Written-out value of check

Reason for writing the check (optional) **Donation**

Your signature **[Signature]** MP

Security features included. Details on the back.

Downloaded from <http://www.wikihow.com>

4. Knows the difference between an ATM/Debit Card, credit card and EBT card



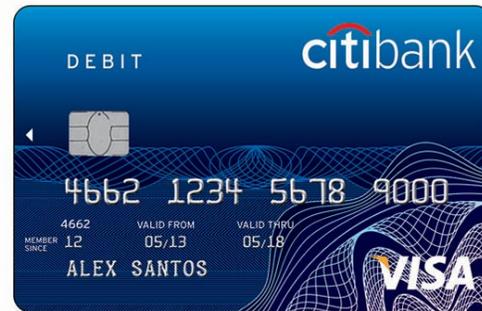
ATM Card: Automated teller machine card:

- Attached to bank account
- Requires a PIN #
- Purpose to withdraw \$ from ATM
- May pay fees to use ATM



Debit Card:

- Attached to bank account Checking or Savings
- Can be used to make store purchases
- Requires PIN # at ATM's
- Can be used to withdraw, deposit, transfer or check account balances at ATM
- Has VISA or MASTERCARD incorporated payment company logos



Credit Card:

- Used to make purchase
- Money is loaned till you pay it back to bank/credit card company
- May have to pay back interest
- Must pay minimum monthly payments to avoid fees
- May have VISA, MASTERCARD, Discovery, American Express company logos



EBT Card: Electronic Benefits transfer

- Benefits
- Cash assistance
- Food stamps
- Used to make specific purchases



Practice Worksheet

A.



B.



C.



D.



Match the

letters identified for each card with the proper card titles below:

- Credit Card _____
- EBT Card _____
- Debit Card _____
- ATM Card _____



Examine the picture: Now match the proper card(s) by identified letter that you would use to make store purchases by placing a check mark on the proper line(s) below:

- A. _____
- B. _____
- C. _____
- D. _____

This picture represents an ATM machine. Which cards can be used with this machine? Check the appropriate line(s) below:

- A. _____
- B. _____
- C. _____
- D. _____



Answer Worksheet

A.



B.



C.



D.



Match the

letters identified for each card with the proper card titles below:

- Credit Card C
 EBT Card D
 Debit Card A
 ATM Card B



Examine the picture: Now match the proper card(s) by identified letter that you would use to make store purchases by placing a check mark on the proper line(s) below:

- A. x
 B.
 C. x
 D. x

This picture represents an ATM machine. Which cards can be used with this machine? Check the appropriate line(s) below:

- A. x
 B. x
 C.
 D.



5. Knows how to use an ATM machine and/or bank teller to make withdrawals and deposits

Automated Teller Machine: a.k.a ATM: a computerized electronic machine that performs basic banking functions (as handling check deposits or issuing cash withdrawals)

(www.merriam-webster.com/dictionary/atm)



General Instructions for ATM machine:

After you set up a bank account, you will be able to obtain a debit card at the bank. The teller will have you create your own personal pin # before you can use your debit card at a store or ATM.

Steps to make a Deposit at an ATM:

1. Have your cash, envelope, checks ready
2. Insert your debit card, select your language, ex: English



3. Enter your created **PIN #** (TIP: cover your hand as you enter PIN, so no one can see it)
4. Choose the option for “Deposits” on the screen



5. Choose the account you want to deposit to; *ex: savings or checking*
6. Enter the amount of your deposit (if requested)
7. Slip the envelope, checks, or cash into the appropriate slot in the ATM
8. Select “yes” to **collect your receipt** for the transaction and **take your card**



Steps for Withdrawal

1. Insert your **ATM or debit card**, select your **language**, *ex: English/Spanish*
2. Enter your created **PIN #** (*cover your hand as you enter your PIN, so no one can see it*)
3. **TIP:** Choose the option for “**balance inquiry**” to check your balance so you know you have enough money to make a withdrawal.

❖ **For instance: If you withdraw \$20 and you only have \$16 in your bank account.**

- You will overdraft your account, putting your account into a negative balance, which may cause you to receive overages charges by your bank until you add money into your account.
 - Your card may be declined not allowing you to withdraw any money from the ATM.
 - You may be charged ATM or other associated fees
4. When you have sufficient funds in your account to make a withdrawal; follow the prompts to *select another transaction for “Withdraw money”* on the screen.
(*Note: fees may be charged by the ATM or your bank if you’re not using your banks ATM*).
 5. Choose the **account** you want to withdraw from; *ex: savings or checking*
 6. Select the amount for your withdrawal: *ex. Most ATM’s allow you to withdraw \$20, \$40, \$60, \$80, \$100.*
 7. **Immediately take the money out of the ATM, and put it in your purse, wallet, or safe spot on you.**
 8. Select “**yes**” to collect and save your receipt for your transaction and take your card



Practice Worksheet

- Do you have a bank account with an ATM or debit card? YES or NO
- Have you ever used an ATM machine? YES or NO

Which location would you most likely find an ATM Machine: place a check mark on the appropriate line below:

- ___ Aldi's grocery store
- ___ Hot dog stand
- ___ Bank
- ___ Walmart

Imagine that you are making a *deposit of cash or check* into an ATM machine. Please put the steps below in the appropriate order by labeling 1-5 in the blank lines.

- ___ Have cash/check ready
- ___ Select language
- ___ Insert your debit card
- ___ Select "yes" and collect receipt and card
- ___ Choose option for "deposit"

Imagine that you are making a *withdrawal of cash* from your bank account at an ATM machine. Please put the steps below in the appropriate order by labeling 1-5 in the blank lines.

- ___ Select the amount of your withdrawal
- ___ Insert your debit card
- ___ Enter your pin number
- ___ Immediately take the money from the ATM
- ___ Choose option for "withdraw money"

Answer Worksheet

- Do you have a bank account with an ATM or debit card? YES or NO
- Have you ever used an ATM machine? YES or NO

Which location would you most likely find an ATM Machine: place a check mark on the appropriate line below:

- ___ Aldi's grocery store
- ___ Hot dog stand
- x Bank
- ___ Walmart

Imagine that you are making a *deposit of cash or check* into an ATM machine. Please put the steps below in the appropriate order by labeling 1-5 in the blank lines.

- 1 Have cash/check ready
- 3 Select language
- 2 Insert your debit card
- 5 Select "yes" and collect receipt and card
- 4 Choose option for "deposit"

Imagine that you are making a *withdrawal of cash* from your bank account at an ATM machine. Please put the steps below in the appropriate order by labeling 1-5 in the blank lines.

- 4 Select the amount of your withdrawal
- 1 Insert your debit card
- 2 Enter your pin number
- 5 Immediately take the money from the ATM
- 3 Choose option for "withdraw money"

7. Understands the difference between gross wage and take home pay including various payroll deductions

INFORMATION SHEET:

- 1 Employee name & address payment is from
- 2 Dates of earnings
- 3 Payee- person receiving check
- 4 Tax info

Organization LMNOP
 ABC Drive
 Stuv, GH 00001-0011

Employee ID: XXX23
 Taxable Marital Status: Sin
 Exemptions/Allowances:
 Federal: 1
 State: 1

5 **YTD**: "year to date": how much income you have made before deductions

2 **EARNINGS STATEMENT**
 Aug 1, 2013–August 15, 2013

3 **D.H. Jones**
 2222 Washington Avenue
 Somewhere, US 00002

Earnings	rate	hours	this period	year to date	Other Benefits and Information
Regular	1400	80	1400	11,200	Available Sick 38.16
			Gross Pay	1400	Available Vac 24.32
Deductions		Statutory			
			Federal Income Tax	-98.00	784.00
			State Income Tax	-70.00	560.00
			Social Security Tax	-42.00	336.00
			Medicare Tax	-56.00	448.00
		Other			
			Health	-25.00	200.00
			Dental	-15.00	120.00
			Retirement*	-50.00	400.00
			Net Pay	1044.00	* Excluded from federal taxable wages

5 **Gross wage:**

The total amount an employee is paid before taxes, deductions, insurance costs, or other withholdings are removed.

7 **Net Pay:** Is the total amount leftover after all deductions are taken out.

6 **Other Payroll deductions:**

Health Insurance: type of insurance coverage that pays for medical and surgical expenses & covers fees for \$ spent on illness or injury.

State Income tax: a tax you pay to the government of the state you live in based on your income.

Federal income tax: a tax regulated by the US Internal revenue service, that is based on your annual income, and associated with filing yearly taxes on an IRS Form.

Organization LMNOP
 ABC Drive
 Stuv, GH 00001-0011

Check number 9999
 Date: 8/15/13

PAY TO THE ORDER OF D.H. Jones \$ 1044.00
 One thousand forty-four dollars and 00/100

Money Banks
 Account number
 Employer's signature

⑈001234⑈ ⑈1:000456007⑈ 0000000089⑈

Payroll Deductions:

FICA: Federal Insurance Contributions Act. Requires an employer to withhold 2 separate taxes from wages:

1) **Social Security (6.2%)**

A government system that provides monetary assistance to individuals with inadequate or no income. Is a federal insurance program that provides benefits to retired people, and those who are unemployed or disabled.

2) **Medicare (1.45%)**

- o Is a federal health insurance program for people who are 65 and older, people with disabilities and people with End-stage Renal disease.

See more information at <http://www.investinganswers.com/financial-dictionary>

Review over the paycheck to select the best answer to the questions below

Sample Company Name 1234 Dick Buccanna St Laverne, TN 37086			EARNINGS STATEMENT			
EMPLOYEE NAME	SSN	EMPLOYEE ID	CHECK NO.	PAY PERIOD	PAY DATE	
Brandon Smith	XXX-XX-01234	1234	607221	12/22/17-12/28/17	12/29/17	
INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS	CURRENT TOTAL	YEAR-TO-DATE
GROSS WAGES	18	40	720.00	FICA MED TAX	10.44	542.88
				FICA SS TAX	44.64	2,321.28
				FED TAX	92.40	4,804.75
YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	CURRENT TOTAL	CURRENT DEDUCTIONS	NET PAY	
37,440.00	9,783.31	27,656.69	720.00	188.14	531.86	

1. What would Brandon Smith's Gross wage (Current Total) be?

- a) \$25,974 b) \$9,783 c) \$37,440 d) \$720

2. What would Brandon Smith's Net pay be?

- a) 531.86 b) 450.81 c) 836.36 d) 316.43

3. How much Social Security was deducted from Brandon Smith's gross wage?

- a) 6.08 b) 44.64 c) 24.80 d) 12.16

4. How much Medicare was deducted from Brandon Smith's gross wage?

- a) 5.80 b) 10.44 c) 25.92 d) 12.16

5. Did Brandon Smith have any other payroll deductions for healthcare, state income or federal income taxes taken out? Circle correct answer below.

YES or NO

Answer Worksheet

Review over the paycheck to select the best answer to the questions below

Sample Company Name 1234 Dick Buccanna St Laverne, TN 37086			EARNINGS STATEMENT			
EMPLOYEE NAME		SSN	EMPLOYEE ID	CHECK NO.	PAY PERIOD	PAY DATE
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YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	CURRENT TOTAL	CURRENT DEDUCTIONS	NET PAY	
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6. What would Brandon Smith's Gross wage (Current Total) be?

- a) \$25,974 b) \$9,783 c) \$37,440 **d) \$720**

7. What would Brandon Smith's Net pay be?

- a) **531.86** b) 450.81 c) 836.36 d) 316.43

8. How much Social Security was deducted from Brandon Smith's gross wage?

- a) 6.08 **b) 44.64** c) 24.80 d) 12.16

9. How much Medicare was deducted from Brandon Smith's gross wage?

- a) 5.80 **b) 10.44** c) 25.92 d) 12.16

10. Did Brandon Smith have any other payroll deductions for healthcare, state income or federal income taxes taken out? Circle correct answer below.

YES or NO

8. Knows how to budget for a week including some understanding of savings

Weekly income is the amount of money you have earned by working or have obtained through state benefits, and may be distributed and proportioned by a conservator or case worker on a weekly basis.

If you only know your monthly income you can break it down into your weekly income:

For example: If your Monthly Income: is your Social security check:

$$\begin{array}{r} \text{Social Security check} = \$1100 \text{ month} \\ \div 4 \text{ weeks in a month} \\ \hline \$ 275.00 \text{ allotted weekly income} \end{array}$$

Allowance: an allotted amount of money that you obtain from a conservator or case worker that you are allowed to spend.



Example: If you receive **\$65 per week**, this is the total amount you can spend on food, entertainment, and expenses within a 7 day period. You may choose days that you will spend money and other days you will choose not to spend money.

Tip: identify days of the week where you have activities planned, bills owed or spend more time out of the house. The days you may not have anything planned you may prefer not to allot to spend ur allowance, so that you have more money to use on the days you will be out of the house.

$$\begin{array}{r} \$65 \text{ per week} \\ \div 7 \text{ days} \\ \hline \text{Approximately } \$9 \text{ per day} \end{array} \quad \text{or} \quad \begin{array}{r} \$65 \text{ per week} \\ \div 5 \text{ days} \\ \hline \$13 \text{ per day} \end{array}$$

Expenses: are costs that are required for things such as groceries, utility bills, and cell phone/prepaid minutes.



Weekly Budget Planner

Identify Weekly income/Allowance

Identify what you plan to spend your money on and how much you think you will spend on each item.
Add additional items if you need to

The total you plan to spend on all items

Items:
Input the items you purchase throughout the week

Weekly Income: _____

Total Budgeted Expenditure: _____

Item	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Food							
Transport							
Phone							
Going out							
Cigarettes							
Magazines							
Electricity							
Gas							
Car-Petrol							
Savings							

- Ways to Save:**
- Use coupons
 - Buy items on sale
 - Shop at discount stores:
Price Rite, Dollar Tree

For each day of the week identify how much money you can spend on each item:

For Example:
Food
\$5 per day x 7 days=
\$5.00
X 7 days
\$35 for food weekly

Module 4, Section2, Competence 1



- Benefits of Saving money:**
- Allows you to have more \$ to spend on things you want
 - Gives you the opportunity to save money
 - Allows you to use more logical decision making and become more efficient with how you spend your money
 - Helps you to be more responsible to afford your bills and other expenses

Practice Worksheet

Complete the weekly budget planner based on:

- **Your weekly Income:** is **\$75.00** divided into the days of week
 - Identify income allotted for each day of week
- **Expenses:** identify the costs for each expense such as cell phone prepaid card, electric bill, food and transportation.
- **Savings:** identify ways to save money
 - Use of coupons/ sale items purchased

Monthly Income:

SSI: \$730.00

- \$625 Rent

\$ 105.00/4 weeks

= \$26.25 per week

Plus

Food stamps:

\$190/4 weeks

=\$47.50 per week

Cash assistance:

\$150.00/ 4 weeks

= \$37.50 per week

Savings goal:

Save \$5.00 per

week

Allowance:

\$63.75 per week

Plus \$47.50 in food stamps

Weekly Budget Planner

Identify what you plan to spend your money on and how much you think you will spend on each item.
Add additional items if you need to

Weekly Income: _____

Total Budgeted Expenditure: _____

Item	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Totals
Food								
Transport								
Phone								
Going out								
Cigarettes								
Magazines								
Electricity								
Gas								
Car-Petrol								
Savings								



Module 4, Section2, Competence 1

- 1) Enter your expenses for the week into the “Weekly Budget Planner” using the index cards provided.
- 2) What was the total cost of your expenses for this week?
- 3) Did you spend within your budget for weekly allowance of cash and food stamps?

Yes or No

- 4) If not, what changes could you make to meet your weekly budget to be within your budget range for next week?