

Save Money — Stretch Your Budget

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Background: Income changes can affect family members in different ways. Looking for creative ways to save money can help stretch budgets, strengthen family communication and involvement, as well as lessen feelings of financial loss. There are many creative ways to save money (for example: coupons, rebates, barter, etc.). Together, family members can track small savings which can help to stretch household budgets. See how many saving ideas you can think of, how much money can be saved and used for other purposes.

Goal of the Lesson: Identify creative ways to save money to stretch household budgets.

Supplies Needed:

- Handouts:
 - Smart Changes To Save Dollars
 - The Case of the Missing Money
- List of Local Resources
- Door Prizes or incentives: Restaurant/theater coupons, etc.
- Bring newspaper flyers and coupons: Grocery, department stores, etc.
- Calculators: To determine percentages/coupons, etc.
- Pencils and other writing implements

Ideas for Teaching This Topic:

- Introduction (5 minutes): Read background information and show examples of coupons/ad flyers, etc.
- Activity (15 minutes): Post signs around the room, identifying the eight themes from the "Smart Changes to Save Dollars" handout:
 1. Plan Ahead and Shop Around
 2. Do Not Buy It
 3. Use It Wisely
 4. Share, Rent, or Borrow It
 5. Substitute It
 6. Sell or Trade It or Do it Yourself
 7. Find It Free
 8. Track the "Little" Things That Add Up (Ex. The Case of the Missing Money Handout)

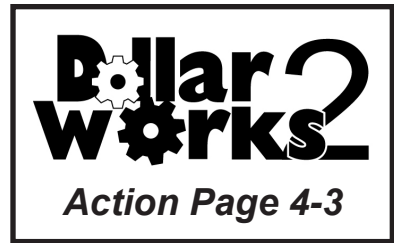
Give each participant 8 post-it notes, and have them think of/write down at least one idea for each theme. The participants would write their idea on the post-it and place the paper under the appropriate sign. When everyone has had time to write/post their ideas, go through each theme and read the ideas shared.

- **Small Group Activity— See How Small Savings Can Add Up (15 minutes):** Collect a variety of coupons: grocery/clothing, restaurant, etc. and ad/flyers. Hand out newspaper flyers with examples of possible purchases. Each group would choose a coupon and flyer/example of item to purchase. (Example: Department store coupon and ad of item to purchase; Restaurant coupon and menu.) Select an item to purchase and determine how much money would be saved by using the coupons. Identify how the newly found saved money might be used to further stretch a family budget. Share "The Case of the Missing Money" handout and discuss.
- **Evaluation— Snowball Activity (5 minutes):** Hand out a half-sheet of paper to each participant. Have each person write a creative way to save money on the paper. Crunch the paper into a ball. When given instructions, have each person throw the "snowball" to another person. Each person would open the paper and read the savings idea. Go around the room and share the ideas, collect the papers and list the ideas for class members.
- **How to end the topic/lesson (summarize and evaluate):** Today, we have brainstormed different ways to creatively save money and stretch budgets. Involve family members and experiment with different savings ideas. Make saving a habit/game and think of ways to make it happen. The newly found funds can make the saving activity rewarding for family members, encouraging communication and involvement in the saving process. Exploring ways to save money, and seeing where their missing money goes, can be fun as well as beneficial!

Additional Information:

This is part of the Take and Teach Lesson Series for Times in Economic Crisis. To see the other lessons available visit www.extension.umn.edu/ToughTimes/takeandteach.html

For more information on Dollar Works 2 is available at www.extension.umn.edu/dollarworks.



Smart Changes to Save Dollars

If your family has difficulty paying bills or saving money from each paycheck, you may need to look for ways to spend less. Here are some helpful ideas.

1. Plan Ahead and Shop Around

- Plan spending carefully, especially when buying high cost items.
- Comparison shop before you buy any product or service, including insurance. Look at catalogs, newspapers, magazine advertisements, and online for prices. Check out garage sales and discount stores to gather information and other ideas before you spend your money.
- Shop for clothes after checking to see what you have, what you can get from family or friends, and what you can get for free or at low cost at a thrift store.
- Shop for food at discount grocery stores if you can. Food from convenience or fast food stores will usually cost you more.
- Plan meals for the entire week. Make a list of what you need before going grocery shopping. At the store, purchase only the things on your list.
- Look for sales and specials on household products and personal items. Use coupons only for things you buy on a regular basis.
- Other ideas:

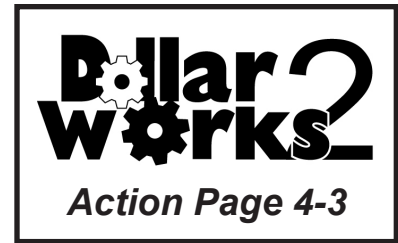
2. Do Not Buy It

- If you don't need it, don't buy it. Before buying, ask these questions: Do I need this, or do I want this? Is there something more important I can buy with this money?
- Say "no" to anything some sales person is pressuring you to buy immediately.
- Look over your telephone bill to see if you are paying for services you don't need, such as call waiting or caller ID. Anything beyond basic service increases the cost of your telephone.
- Check your cable television bill for services that you may not need, such as premium channels or other options offered by the cable company. Options beyond basic service increase the cost of cable television.
- Other ideas:

3. Use It Wisely

- Make things last longer by taking good care of them.
- Take care of family health by eating healthy meals and exercising regularly.
- Use food promptly to avoid spoilage. Help family members avoid wasting food.
- Fix leaky faucets and toilets to avoid wasting water.
- Caulk drafty windows and doors and put plastic over windows to save energy.
- Do regular car maintenance, such as oil change and tire inflation checks.
- Other ideas:

Smart Changes to Save Dollars



4. Share, Rent, or Borrow It

- Share items with family or friends. Pass on magazines and newspapers. Pool money to buy large quantities of food sold at a lower price, such as a bushel of apples.
- Share services with friends such as babysitting, lawn mowing, and snow removal. Try car pooling, or having a community garden plot.
- Participate in a community food buying group, such as the Fare For All Program.
- Rent items that are expensive to buy, such as a garden tiller, carpet cleaner, or wet-dry vacuum. To avoid more charges, return the item in the condition you received it.
- Check for places in your community that allow people to borrow items instead of renting them.
- Check out all services available at the public library. Your library card gives you access to computers, printers and the internet as well as to books, videos, and DVDs.
- Other Ideas:

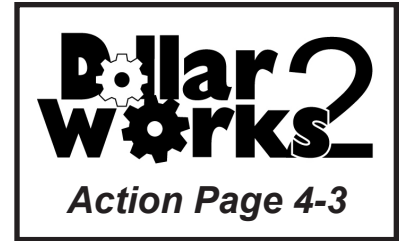
5. Substitute It

- Prepare your family's favorite restaurant meal at home.
- Choose generic and store brands instead of brand-name products.
- Buy one all-purpose cleaner to use on floors, walls, woodwork, and appliances.
- Use less expensive and homemade cleaners. Mix water with baking soda to scrub kitchen sinks or counters; mix water with vinegar to clean windows.
- Borrow or rent a video/DVD movie instead of going to a movie theater.
- Use fabric from discarded clothes and towels for cleaning, instead of paper towels.
- Play games as a family rather than going out for entertainment.
- Use public transportation, ride your bike, or walk to save gas in the car.
- Other ideas:

6. Sell or Trade It or Do It Yourself

- Have a garage or yard sale to sell items you no longer use.
- Trade items such as children's clothes with friends and family.
- Trade talents and skills with friends and family, such as babysitting or help with home repairs.
- Make an item instead of purchasing it if the cost of materials is less than the purchase price.
- Check the library for how-to books on things you can do at home for little or no cost.
- Other Ideas:

Smart Changes to Save Dollars



7. Find It Free

- Borrow books, CDs, DVDs, videos, games, toys, and pictures from your public library instead of buying them.
- Review local newspapers for free family activities in the community.
- Visit local parks, playgrounds, and museums that have no admittance fee.
- Call adult or community education programs to find out about scholarships for sports activities and other financial aid.
- Check with your public school for information on free and reduced-cost meals.
- Call your county health or human service offices to find out about free food and health-related programs, such as the Women, Infants and Children (WIC) Program, food support programs, senior meals, and medical assistance.
- Look for agencies that offer free recycling services.
- Other ideas:

8. Track the “Little” Things That Add Up

- Record everything you spend cash for, especially money spent on snacks, reading material, entertainment tickets, or things not listed in your family spending plan.
- Turn off your TV, radio, lights, and other electric appliances when they are not in use.
- Other ideas:

9. Be Creative

What are some more ways you can change your spending and increase your savings?

The Case of the Missing Money

Marie is trying to follow a spending plan, but money seems to keep disappearing. Let's look at what's happening to Marie's missing money.

Monday through Friday, Marie buys three snacks from a vending machine:

Super muffin	\$1.00
Bag of chips	\$1.00
Bottle of pop	\$1.50

These three snacks add up to just a few dollars a day. Although this doesn't seem like much, over time it grows:

Every day	\$3.50
Every five days	\$17.50
Every four weeks	\$70.00
Every year	\$840.00



What else could she do with this much money? _____

This means that if Marie's job pays \$5.85 an hour, Marie has to work for three and a half weeks over the year just to pay for these daily snacks!

Do You Have Any "Missing Money?"

Think about your daily routine. Do you get a snack from a vending machine every afternoon? Do you buy a latte every day? Do you play the lottery every week? Do you stop for gas and end up buying candy and snacks? To see where your money is going, record these items below. Then you can either make changes or include this cash in your spending plan. Otherwise, it will continue to disappear "without a trace."

Item	Costs			
	Per Day	Per Week (day total x 5)	Per Month (week total x 4)	Per Year (month total x 12)
Example: Latte	\$2.25	\$11.25	\$45.00	\$540.00