

# FINANCIAL MANAGEMENT

## Earning, Saving, Spending

In 2012, an NFL player named Warren Sapp filed for bankruptcy even though he had earned more than \$50 million during his career. Two years later, a Vermont store clerk named Ronald Read died. Although he had never earned a lot of money, Mr. Read left \$6 million to charity—the result of decades of frugal living and careful investing.

Think about what you want your adult life to be like financially. Do you want to be able to travel or have a nice car? Do you hope to support causes that are important to you? Do you want to work at a job you love or just a job that earns you a lot of money? The choices are all yours. By developing skills, learning fiscal restraint, working hard in school, and planning for a suitable career, you can control your destiny instead of being controlled by it. That's what this program feature is all about.

### Objectives

This month's activities should:

- Help youth better understand how decisions they make today can affect their options in the future.
- Teach youth to understand budgeting, purchasing strategies, finances, and education and career options.
- Introduce youth to a variety of career possibilities.
- Teach youth fundamental concepts such as the value of compound interest and short-term versus long-term investing.

### RELATED ADVANCEMENT AND AWARDS

- American Business, Entrepreneurship, Personal Management, and Salesmanship merit badges
- Pathfinder: Personal growth requirement 7





## Leadership Planning

As a leadership team, you may want to discuss the following items during your planning meetings when choosing financial management as your program feature.

1. What companies should we follow in the stock market?
2. What should we do for the main event?
3. Who would be a good personal finance consultant?
4. Can we use this topic to help create a new fundraising project?
5. Which members need this topic for advancement?
6. To meet our needs, what should we change in the sample meeting plans?

### PARENTS CAN HELP WITH THE FINANCIAL MANAGEMENT PROGRAM FEATURE BY:

1. Sharing expertise in the areas of finance, banking, career planning, etc.
2. Holding follow-up discussions at home about financial management
3. Helping to organize the main event
4. Providing transportation for the main event
5. Maintaining current Youth Protection certification, which is required of all adults providing transportation for or participating in outings

## FINANCIAL FACTS AND WISDOM

- A budget is a plan that lays out how you want to spend your money. A spending record tracks what you have spent. Both are valuable tools.
- If you decided to put \$2,000 per year into a savings account from ages 18 to 25, by the time you turned 65 your account would be worth more than if you had deposited the same amount annually for 40 years from ages 25 to 65.
- In 2015 the *Wall Street Journal* reported on a study that showed people who had taken more math classes early in life were better off financially in later years.
- Don't give up what you want most for what you want now. People understand that it is smart to save money and not so smart to get into debt, just as they know they need to exercise and eat well. Whether they do the right thing, however, is a matter of self-discipline.
- If you can't afford it, then you shouldn't buy it. Money borrowed is not free money.

### Consumer Buying Guides

Consumer buying guides can be a handy tool for researching a product you are planning to purchase. These guides may provide anything from general details and purchasing tips to more specific information that will help you narrow your selection. For example, an article about new televisions might show a comparison of prices, screen size, audio features (such as surround sound), convenience features (such as picture-in-picture), and the types of connections that come with each TV.

As you read the guides, be sure to focus on the information that matters to you. If you only plan to plug in a DVD player and a game system, then having 10 HDMI inputs on a TV really isn't necessary.

Avoid impulse buying. Always take time to consider whether you really need or want the item. By following smart shopping guidelines, you will be less likely to buy something on the spur of the moment and less likely to regret your purchase later (buyer's remorse).





## Cash Versus Credit

In general, avoid buying ordinary items, such as meals, clothes, and school supplies, on credit. Instead, limit credit purchases to special expenses such as a house, a car, or college tuition.

If a retailer offers a very low interest rate, should you charge a purchase rather than pay cash, or should you start saving for it? If the rate is lower than what you are earning on savings or investments, it might make sense to take advantage of the offer. But beware: Some attractive deals are actually “teasers”; the interest rate will be low for a short time—often three to six months—and then it goes much higher until the loan has been repaid. Be cautious and read the fine print before you make a decision.

Resist impulse buying. It is best to save money for something you want rather than charge the cost to your credit card. In most cases, the item will still be available a few weeks or months later. And there are several advantages to waiting:

- You can avoid high interest charges.
- You will learn how to budget.
- The price might go down during the time it takes to save the money.
- You will have more time to find the best deal on the item. And you may discover by then that you really didn't want it after all!

Credit cards, however, can be convenient. Sometimes it makes sense to charge everyday purchases rather than carry around a lot of cash, and returning an item is often easier if it was purchased with credit. Also, credit cards are helpful in emergencies.

When you do use a credit card, be sure to pay off the balance each month. Otherwise, high interest rates will be charged to your account, which can dramatically increase your expenses over time.

By the time you reach your late teens, you probably will have received numerous offers from credit card companies to apply for their cards. Just remember that you are personally responsible and legally obligated to pay back all amounts charged to your card.

## Personal Budgets

The purpose of managing your money is to improve your ability to meet obligations and reach your financial goals. One of the best ways to learn how much you spend and earn over a period of time is to keep a *budget*, or a written account of your expected and actual income and expenses. Expenses include fixed expenses that are predictable obligations, such as an auto loan, insurance premiums, and utilities. Flexible expenses change each month.

## Savings

How much should you set aside to pay yourself? That figure will be determined by your income and financial goals. In general, try to save at least 10 percent of your income.

### Basic Living Expenses

Expense	Amount
Savings	\$ _____
Rent	_____
Groceries	_____
Eating out	_____
Utilities	_____
Telephone	_____
Personal grooming	_____
Car/transportation (gas, license, parking, bus fare, insurance, maintenance)	_____
Clothing/laundry	_____
Insurance	_____
Medical care	_____
Charities	_____
Entertainment (concerts, movies, dating)	_____
CDs, DVDs, video games, music, etc.	_____
Recreation	_____
Sports/hobbies	_____
Vacations	_____
Books/magazines	_____
Gifts	_____
Miscellaneous (items not covered by other categories)	_____
<b>Total monthly expenses</b>	<b>\$ _____</b>





## How to Save Money

To save, you must first earn or receive income. Then, you can set a savings goal, such as a new bike, a computer, college tuition, or a birthday present for a friend or family member, and determine how much you need to set aside daily or weekly to reach that goal.

You might wonder what income sources you have available. The following are some income sources you might be able to include in your budget.

- Perhaps you receive a weekly or monthly allowance in return for doing certain chores around the house.
- Ask if you can increase your allowance by doing extra chores.
- Perhaps you could work part time at a grocery store, fast-food restaurant, movie theater, or golf course.
- You could start a business mowing lawns, caring for neighbors' pets, repairing bikes, running errands for elderly neighbors, or providing computer instruction.
- You probably can sell items you no longer use (with your parent's permission) that are still in good shape, such as an old bike, old computer games, old music CDs, collector cards, or athletic equipment.
- Save gifts of money that you receive for birthdays, Christmas, bar mitzvah, or other special occasions.

If you have a job or receive an allowance, you probably can predict what your income will be while you save for your goal. It might be more difficult to estimate your expenses, however. Because your budget clearly shows the choices you can make to reach financial goals, it can help you plan how to spend your money wisely. Any money left over at the end of a month can be added to savings or kept to spend the next month.

To increase the amount you save, think of expenses you can give up and other cost-saving

measures. Another option is to change your goal. Perhaps you need more time to reach your goal or need to find a less expensive option. For example, if you were saving for a new bike, maybe you could save for a less expensive one.

## Investing

When you invest money, you have an entirely different objective: to make more money. A financial investment is something you put money into with the purpose of getting more money back. An investment also can be one of time and labor. For example, you might invest in a lawn mower with the goal of making enough money mowing lawns over the summer to earn a profit.

You also are an investment. You can invest in yourself through education, for example, or by learning new skills or trades. Education and self-improvement can help you earn more income. In fact, of all the types of investments available, investing in yourself is the best investment you can make. It can pay big dividends.

Unlike saving, investing involves some risk—that is, you are not guaranteed to earn more than the amount you invest. (The amount you invest is called *principal*.) In fact, there is a chance you could lose part or even all of the principal. Investing is used to achieve certain types of goals. People typically save for short-term goals such as a new car or a family vacation by putting their money in a savings account where they can retrieve all of the money plus a little interest. But people *invest* for long-term goals like college or retirement. They put their money in stocks, bonds, real estate, or other alternatives, which do not guarantee the principal invested or any earnings on the principal.

However, because of the greater risk, investors have a chance to earn higher *returns* (income or an increase in value) than they would from a savings account, especially over a long time. In general, higher potential returns often require accepting greater risk of loss, while a lower risk of loss often means lower potential returns.



## The Rule of 72

To find the number of years required to double an amount invested at a given interest rate, divide the compound return into 72. For example, if you are saving at a 6 percent interest rate, divide 72 by 6. The result: 12 years.

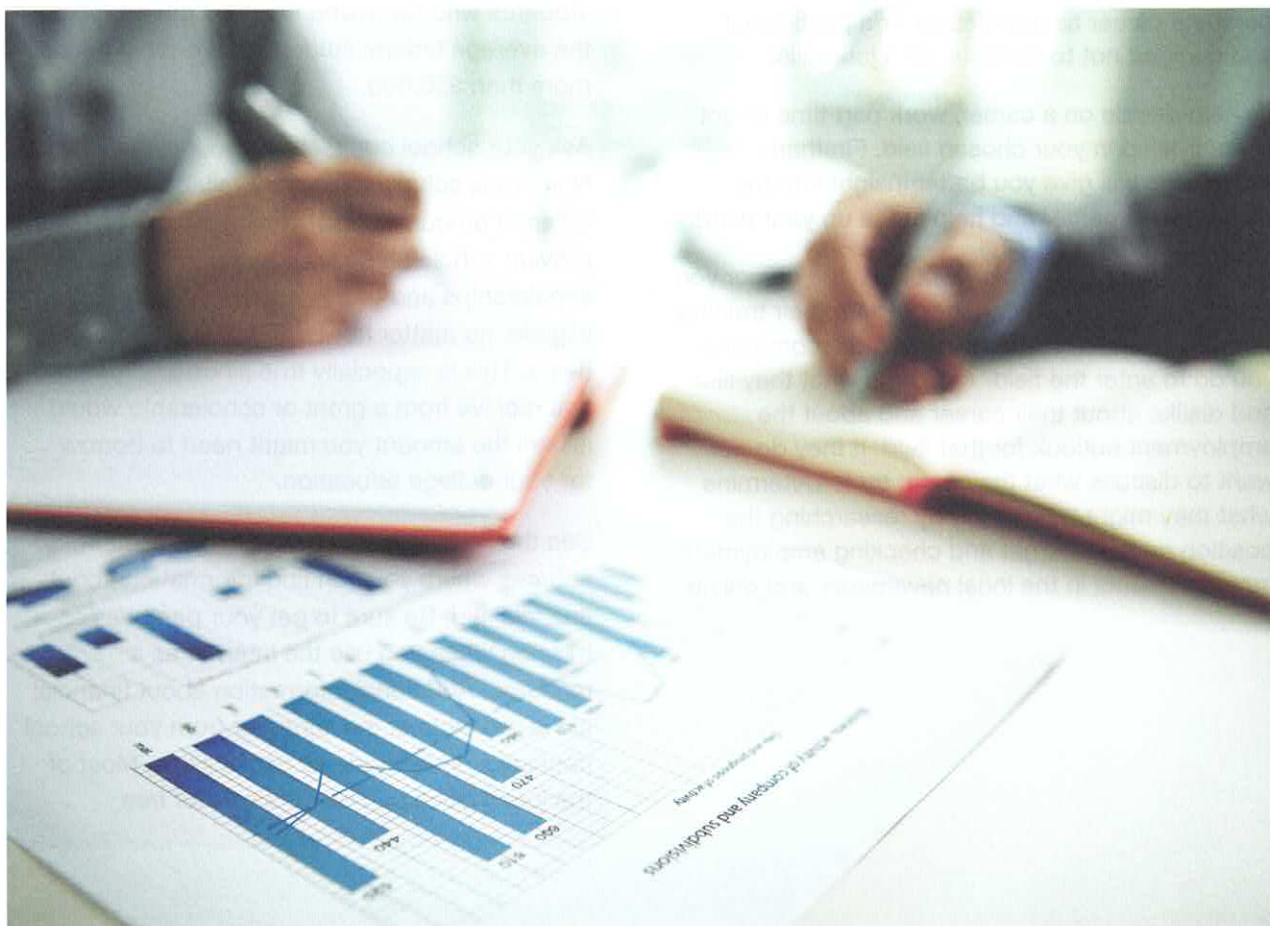
## Exploring Career Possibilities

Your choice of career will play an important role in your financial future. You can do a number of things to explore potential careers. First, ask yourself what you do well, think about your values and your ambitions, and make a list. What are your hobbies? What do you enjoy doing? What are your best subjects in school? You are more likely to succeed in a career if it is a field in which you can use your talents and that you enjoy. For example, if you are good in mathematics and science, you might pursue a career in engineering or computer science. But do not be restricted by what you are good at doing. Instead, use these skills as a guide.

Find out the level of education you will need for the career that interests you. Does the occupation require technical education and training? A bachelor's degree or graduate school and training? What about internships? You will need to review your long-term goals and determine how much time you are willing to devote to training and education before actually earning a living even begins.

Consider your salary needs and earning potential. Money alone does not bring happiness, but it is an important factor. For some people, making money is their reward for working. You can decide whether making money or doing something that you enjoy is rewarding for you.

Choose a career that supports the way you would like to live, or at least one that supports your potential to achieve your goals.







Determine the businesses or industries that are likely to grow and those that are likely to decline by the time you start your career. This, of course, can be difficult. You can use information found on the website of the Bureau of Labor Statistics as a guide to compare employment trends and projections. Be aware that local trends might differ from national trends.

Think about where you want to live. Do you like warm or cold climates? How is the employment market where you would like to live? You will find that salary ranges vary in different states for the same types of positions.

Is the career you picked versatile? For instance, if you have chosen a career in journalism, what other fields would be open to you if you wanted to make a career change? While you are in college, you could take courses that would help you in another field. If you like government, for example, take government courses along with journalism courses. By doing that, you might be able to pursue a career as a professor or a politician if you decided not to continue as a journalist.

To help decide on a career, work part time or get an internship in your chosen field. Firsthand knowledge will give you better insight into the nature of the career and help make up your mind.

If you can, talk to people working in the career you would like to pursue. Ask them about their training and education and what they would recommend you do to enter the field. Ask them what they like and dislike about their career and about the employment outlook for that field. If they do not want to discuss what they earn, try to determine what they might be earning by researching the position on the internet and checking employment advertisements in the local newspaper and online.

## THE WORTHWHILE COSTS OF EDUCATION

You and your family might have discussed the costs of going to college. Earning a college degree can be quite expensive and the costs rise each year. To get an estimate of what it would cost you, contact the college you would like to attend and determine the cost of attending for one year. Multiply that by the number of years you expect to attend. Factor in yearly cost increases and the likelihood that it will take longer than four years to earn your degree.

Because college can be so expensive, many students seek financial aid to help pay for expenses. You can earn scholarships through academic or athletic achievement to help cover a portion of your educational expenses. You may have to pay for some or all of your education with loans. As an example, for those students who borrowed from the government, the average federal student loan debt is now more than \$30,000.

Ask your school counselors about scholarships. Numerous scholarships are available, for different amounts. Also, some philanthropists provide scholarships and grants. Apply for all scholarships and grants for which you are eligible, no matter how small. Every little bit helps. This is especially true since any funds you receive from a grant or scholarship would lessen the amount you might need to borrow for your college education.

See the Resources and References section for sources where you can find information about financial aid. Be sure to get your parent's permission when you use the internet as a resource. Additional information about financial aid is available at the library or from your school counselor. Investigate all possibilities. Most of the information can be obtained for free.





## FINANCIAL MANAGEMENT GAMES

### Scout Bucks Auction

**Equipment:** Fake money in different denominations from an existing board game or created for this game; food, trinkets, patches, and other items to be auctioned off. The unit could supply the items, or you could ask each member to donate a “white elephant.”

**How to play:** During the preopening, explain how the “Scout bucks” will be used to demonstrate how money works. Each time youth members participate in the meeting, they will be rewarded with Scout bucks. At the end of the meeting, hold an auction so that they can use their money to buy prizes.

**Note:** You could also give Scout bucks to those who completed a specific assignment (e.g., keeping track of their spending during the previous month, doing a Good Turn that day before coming to the meeting).



### Advertising Charades

**Equipment:** Slips of paper

**How to play:** Divide the group into teams. Write the name of a commonly advertised product on each slip. Players from each team take turns selecting a slip and then silently acting out various clues for 2 minutes so the others can guess the product.

**Scoring:** The first team to guess the product gets a point. Keep track of the points earned by each player or team.

### Compound Interest Game

**Equipment:** Three separate sets of cards—one showing dollar amounts (from \$100 to \$1,000), one with numbers of years (from one to 10), and one with annual interest rates (from 3 to 12 percent).

**How to play:** Players take turns randomly selecting one card from each set and then computing how much interest would be earned under those terms.

**Scoring:** The highest correct calculation wins.

**Notes:** Play a second time. When the round ends, surprise everyone by telling them the money was being borrowed, not invested, so the lowest amount won. Use this formula to calculate compound interest:  $\text{Future value} = \text{present value} \times (1 + r)^n$ , where  $r$  is the annual interest rate (in decimals) and  $n$  is the number of years.

### Stock Market Game

**Equipment:** Several copies of a stock market price list gathered on three different dates. Pick companies that provide a service or product familiar to the youth (e.g., Disney, Apple, Sony, Facebook, Gap).

**How to play:** Divide into groups of two or three players. Each group has a \$1,000 budget to invest in one or more companies from the list. Give them the earliest stock prices (first date of valuation). When the groups have decided on their investment choices, have them present those choices and the rationale they used. Then compute the value based on the second date of valuation.

**Scoring:** After all groups have presented their choices, compute the value based on the third valuation. The winners are the ones with the highest valuation.





## E.D.G.E. Ideas

***Explain** how it is done—Tell them.*

***Demonstrate** the steps—Show them.*

***Guide** learners as they practice—Watch them do it.*

***Enable** them to succeed on their own—Have them practice/teach it.*

### EXPLAIN

- Explain how a budget differs from a spending record.
- Explain why businesses advertise.
- Discuss investing and the rule of 72.
- Introduce the range of careers available in financial management.
- Discuss the education and skills needed for a career in financial management.

### DEMONSTRATE

- Show examples of successful advertising campaigns, including internet videos and print ads.
- Demonstrate how investments yield returns.
- Show how to research careers in financial management.

### GUIDE

- Guide youth as they develop functional personal budgets.
- Help them to be aware of how advertisements can influence spending.
- Advise them on using credit responsibly and reading the fine print in credit offers.
- Help them to match their personal interests to potential careers in financial management.

### ENABLE

- Create opportunities for youth to make wise consumer choices.
- Enable youth to develop savings and investment plans.
- Help prepare them for pursuing fulfilling careers.

## MAIN EVENT SUMMARIES

● ESSENTIAL	■ CHALLENGING	◆ ADVANCED
Day Activity	Day Activity	Multiday Activity
Consumer research adventure—On a visit to a mall, go to multiple stores and comparison shop for one or more items. Compare makes, models, prices, and what is being offered in other stores. An alternative would be to practice the same consumer research skills online.	Career fair—Invite several professionals from various fields to present what they do. Have each visitor describe what they like (and dislike) about their jobs, and what they might do differently if they were young and just starting out. Encourage hands-on presentations if appropriate. Be sure to include a diverse range of occupations and trades that require different education levels.	Fundraising project—Develop the idea for and carry out a major money-earning project with your troop or crew. Handle all aspects of the project, including creating, manufacturing, and packaging a product to be sold. Then market the product in your community.





# FINANCIAL MANAGEMENT

## Meeting Plan: Budgeting and Spending



Week 1 Date \_\_\_\_\_

ACTIVITY	DESCRIPTION	RUN BY	TIME*
<b>Preopening</b> 15 minutes before meeting	Explain that members will receive "Scout bucks" for participating in the meeting. (The youth leadership group should decide in advance what types of participation to reward.) You could start by giving Scout bucks to early arrivers who answer Scouting trivia questions.		6:45 p.m.
<b>Opening Ceremony</b> 10 minutes	Flag presentation Oath and Law Uniform inspection		7 p.m.
<b>Group Instruction</b> 20 minutes	<ul style="list-style-type: none"> <li>Discuss what a budget is and how it differs from a spending record. Show sample budgets.</li> <li>Discuss how money goes in and out of banks.</li> <li>Discuss debit cards versus credit cards and savings versus loans.</li> </ul>		7:10 p.m.
<b>Skills Instruction</b> 30 minutes	<ul style="list-style-type: none"> <li>Have youth list from memory everything they purchased during the last week.</li> <li>Have youth estimate what their families spend each week on groceries; then they will call their parents to check.</li> <li>Have each youth plan a budget for the next month, based on what he or she spent last week.</li> </ul>		7:30 p.m.
	<ul style="list-style-type: none"> <li>Review the above material.</li> <li>Have youth plan a post-high school budget based on what they could earn if they worked full time using current skills. They should budget for income, taxes, rent, utilities, food, medical, and transportation (bus pass or car payment with gas, repairs, insurance, etc.). Online resources can be used to determine average costs.</li> <li>After youth have planned their budgets, discuss what they can do now to improve their earning capabilities in the future.</li> </ul>		
	<ul style="list-style-type: none"> <li>Review the above material.</li> <li>Do the budget exercise described above.</li> <li>Have youth consider what would happen if a major economic event occurred such as a job loss, unexpected medical costs, or a sudden increase in rent or gasoline prices.</li> <li>Teach how to prepare a 1040EZ tax return.</li> </ul>		
<b>Breakout Groups</b> 15 minutes	Work on basic Scouting skills or plan a budget for your next campout.		8 p.m.
<b>Game</b> 10 minutes	Play Scout Bucks Auction (described earlier).		8:15 p.m.
<b>Closing</b> 5 minutes	Announcements Leader's minute Closing		8:25 p.m.
<b>Total 90 minutes of meeting</b>			
<b>After the Meeting</b> 15 minutes	Leadership team reviews plans for the next meeting and for the main event.		

\*All times are suggested.





# FINANCIAL MANAGEMENT

## Meeting Plan: Marketing—or How They Get You to Buy Things



Week 2 Date \_\_\_\_\_

ACTIVITY	DESCRIPTION	RUN BY	TIME*
<b>Preopening</b> 15 minutes before meeting	Present advertising slogans (e.g., “Just Do It”) and have everyone guess what company each slogan represents.		6:45 p.m.
<b>Opening Ceremony</b> 10 minutes	Flag presentation Oath and Law Uniform inspection		7 p.m.
<b>Group Instruction</b> 10 minutes	Address these questions: <ul style="list-style-type: none"><li>• What is advertising?</li><li>• How does it influence us?</li><li>• Why is it profitable for companies to spend money on advertising?</li><li>• What are some memorable advertisements? (If possible, show internet videos of memorable advertisements from the past and present.)</li></ul>		7:10 p.m.
<b>Skills Instruction</b> 40 minutes	<ul style="list-style-type: none"><li>• Have youth discuss products they purchased because of advertising and whether or not they were satisfied with the purchase.</li><li>• Have them look at magazine advertisements and share what they like or don't like about each one. Do the ads make them want to learn more about or buy the products?</li></ul>		7:20 p.m.
	<ul style="list-style-type: none"><li>• Do the activities listed above.</li><li>• Have youth write one-line slogans for a few of the products they use.</li><li>• Have them choose one of the magazine ads that they didn't like and rewrite or redesign it.</li></ul>		
	<ul style="list-style-type: none"><li>• Do the above activities.</li><li>• Have youth choose a product they haven't used before and plan an advertisement for that product. This can be an online or television ad, or one that runs in a newspaper or magazine.</li></ul>		
<b>Breakout Groups</b> 15 minutes	Work on basic Scouting skills, or have each group spend 10 minutes planning a one-minute skit that advertises a product. Have each group perform its skit for the entire group.		8 p.m.
<b>Game</b> 10 minutes	Play Advertising Charades (described earlier).		8:15 p.m.
<b>Closing</b> 5 minutes	Announcements Leader's minute Closing		8:25 p.m.
<b>Total 90 minutes of meeting</b>			
<b>After the Meeting</b> 15 minutes	Leadership team reviews plans for the next meeting and for the main event.		

\*All times are suggested.





# FINANCIAL MANAGEMENT

## Meeting Plan: Saving, Investing, and Borrowing



Week 3 Date \_\_\_\_\_

ACTIVITY	DESCRIPTION	RUN BY	TIME*
<b>Preopening</b> 15 minutes before meeting	List several big-ticket items that people might purchase, and have youth guess how much the total cost would be (retail price plus interest) if they paid for the products over 12 months.		6:45 p.m.
<b>Opening Ceremony</b> 10 minutes	Flag presentation Oath and Law Uniform inspection		7 p.m.
<b>Group Instruction</b> 5 minutes	<ul style="list-style-type: none"><li>• Discuss the value of long-term growth in investing.</li><li>• Teach about the rule of 72.</li><li>• Ask the youth to guess which would yield more money at age 65: saving \$2,000 a year for seven years starting at age 25 or saving \$2,000 a year from age 35 to 65.</li><li>• Explain what stocks and bonds are.</li></ul>		7:10 p.m.
<b>Skills Instruction</b> 45 minutes	<ul style="list-style-type: none"><li>• Discuss credit, including how long it would take to pay back \$500 plus monthly interest if only minimum payments were made.</li><li>• Discuss student loans, how long they take to pay off, and how that affects your future budget and borrowing options (such as mortgages or car loans).</li></ul>		7:15 p.m.
	<ul style="list-style-type: none"><li>• Review the above material.</li><li>• Discuss identity theft, how to protect your identity, and why it is important.</li><li>• Describe different ways that identities can be compromised.</li></ul>		
	<ul style="list-style-type: none"><li>• Review the above material.</li><li>• Discuss how insurance can be considered an investment.</li><li>• Discuss different ways of saving for retirement such as 401(k), IRA, and Roth IRA options.</li></ul>		
<b>Breakout Groups</b> 15 minutes	Work on assignments related to participation in the main event.		8 p.m.
<b>Game</b> 10 minutes	Play the Compound Interest Game (described earlier).		8:15 p.m.
<b>Closing</b> 5 minutes	Announcements Leader's minute Closing		8:25 p.m.
<b>Total 90 minutes of meeting</b>			
<b>After the Meeting</b> 15 minutes	Leadership team reviews plans for the next meeting and for the main event.		

\*All times are suggested.





# FINANCIAL MANAGEMENT

## Meeting Plan: Planning a Career



Week 4 Date \_\_\_\_\_

ACTIVITY	DESCRIPTION	RUN BY	TIME*
<b>Preopening</b> 15 minutes before meeting	List five career or job options on separate pieces of paper. List starting salaries for each of the jobs and have the youth try to match them. (A good resource is the Bureau of Labor Statistics' <i>Occupational Outlook Handbook</i> .)		6:45 p.m.
<b>Opening Ceremony</b> 10 minutes	Flag presentation Oath and Law Uniform inspection		7 p.m.
<b>Group Instruction</b> 10 minutes	<ul style="list-style-type: none"><li>Have a discussion on career choices. Make sure to include fields that require college degrees and apprenticeships as well as public service jobs, etc.</li><li>Discuss the pros and cons of different working conditions and how they affect individual job satisfaction.</li><li>Discuss how some people like working with their hands, being in leadership, working with people, working with numbers, etc.</li></ul>		7:10 p.m.
<b>Skills Instruction</b> 40 minutes	<ul style="list-style-type: none"><li>Have youth make a list of job choices they might be interested in. Discuss the benefits, rewards, and risks involved in each of the choices.</li><li>Discuss what training and skills are needed to qualify for several of these jobs. Be sure to include oral communication skills, and discuss what activities the youth might participate in to help them build those skills.</li></ul>		7:20 p.m.
	<ul style="list-style-type: none"><li>Review the above material.</li><li>Demonstrate how to use job search websites to learn about availability and salaries in various fields. If possible and under adult supervision, give the youth some hands-on time with these sites.</li></ul>		
	<ul style="list-style-type: none"><li>Review the above material.</li><li>Make a list of different self-employment options. Cover the pros and cons of working for yourself. Discuss the preparation and financial resources needed to start a small business.</li><li>Consider inviting a small-business owner to come and explain how they started their business and what, looking back, they wish they had done differently. How did they finance their startup? What do they like and dislike about being their own boss? (<b>Note:</b> As an alternative, each youth could interview a small-business owner before the meeting and report on what they learned.)</li></ul>		
<b>Breakout Groups</b> 15 minutes	Finalize plans for participating in the main event.		8 p.m.
<b>Game</b> 10 minutes	Play the Stock Market Game (described earlier).		8:15 p.m.
<b>Closing</b> 5 minutes	Announcements Leader's minute Closing		8:25 p.m.
<b>Total 90 minutes of meeting</b>			
<b>After the Meeting</b> 15 minutes	Leadership team reviews plans for the next meeting and for the main event.		

\*All times are suggested.



# FINANCIAL MANAGEMENT

## Main Event: Consumer Research Adventure



Date \_\_\_\_\_

### Logistics

Location: \_\_\_\_\_

Departure time: \_\_\_\_\_

Return time: \_\_\_\_\_

Duration of activity: Day

Budget: Completed \_\_\_\_\_ Approved \_\_\_\_\_

Camping: Duty roster \_\_\_\_\_ Menu \_\_\_\_\_

Transportation: Group \_\_\_\_\_ Self \_\_\_\_\_

### Essential (Tier I)

On a visit to a mall, go to multiple stores and comparison shop for one or more items. Compare makes, models, prices, and what is being offered in other stores. An alternative would be to practice the same consumer research skills online.

### Equipment List

- List of target items to research
- Cellphone numbers for contact
- Computers with internet access, if shopping online; make sure parental permission is obtained beforehand.

### Activity

- Travel to a shopping center.
- Visit multiple stores to research the target items.
- For each item, decide where the best purchase could be made.
- Return to the meeting place and report.
- Collectively decide who found the best deals.

### Safety

- Always use the buddy system.
- Never leave public areas.
- Have cellphones to stay in contact.
- Younger Scouts may benefit from adult supervision.
- Two-deep adult leadership is required for all activities.

### Notes

- This activity could easily be done on the way to a campout. Youth could even shop for and actually purchase a piece of equipment the unit needs.
- Consider letting the store managers know ahead of time that you will be bringing youth to learn about product research.
- Consider reviewing online ratings of a product to help the group decide who got the best deal. Discuss why these reviews are often helpful.





# FINANCIAL MANAGEMENT

## Main Event: Career Fair



Date \_\_\_\_\_

### Logistics

Location: \_\_\_\_\_

Departure time: \_\_\_\_\_

Return time: \_\_\_\_\_

Duration of activity: Day

Budget: Completed \_\_\_\_\_ Approved \_\_\_\_\_

Camping: Duty roster \_\_\_\_\_ Menu \_\_\_\_\_

Transportation: Group \_\_\_\_\_ Self \_\_\_\_\_

### Challenging (Tier II)

Invite several professionals from various fields to present what they do. Have each visitor describe what they like (and dislike) about their jobs, and what they might do differently if they were young and just starting out. Encourage hands-on presentations if appropriate. Be sure to include a diverse range of occupations and trades that require different education levels.

### Equipment List

- Appropriate meeting space
- Materials for hands-on presentations
- Lunch

### Activity

- Well in advance, contact and arrange for several professionals to present.
- Set up the area as appropriate.
- Introduce each professional. Demonstrate courtesy by paying attention.
- Serve lunch.
- Continue presentations and close by thanking the guests.
- Clean up as appropriate.

### Safety

- Provide appropriate space and safety equipment for demonstrations.
- Two-deep adult leadership is required for all activities.

### Notes

Another option would be to have each youth prepare a résumé. Bring in several business professionals to conduct mock interviews with the youth. Each professional could be assigned a different type of job to give the youth broader experience. Have the youth dress appropriately and make sure each of them has at least three interviews. Look for professionals who actually interview potential employees as part of their job.



# FINANCIAL MANAGEMENT

## Main Event: Fundraising Project



Date \_\_\_\_\_

### Logistics

Location: \_\_\_\_\_

Departure time: \_\_\_\_\_

Return time: \_\_\_\_\_

Duration of activity: Multiple days

Budget: Completed \_\_\_\_\_ Approved \_\_\_\_\_

Camping: Duty roster \_\_\_\_\_ Menu \_\_\_\_\_

Transportation: Group \_\_\_\_\_ Self \_\_\_\_\_



### Advanced (Tier III)

Develop the idea for and carry out a major money-earning project with your troop or crew. Handle all aspects of the project, including creating, manufacturing, and packaging a product to be sold. Then market the product in your community.

### Equipment List

Equipment needs will vary based on what product the group decides to make.

### Activity

- Complete and submit a Unit Money-Earning Application.
- Design, assemble, and package your product.
- Contact potential buyers.

### Safety

- If you are selling door to door, make sure you follow the buddy system and that each group has a cellphone.
- Two-deep adult leadership is required for all activities. (One of the required leaders can be the parent or guardian of one of the Scouts.)

### Notes

Your money-earning project could involve a product (e.g., a seasonal decoration), a service (e.g., lawn work or snow shoveling), or an event (e.g., a pasta dinner).





## RESOURCES AND REFERENCES

### Books

*American Business, Entrepreneurship, Personal Management, and Salesmanship* merit badge pamphlets

Bianchi, David W. *Blue Chip Kids: What Every Child (and Parent) Should Know About Money, Investing, and the Stock Market*. Wiley, 2015.

Ramsey, Dave, and Rachel Cruze. *Smart Money Smart Kids: Raising the Next Generation to Win with Money*. Thomas Nelson, 2014.

Stanley, Thomas J., and William D. Danko. *The Millionaire Next Door: The Surprising Secrets of America's Wealthy*. Taylor Trade Publishing, 2010.

### Websites

#### **Bureau of Labor Occupational Outlook Handbook**

Website: [www.bls.gov/ooh](http://www.bls.gov/ooh)

#### **Bureau of Labor Statistics**

Website: [www.bls.gov/](http://www.bls.gov/)

#### **Consumer Financial Protection Bureau: Money As You Grow**

Website: [www.consumerfinance.gov/consumer-tools/money-as-you-grow/](http://www.consumerfinance.gov/consumer-tools/money-as-you-grow/)

#### **Federal Student Aid Office of the U.S. Department of Education**

Website: <https://studentaid.ed.gov/sa/>

#### **Jump\$tart Coalition for Personal Financial Literacy**

Website: <http://www.jumpstart.org>

#### **Teens Guide to Money**

Website: [www.teensguidetomoney.com](http://www.teensguidetomoney.com)

#### **Tips for Teens**

Website: [www.themint.org/teens](http://www.themint.org/teens)

### Related Program Features

Communication, Ethics, Mathematics, Project Planning

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