

GET READY TO TAKE CHARGE  
OF YOUR FINANCES



LIFE OF....



MANDY GONZALES

*"A TEENAGER'S SPENDING PLAN"*

Funded by a grant from Take Charge America, Inc.  
Materials provided by Yvonne Bernino and Stacie Williams

## SNAPSHOT



## MANDY GONZALES



**Directions:** The following information is a Snapshot on Mandy and her family. Read all information carefully to make wise decisions when creating a spending plan for the Gonzales family.

It is Friday morning and Mandy is on her way to school. Mandy is a junior at Pueblo High School where she is on the varsity cheer squad. Tonight is the big homecoming game. Mandy enjoys cheerleading because it helps her to stay in shape and she enjoys spending time with all of the friends she has made.

At the end of every summer the cheerleading squad goes to a two week camp in California. The cost of the camp is \$350 and this includes transportation, housing, and food. Mandy's parents told her that she must pay for all the costs associated with her extra-curricular activities. In order to pay for the expenses Mandy works three days a week, including Saturdays, at the Tasty Freeze a few blocks from her house. Mandy also helps her family by baby-sitting for her sister, Carmine. Carmine idealizes Mandy. She loves to watch Mandy participate in cheerleading and hopes one day she will join the squad. The rest of Mandy's week is reserved for school work, practices, and her church related activities.

Mandy attends St. Francis Catholic Church. She is a part of the church youth group and a member of their choir. This Sunday, the church youth group is having a bake sale to earn money for the annual youth group weekend retreat. Mandy's step-mother Connie is providing the ingredients for rice krispies treats that Mandy must prepare and donate to be sold. Mandy loves being a part of the church choir. She understands that gaining musical experience will help her to achieve her goal of attending a local university to become a music teacher. The first big concert is Sunday night. Mandy must spend \$50 on a black knee length skirt, white collared button down shirt, black flats, and a red bow tie for her concert attire.

Mandy lives with her father Roberto, her step-mother Connie, her three year old-step sister Carmine, brother Bobby, and grandmother Lolita. In addition to working as a full time construction worker Roberto does side jobs mostly on the weekends to help meet financial goals within his family. This week Roberto had to decide to not work two jobs so that he can attend Mandy's game on Friday and her church concert on Sunday night. He is very proud of his daughter and feels that by going to her extra curricular events, he is showing her support. Connie is a stay at home mom and takes care of Carmine. To help with the financial expenses, Connie does clothing alteration from the home.

Roberto and Connie want to turn their storage shed into a workshop for Roberto and Connie's side jobs. However, this has to be approved by Roberto's mother, Lolita. Lolita is very generous to her family but does not like change. Lolita is in her 70s and is having a slow recovery from surgery and needs help with daily activities. Lolita gave her car to Mandy and Connie because she cannot drive anymore. Lolita pays for her own health insurance and Roberto and Connie pay for all other expenses in exchange for Lolita allowing them to live in her home.

Mandy's older brother dropped out of Pueblo High School earlier this year. He finds it hard to follow the rules of conventional school. Eventually he wants to earn his GED. Bobby is currently working at a fast food restaurant. Bobby does not get along with the family because he refuses to help with the household expenses within the household. Roberto has given him one month to help before he intends on forcing Bobby to move out.

# SNAPSHOT



## MANDY'S INCOME

Mandy enjoys being a part of cheerleading and the choir but finds it difficult to balance her job, school work, and extra curricular activities. Mandy is not willing to give up her activities because they are helping to give her the experience to achieve her long term goals such as attending the University of Arizona to be a music teacher. However, Mandy understands that she must pay for all extra curricular activity expenses. She currently works part-time at Tasty Freeze. Mandy enjoys the social aspect of working at Tasty Freeze and is a very good employee.

<b>TASTY FREEZE</b>	Mandy works after school and on the weekends at Tasty Freeze. She earns <b>\$6.75 per hour</b> and works <b>sixteen hours a week</b> .
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## MANDY'S EXPENSES

The expenses Mandy is responsible for are described below. When creating Mandy's Spending Plan, be sure to consider her values, needs and wants before selecting items.

<b>TRANSPORTATION</b>	Mandy shares her grandmother's car with her step mother Connie. The cost of gas for the car is \$100. Mandy and Connie share the car so they each pay <b>\$50</b> in gas per month.
<b>CELLULAR PHONE</b>	Mandy is on her families cell phone plan. This plan includes unlimited text messaging . Mandy was charged fees one month for going over her text messaging limit so she now has a more expensive plan. Her cell phone costs <b>\$75</b> per month.
<b>SAVING</b>	To continue participating in her extra curricular activities Mandy must save for her cheerleading uniform and camp as well as her choir outfit. To help reach this goal Mandy saves <b>\$100</b> per month.
<b>OTHER</b>	On pages 8-9 there are many other items such as a makeup, clothing, and entertainment options. All costs are identified in <b>red</b> . You may choose as many of these items as Mandy can afford to purchase.

*The goal is to create a spending plan that balances Mandy's expenses with her income.  
She cannot have more expenses than income.*



# SNAPSHOT



## GONZALES FAMILY EXPENSES

**Directions:** The chart below describes the Gonzales's major expenditures; housing, transportation, insurance food, and credit card debt. Read each category below to determine how much is allocated for each expenditure. A house and vehicle need to be selected for the family from the options on pages 5-7. The total amount allowed for all housing and transportation expenses are described below and must not be exceeded when completing the Gonzales family spending plan on pages 13-14.

<b>MANDY'S EXPENSES</b>	Mandy's father and step-mother work together to ensure she has the basic necessities such as clothing, toiletries and other personal items. They understand that she works very hard at her part-time job yet want her to understand the important of working hard therefore demands her to pay for her extra curricular activity expenses.
<b>HOUSING</b>	Roberto and Connie live in Lolita's house which is older, but has been paid for. Because Roberto is good at maintenance he does all of the work on his own. They allocate \$500 each month to spend on utilities, repairs, and other housing expenses including television and cellular phones described on pages 5 and 6. They must pay for the monthly utilities, but the other expenses are optional. When making housing decisions for the family, remember <b>\$575</b> is the maximum amount for all housing expenses.
<b>TRANSPORTATION</b>	The Gonzales family has expenses for two cars. Roberto is making payments on a truck which is ideal for his weekend work on his side jobs. Connie and Mandy are paying for the gas of Lolita's car. Connie pays <b>\$50</b> per month towards gas for Lolita's car. Their expenses are <b>\$400</b> per month for both vehicles.
<b>INSURANCE</b>	The Gonzales family pays <b>\$500</b> each month for insurance with limited coverage. Their homeowner's, disability, life and auto insurance costs for all vehicles are included. Since Mandy took a drivers education course she receives a safe driver discount as well as a good student discount on her insurance. The family receives full health benefits from Roberto's employer for a \$225.00 deduction each month.
<b>FOOD</b>	Connie is very resourceful and stretches food dollars as far as she can. Mandy often eats at Tasty Freeze on the days that she works there. The family does not eat out often. Each month the Gonzales family allocates <b>\$600</b> for food.
<b>CREDIT CARD BALANCE</b>	A large portion of what Connie and Roberto make each month goes towards credit card debt. They currently have \$3,000 in credit card debt with a minimum payment of <b>\$75</b> monthly. They try hard to pay \$100 per month to help reduce the balance faster. Currently, their credit history is in good standing because they do not make late payments.

# HOUSING



**Directions:** Choose one home for the Gonzales family. Consider the size of the family, age of all family members and the family's lifestyle. The **Utilities and Taxes** cost includes heat, electricity, water, sewer and garbage. Refer to page 4 for the total amount allotted for housing expenses (\$575) and record the following housing others for the Gonzales family on page 13 of the spending plan.



## House A

This is 2110 sq. ft. house built in 1978 has 4 bedrooms, 3 bathrooms, and a den. A pool and covered parking is also included. The house is equipped with a dishwasher, stove, oven, and central air along with the fireplace in the living room.

- Utilities & Taxes: \$246.62
- Repairs: \$25.00



## House C

This 2102 sq. ft. 1962 home has 5 bedrooms and 2 bathrooms. It sits on a huge lot that is fenced in. The patios are covered. This home has a dishwasher, oven, stove, garbage disposal, and central air.

- Utilities & Taxes: \$325.59
- Repairs: \$125.00



## House B

A newer home built in 2003 is a single story 1287 sq. ft. 3 bedroom, 2 bathroom home. This provides a two car covered car port and patio. Along with the fireplace in the master bedroom it also has a dishwasher, stove, oven, central air and garbage disposal.

- Utilities & Taxes: \$510.04
- Repairs: \$15.00



## House D

This 1449 sq. ft. single story home has 5 bedrooms and 3 bathrooms. This home was built in 1935. There is covered parking and additional storage. The property is walking distance to school and shopping centers.

- Utilities & Taxes: \$270.36
- Repairs: \$110.00



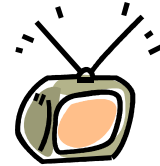
# HOUSING OTHERS



**Directions:** The following options are for the Gonzales's home. Before making any decisions, take into consideration how much free time the Gonzales's have and the needs of the family.

## LOCAL ANTENNA

- Local reception with antenna booster: \$0.00  
Includes four local stations (ABC, CBS, NBC, PBS).



## ADDITIONAL ADD ONS

- Additional add ons for \$2.50 each to the digital cable packages.  
Paquete Latino spanish language programming, movie tier including stations such as Encore!, variety tier including channels like Hallmark and Oxygen, and sports tier.



## DIGITAL CABLE

- Basic Package: \$26.48  
Includes basic (ABC, CBS, FOX, NBC, PBS) and expanded (CNN, DISC, ESPN, FAM, MTV, TBS, TWC, WGN, etc.) channels.
- Expanded Package: \$42.95  
Includes basic and expanded channels featuring ESPN, Travel Channel, Discover Channel, Cartoon network plus many others
- Additional add on for \$2.50 each  
Paquete Latino spanish language programming, movie tier, variety tier, and sports tier.



## TELEPHONE COMMUNICATION

- Incoming Basic package: \$18.17  
Unlimited local calls and \$.05 long distance calls
- Incoming Standard Plan: \$30.98  
Unlimited local calls, \$.05 long distance calls, choice of three calling features such as caller id, call waiting, and voice mail
- Cellular phone family plan 4 phones sharing 2100 minutes: \$149.99



## INTERNET

- dial-up access: \$9.95
- Wireless access: \$19.99
- DSL access: \$36.99



# TRANSPORTATION



**Directions:** Choose one vehicle for Roberto. Record the costs on page 14. The *Monthly Payment* includes the car payment, fuel, and maintenance costs. Remember, the Gonzales family has allocated \$400 each month for their vehicles. Choose one of the options described below and record on the spending plan on page 16.

A.



1999 Ford Explorer

- Monthly Payment: \$225.00
- Fuel Costs: \$96.00

B.



2002 Hyundai Elantra

- Monthly Payment: \$200.00
- Fuel Costs: \$40.00

C.



1986 Ford Bronco

- Monthly Payment: \$85.00
- Fuel Costs: \$60.00

E.



1998 Dodge Ram

- Monthly Payment: \$225.00
- Fuel Costs: \$100.00

D.



2004 Hyundai Elantra

- Monthly Payment: \$200.00
- Fuel Costs: \$50.00

F.



Lolita's Car

- Monthly Payment: PAID
- **Fuel Costs: \$100.00**

## FAMILY ECONOMICS &amp; FINANCIAL EDUCATION

## OTHERS



**Directions:** The following “other” items are available for Mandy to purchase. You may choose any items described below. Each cost listed in **red** is a monthly expense that must be recorded on page 16 of Mandy’s spending plan.

PERSONAL ITEMS→ Makeup: **\$50.00**

Allergy tested 100% fragrance free makeup. Helps skin keep looking young and healthy.

→ Clothing: **\$45.00**

This will buy one new shirt and one new pair of pants

→ Shirt only: **\$15.00**→ Pants only **\$25.00**→ Hair care products **\$50.00**

Durable curling iron and blow dryer to help style any type of hair.

→ Magazine Subscription: **\$20.00/1 year**

Catch up on the latest fashion ideas, gossip, and entertainment

ENTERTAINMENT→ Concert Ticket: **\$40.00**

Favorite performer in a near by city

→ New released movie: **\$15.00**

See a movie at the local theatre plus popcorn!

→ Dining Out: **\$20.00**

Dinner out with a friend.

→ Movie Rentals: **\$7.00**

2 rentals at the local video store

→ Ice cream: **\$3.25**

Ice cream with friends on a hot summer night!

→ iTunes: **\$0.99**

Download the greatest hits for 99¢ each.

MUSIC→ Voice Lessons: **\$20.00/1 hour lesson**

Learn from the professionals the tools that are needed to advance to the next level of vocal performance

→ Rent a Flute: **\$100.00/1 year**→ Rent a Clarinet **\$100.00/ 1 year**



## FAMILY ECONOMICS &amp; FINANCIAL EDUCATION

## OTHERS

CHEERLEADING

- Cheerleading shoes: **\$75.00**  
Shoes to give ultimate support while on the sidelines



- Cheerleading Practice Shorts: **\$22.00**  
Excellent for perfecting your cheering skills



- Hair Ties: **\$2.00/Ribbon**  
The perfect way to keep your hair tied back during a game



- Mega Phone: **\$30.00**  
→ Helps save the voice of a cheerleader and helps to get the crowd excited at a big game!

MISCELLANEOUS

- Bicycle: **\$250.00**  
Save on gas on those nice days



- Cannon PowerShot A520 Digital Camera: \$119.95  
4 Megapixels, 4x optical zoom with a 1.8 inch LCD screen size.



- Picnic Lunch: **\$30.00**  
Lunch on the beach with 3 friends



- Donation: **\$10.00**  
Donation to her favorite charity.

CREATE YOUR OWN

Draw a picture and list the cost of other items that Mandy would like to have in the space provided.

# SNAPSHOT REFLECTION



95	Points Possible
	Points Earned
	Percentage

Name \_\_\_\_\_

Date \_\_\_\_\_

Class \_\_\_\_\_

**Directions:** Pages 10-17 include reflection questions and spending plan worksheets. Read each question carefully and respond with a short answer or insert the correct dollar amount. Each line is worth 1 point if not otherwise indicated in parenthesis.



1. Describe how singing in the church choir helps Mandy reach her career goal. (1 point)



2. How would Mandy and her family be impacted if she did not share a car with Connie? (1 point)



3. The Gonzales family values spending time with each other. How does this impact their spending plan? (1 point)



4. What impact does Connie and Roberto's side jobs have on the family? (1 point)



5. Describe how Mandy is active within her community. (1 point)

# MANDY'S PAYCHECK



**Directions:** Read the paycheck below and answer questions 6 and 7 in the spaces provided.

Tasty Freeze 5555 1st Avenue This City, USA 87654		1234	
Date <u>March 5, 2007</u>			
Pay To The Order Of: <b>MANDY GONZALES</b>		\$ 353.81	
<b>THREE-HUNDRED, FIFTY-THREE AND 81/100</b>		Dollars	
National Bank 5832 Main Street Any City, USA 98765-4321			
Memo: <b>FEBRUARY PAYCHECK</b>		Tasty Freeze Authorized Signature	
⑆123456789⑆0987654321⑆ 1234			

Tasty Freeze		Pay Period 2/1/2007-2/29/2007			
Employee Mandy Gonzales		SSN 999-88-4444		Check # 1234	
Employee Address 5555 1st Avenue This City, USA 87654		Check Amount \$353.81			
Hourly Rate Number of Hours	Gross Pay	Year-to-date Gross Pay	Deductions	Current	Year-to-date
\$6.75/hour 64 hours	\$432.00	\$364	Federal Withholding State Withholding FICA	\$38.45 \$12.96 \$26.78	\$76.90 \$25.92 \$53.56
Totals				\$78.19	\$156.38



6. What is Mandy's net pay? How is this determined? (1point)



7. What three deductions are added together to determine Mandy's monthly payroll withholdings? (3 points)

# SETTING GOALS



**Directions:** After reading Mandy's Snapshot on pages 2-4 and reviewing the items Mandy can purchase on pages 8 and 9, answer the following questions. Remember to include the 5 elements of goal setting described below when setting education and financial goals.

## SMART Goal

### Specific

State exactly what you would like to do.

### Measurable

Include how the success of the goal can be measured.

### Attainable

Determine how the goal can be reached.

### Realistic

Do not set the goal for something unattainable or unrealistic.

### Time Bound

Specifically state when the goal needs to be reached.



8. Write one short-term goal for Mandy. (reached in a time period less than one year) (5 points)



9. Write one long-term goal for Mandy. (reached in a time period more than one year) (5 points)



10. Why is it beneficial to set education and financial goals? (1 point)

## GONZALES'S MAJOR EXPENDITURES



**Directions:** Refer to pages 5 and 6 to determine the housing options for the Gonzales family. Record all expenses on the lines below and answer questions 11-13 in the spaces provided.

## EXPENSES—HOUSING

11. How much money has the Gonzales family allocated for their total housing expenses? (1 point)


- HOUSING

From the options on page 5, choose a home for the Gonzales family and record the Utilities & Taxes on line A, the repairs on line B and Housing Total on line C.

Utilities & Taxes: A.

Repair Costs : B. \_\_\_\_\_

**HOUSING TOTAL:** C.  
(A + B = C)

 12. What is the letter of the house that you chose? Why did you choose this home? (2 points)

- HOUSING OTHERS

After reading the other housing expenses on page 6, determine which the Gonzales family will have. List which options were chosen on the line before each expenditure. Record the monthly expense of each desired item on lines D-H and calculate the subtotal on line I.

Antenna: **D.**

\_\_\_\_\_ Add Ons: **E.**

\_\_\_\_\_Telephone: F.

\_\_\_\_\_Digital Cable: **G.**

\_\_\_\_\_Internet: **H.**

HOUSING OTHERS TOTAL: I.  
(D + E + F + G + H = I)

13. How did you determine which Housing Others the Gonzales family should have? (1 point)

- TOTAL HOUSING COST

Add the Housing Total and Housing Others Total from above to determine the Gonzales Total Housing Cost and write on line L. Ensure is it less than or equal to the allocated amount described on page 4.

Housing Total: J. \_\_\_\_\_

Housing Others Total : K. \_\_\_\_\_

**TOTAL HOUSING COST:**  $(I+K=L)$  L



# GONZALES'S MAJOR EXPENDITURES



**Directions:** After reviewing the transportation options on page 7, choose one vehicle for Mandy and her mom. Answer questions 14-16 in the spaces provided.

## EXPENSES—TRANSPORTATION

**?** 14. How much money has the Gonzales family allocated for their total transportation expense? (1 point)

### • TRANSPORTATION

Refer to page 7 and decide what car Roberto will drive. Record the expenses on line M and N, record the fuel costs for Connie on line O. Total the transportation costs on line P and ensure it is less than or equal to the allocated amount on page 4.

Monthly Payment : M.

Roberto Fuel: N.

Connie Fuel O.

**TRANSPORTATION TOTAL:** P.  
(M + N + O = P)

**?** 15. How are transportation needs within the family impacted by Mandy and Connie sharing a car? (1 point)

**?** 16. What is the letter of the vehicle you chose? Why did you choose this vehicle? (2 points)

## GONZALES FAMILY MAJOR EXPENDITURES SUMMARY

### • MAJOR EXPENDITURES

Refer to the Gonzales family snapshot on page 4, selections made on page 13 and those listed above to complete the major expenditures summary. All expenses are listed on lines P thru T with the total on line U.

Total Housing Cost: Q.

Total Transportation Cost: R.

Insurance: S.

Food: T.

Credit Card Balance: U.

**MAJOR EXPENDITURES TOTAL:** V.  
(Q + R + S + T + U = V)

# MANDY'S SPENDING PLAN



**Directions:** Identify Mandy's payroll withholdings and amount to save and write on the lines below. Answer questions 17-19 by writing a short answer in the spaces provided.

## EXPENSES—PAYROLL WITHHOLDINGS

### • PAYROLL WITHHOLDINGS

-Review Mandy's paycheck on page 11 to determine her payroll withholdings and write each on lines V-X.  
Total the payroll withholdings and write on line Y.

State Withholding Tax: W.

Federal Withholding Tax: X.

FICA: Y.

**PAYROLL WITHHOLDINGS TOTAL:**  
(W + X + Y = Z)

Z.

17. What services do you receive from paying taxes? (1 point)

## EXPENSES—SAVINGS

### • SAVINGS

Carefully review the Snapshot on pages 2-4 and short-term and long-term goals set on page 12 to determine how much money Mandy will save each month. Write this amount on line Z.

**SAVINGS TOTAL:** AA.

18. Did you decide to save more money than described in the snapshot? Why or why not? (2 points)

19. Other than paying for cheerleading camp and choir, what could Mandy save money for? (1 point)

# MANDY'S SPENDING PLAN



**Directions:** After reviewing the Snapshot on pages 2-4 and all other items on pages 8 and 9, choose which items Mandy would like and record below on lines AA-HH.

## EXPENSES—OTHERS

### • OTHERS

After selecting the other items Mandy would like, record the name of the item on the line before the category title and the costs in **red** on lines AA-HH. Add all lines and record the total on line II.

Transportation Fuel: **BB.**

Cellular Phone: **CC.**

Personal Items: **DD.**

Entertainment: **EE.**

Music: **FF.**

Cheerleading: **GG.**

Miscellaneous: **HH.**

Create Your Own: **II.**

**OTHERS TOTAL:**

(BB + CC + DD + EE + FF + GG + GG + II = JJ)

**JJ.**



20. Was Mandy able to afford all items she wanted? Why or why not? (1 point)



21. If Mandy did not want to share a vehicle with her step-mother and could not afford to purchase her own, what other options does he have to get to school and work? How much should she include in her spending for these other expenses? (2 points)



22. How could Mandy save money on her extra curricular activities? (1 point)

# MANDY'S SPENDING PLAN SUMMARY



**Directions:** Transfer the total cost of all items listed on Mandy's spending plan on pages 15-16 to complete the Spending Plan Summary below. Once all income and expenses are recorded, calculate the difference to determine if Mandy's spending plan is balanced.

## INCOME

### GROSS INCOME

Review Mandy's Snapshot on pages 2-4 and her paycheck on page 11 to determine her gross income and record on line JJ.

**GROSS INCOME TOTAL:**

**KK.**

## EXPENSES

### MANDY'S TOTAL EXPENSES

Review Mandy's Snapshot on pages 2-4, her paycheck on page 11, her savings which were determined on page 13, and the other items recorded on page 16 to determine her total expenses. Record each item on lines KK-MM to the right and total on line NN.

Payroll Withholdings:

**LL.**

Savings:

**MM.**

Others:

**NN.**

**EXPENSES TOTAL:**

(LL + MM + NN = OO)

**OO.**

## DIFFERENCE

### GROSS INCOME - TOTAL EXPENSES

To determine if Mandy has enough income to pay for her expenses, subtract her Expenses Total from her Gross Income Total.

If the difference is a negative number, go back and adjust Mandy's expenses. The amount on line QQ needs to equal zero to have a balanced spending plan.

Gross Income Total:

**PP.**

Expenses Total :

**QQ.**

**DIFFERENCE:**


(PP — QQ = RR)


**RR.**


## SNAPSHOT REFLECTION





**Directions:** Answer questions 23-27 in the spaces provided to reflect on the Life of Mandy spending plan simulation.

 23. Was it difficult to equal zero? Why or why not? (2 points)

 24. Describe the benefits of creating a spending plan. (1 point)

 25. How will Mandy's financial goals change once she attends college? (1 point)

 26. What impact does the Gonzales' credit card debit have on their spending plan? (1 point)

 27. If Bobby were to move out of the house what impact would this have on the family? (1 point)