
FAMILIES

TOPIC #7: Family Economics **TIME PERIOD:** 4-6 days

CORE STANDARD #2: Family: The students will explore the various aspects of family living, including individual and family needs, and personal responsibilities as family members.

CORE STANDARD #4: Careers: The students will explore careers related to family and consumer sciences, identifying skills which are applicable for both the home and the school/workplace, and the impact of career choices on family lifestyles.

OBJECTIVE: The students will analyze the impact of individual career choices on family lifestyles and develop a family budget.

INDEPENDENT LIVING SKILLS (COMPETENCIES):

20.001-0208	Assess how career choices affect family patterns.
20.001-0209	Identify various types of housing.
20.001-0210	Consider factors affecting housing choices.
20.001-0211	Identify various types of transportation.
20.001-0212	Consider factors affecting transportation choices.
20.001-0213	Define terms related to budgeting.
20.001-0214	Analyze reasons for budgeting.
20.001-0401	Explore factors to consider when choosing a career.
20.001-0402	Name reasons for career changes.
20.001-0403	Identify careers related to budgeting and finance.

LIFE SKILLS:

- * Lifelong Learning
- * Complex Thinking
- * Effective Communication
- * Collaboration
- * Responsible Citizenship
- * Employability

RELATED CAREERS:

Loan Officer
Financial Consultant
Insurance Agent

OCCUPATIONAL CLUSTERS:

Business-Marketing; Management
Business-Marketing; Management
Business-Marketing; Management

TOPIC #7: Family Economics

Teacher Information



LIST OF STUDENT ACTIVITIES:	SUPPLIES REQUIRED:
1. "What's My Line?" (Motivator)	Career clues (7.17)
2. Gender Stereotypes in Occupations	Materials from T-L-C Guidance Curriculum (pages 83-91)
▶ 3. Lifestyles and Careers	No supplies required
▶ 4. Family Career(s) and Income	Career Cards (7.18-7.22) Copies of student activity guide (7.24-7.25) for each family Copies of student activity guide (7.26) for each student Copies of <u>Occupational Outlook Handbook</u>
▶ 5. The Family House	Copies of student activity guide for each student (7.30) Housing cards (sample: page 7.28) (master: page 7.27) Enlarged housing costs sheet (7.39)
▶ 6. The Family Auto	Copies of student activity guide for each student (7.34-7.35) Automobile cards (sample: 7.31) (master: 7.32) Enlarged auto payment sheet (7.32)
▶ 7. The Family Budget	Budget definition (7.36) Copies of student activity guides for each student (7.37 and 7.38) Calculator for each family Play money
8. "My Future Family" Want Ad	Copies of student activity guide for each student (7.39)
9. Identification of Related Careers	Career information (7.40-7.41) Career posters (7.42-7.44)



PROCEDURE

CONCEPT: The family income is a major factor in determining the lifestyle of the family. It is important that the family understand the source(s) of income(s) and the corresponding limitations.

1. "WHAT'S MY LINE?" (MOTIVATOR)

Play "What's My Line?" using careers that have unusual working hours. Pick some students from the class and give each student one of the careers listed on page 7.17. (The teacher will probably need to write the career titles on small pieces of paper to give the students.)

Focusing on one career at a time, have the class ask these students questions about their career, using questions that require only a "yes" or "no" answer. Through the process of guessing and elimination (and maybe a little help on the part of the teacher), the students will be able to guess the career. Some specific career clues are provided as examples.

OPTION: A faster version of this activity would be to have the students selected give the clues to the rest of the class one at a time, in any order, and have the class guess the career. The teacher will need to give the selected students a piece of paper with their clues to use (page 7.17).

2. GENDER STEREOTYPES IN OCCUPATIONS

Use the materials provided on pages 83-91 of the Guidance section of the Technology-Life-Careers CORE Curriculum to introduce the concept of stereotyping in various occupations.

3. LIFESTYLES

The teacher should involve the students in some discussion regarding the impact career choices have on the lifestyle of the family. (The purpose of the discussion is to discover that adjustments may need to be made in lifestyles, not that one lifestyle is better than another.) Before one selects a career, it is important to consider:

- the way it will influence your family activities
- the amount of time the family can spend together
- the amount of education required for that career
- the type of people you will work with
- if you will like the job
- how much money you will earn and the lifestyle you and/or your family will have
- the risks associated with the job
- the place you will live.



4. **FAMILY CAREER(S) AND INCOME(S)**

The number of persons employed in the classroom families and how much they earn will be determined by:

- 1) the family type previously drawn in Topic 6: Family Dynamics
- 2) the career card(s) drawn in this activity

The teacher should put the "Career Cards" in a container and have each family draw the career(s) for their family from the "Career Cards" (pages 7.18-7.22). (If two persons in the family are employed, the family should draw two cards; if not, only one "Career Card" per family should be drawn.) These cards will establish the career(s) and the income(s) for the classroom family. This will be the income the family will use as they select housing, purchase automobiles, develop their budget, and complete the rest of the activities in this topic.

The teacher resource, CAREER CARD INFORMATION UPDATE (page 7.23), is for the teacher to complete from current information found on the CHOICES or CHOICES, JR. computer program available in the counseling center of each school. This information should be updated annually in order to provide the most accurate figures to the students.

NOTE: These activities can illustrate what happens when a person fails to plan for a career and gets a job by chance or whatever is available. It is a good reinforcement to the concept that it is important to plan for and choose one's career.

Each student should complete the student activity guide FAMILY CAREERS AND INCOME (pages 7.24-7.25) regarding this information. The students can find the corresponding career information in the Occupational Outlook Handbook. The teacher will need to explain how to use the handbook and direct the students through the activity. Then have the family pick the best paper of the group to put into their "Family Record Book."

Most people change jobs several times in their lifetime. Sometimes changing jobs means that one must choose a new career field. Why do people change jobs? Some reasons might be:

- Moving to another area.
- Company changes (such as going out of business, being taken over by another company, etc.)
- New technology makes the job obsolete.
- Dissatisfaction with the job and/or the pay.
- Physical or emotional problems.



In many families, more than one person is employed and earns part of the family income. This may be because of economic need (the need for money), or because they both enjoy working.

OPTION: The teacher may prefer to have the students work together as a family group to obtain this information.

If the teacher would like to reinforce the individual career selection process, have each student choose two careers that he/she would like to explore using the Occupational Outlook Handbook and complete the INDIVIDUAL CAREER CHOICE INFORMATION student activity guide (page 7.26).

SUMMARY: Career choices are very important and have a direct affect on the family lifestyle. Choosing a career is not an easy task. Many things must be considered besides the amount of money earned.

RESOURCES: The Career Center in your school should have copies of the Occupational Outlook Handbook as well as the software CHOICES and/or CHOICES, JR. with current occupational information.

Also, the Utah Wage Rate\$ 1995, published by the Utah Department of Employment Security, is an excellent source of information regarding job markets and wages in Utah. It can be obtained by calling 801-536-7800, or the information is available on the internet at: <http://udesb.state.ut.us/lmi>. The publishing date on this document is July 1996.

➤ 5. THE FAMILY HOUSE

CONCEPT: Every family needs a home in which to live. The home should provide adequate protection and comfort for the family. There are many types of homes. A "home" can be a traditional house, a mobile home, an apartment, or a condominium.

Have the students identify various types of housing available in your community (traditional houses, condominiums, mobile homes, apartments, etc.) and some of the choices that must be made in deciding the kind of home in which they will live. The teacher might engage in a brief discussion about some of the pros and cons of each of the different types of housing.



The teacher should explain that the classroom families will need to choose the kind of home in which they want and can afford to live. Some of the factors they will need to consider in selecting a home are:

- Size of family
- Location of career(s)
- Amount of money available for housing
- Length of time you will be in one location
- Characteristics of family living patterns
- Personal desires of family members
- Neighborhood
- (Other factors the teacher may wish to add)

Housing costs include the house payment, the property taxes on the house, and the insurance on the house. Housing costs are usually the biggest expense in a family budget. These costs should not exceed 25% of the family's income.

There are many types of homes that can be purchased or rented. Have the students determine the amount they can spend for housing (house payment or rent) by completing THE FAMILY HOUSE student activity guide (page 7.30). Also, have the students list the characteristics they would like to have in a house. Then let the family groups pick the house they want and/or can afford from the "Housing Cards" the teacher has prepared (see page 7.27). After the family housing choice has been made, have the students complete the information on their own activity guide. Then have the family pick the best paper of the group to put into their "Family Record Book."

OPTION: The teacher may prefer to have the students work together as a family group to complete this information.

NOTE: The teacher will need to make up 10-15 different "Housing Cards" and have them ready for the students. Limiting the number of choices saves time. Also, if the cards are color coded in some manner according to expensive, moderate, and least expensive housing, it also saves time. If the cards are laminated, they can be used repeatedly. However, the "Housing Cards" will need to be revised and updated periodically to reflect the current housing market for your community. The financial information for the cards can be obtained from a local real estate lending agency (BE SURE TO REMOVE THE NAMES AND TELEPHONE NUMBERS OF THE REAL ESTATE AGENCIES AND THE REALTORS!), or the home loan calculator can be found on the internet at:

<http://www.islandsd.com/island/dreamhm>.



If the user provides the interest rate, loan amount, and duration of loan, the program will provide the monthly payment, total interest paid over the life of the loan, and total amount paid over the life of the loan. A mortgage chart has been included in the teacher resources for this topic (page 7.29). Also, the teacher may be able to go onto a local internet site and find homes currently for rent as well as for sale. The mortgage chart will need to be enlarged for ease of use by the students.

SUMMARY: Housing is a vital part of family life. Before finding a home in which to live, a family must consider its needs, the location, financing, etc.

▶ 6. THE FAMILY AUTO

CONCEPT: Most families need to have one or more means of transportation.

Introduce the need for transportation by explaining that our society is very mobile. That means it is important for us to be able to travel from place to place to accomplish all the things we have to do. Many students use a school bus to get to school. Employed persons must have transportation to get to work. We need to be able to go to the store, recreational areas, the doctor, the movies, on vacations, and many other places. The majority of families in the United States own at least one automobile. However, there are many people who depend on buses, subways, trains, or cabs to take them where they want to go.

Transportation is part of the expense related to living. It is amazing to see how much an automobile costs to own. For this activity, each classroom family will purchase an automobile. This exercise will help the students see the costs of owning and maintaining a car. Transportation costs include the car payment, insurance for the car, the costs for repairs and gas, and the cost of car taxes and license. These costs should not exceed 15% of the monthly family income including \$200 a month for maintenance. Some things that should be considered when buying a car are:

- The size of the family
- How far you have to travel to work
- The amount of money you can afford for transportation
- The length of time you plan to own the car
- The personal desires of family members
- The activities of your family
- The number of miles the car gets per gallon of gas
- Upkeep and maintenance costs, including insurance



Using the student activity guide THE FAMILY AUTO (page 7.34-7.35), have each student determine the amount of money their family can spend to purchase an automobile. Also have the families determine the type of automobile it needs to meet the family's transportation needs. Then have the classroom families select an automobile to purchase from the "Automobile Cards" (page 7.31) the teacher has prepared. A chart for car loan payments is available on page 7.33 and will need to be enlarged to facilitate student use. When the automobile selection(s) has(have) been made, the students can complete the information on their own activity guides. Then have the family pick the best paper of the group to put into their "Family Record Book."

OPTION: The teacher may prefer to have the students work together as a family group to complete this information.

NOTE: The teacher will need to make up about 15-20 different "Automobile Cards" ready for the students to use. Again, limiting the number of choices saves time. Also, if the cards are color coded in some manner according to expensive, moderate, and least expensive automobiles, it also saves time. If the cards are laminated, they can be used repeatedly. However, the "Automobile Cards" will need to be revised and updated periodically to reflect the current automobile market. The financial information for the cards can be obtained from a local lending agency (BE SURE TO REMOVE THE NAMES AND TELEPHONE NUMBERS OF THE AUTOMOBILE DEALERS!), or can be obtained from the internet as described in the housing section.

SUMMARY: The automobile is the main type of transportation used in the United States. Most families buy their own automobile(s). Owning one or more automobiles is a major expense for most families.

RESOURCE: New Car Buyers Guide from Popular Mechanics, 1995, CD ROM, can be purchased from: Books That Work, 2300 Geng Road, Bldg 3., Suite 100, Palo Alto, CA 94303. This software allows the user to select prices, specifications, options, and features for more than 800 cars, trucks, and utility vehicles. Includes pictures; reasonably priced.



7. THE FAMILY BUDGET

CONCEPT: A budget is a plan for spending and saving money. It helps us identify our needs and gives us a plan to meet those needs.

Introduce the concept of budgeting to the students by explaining:

- What a budget is (page 7.36)

BUDGET: A PLAN FOR SPENDING AND SAVING MONEY

- How a budget is used
- How a budget helps individuals and families meet their needs financially
- Wants vs. needs
- The advantages of budgeting (allows one to be in control of where the money goes)
- The importance of including savings as a part of the budget

Using the student activity guide, THE FAMILY BUDGET (pages 7.37-7.38), have each student figure the budget for their classroom family, using the income, house payment or rent, and car payment already established in the preceding activities. Have the students work together in their family groups even though each student should have his/her own activity guide to complete. This allows each student to have the learning experience as well as working together to make the family budgeting decisions. The teacher will need to help the students through this activity, providing input and insight into the mechanics of budgeting, the costs of living, etc. When the students have completed this activity, have the family pick the best paper of the group to put into their "Family Record Book."

OPTION: To make this activity more tangible and true to life for the students, the teacher could use play money and give each family their monthly income in cash and then let the students "pay their expenses" by putting the cash for each item into a container marked for that type of expense. For example: "T.L.C. NATIONAL BANK" for the house payment, "I.R.S." for taxes, "LOCAL MARKET" for groceries, etc.

SUMMARY: Budgeting is a management technique that helps a person gain and maintain control of his/her money. A large part of the money we earn is precommitted before we are paid (such as federal and state income taxes, social security, retirement, health benefits, housing, utilities, and car payments), and it takes a lot of money to cover the necessities of living.

**8. "MY FUTURE FAMILY" WANT AD**

Ask the students the following questions for thought as well as discussion:

- How many of you have "perfect" families"?
- Do you know anyone who lives in a family that never has problems?
- Who or what stops families from being "perfect"?

Teachers should point out that NO family is perfect and that ALL families have some problems. Some families seem to be able to handle their problems better than others; some families have better coping skills and communication habits than others; and some families seem to be able to prevent a lot of conflicts from occurring.

It is normal for families to have disagreements, and it is important that family members learn how to resolve conflicts. Because there are no perfect families, we must learn how to communicate effectively with the families we have and make our family life as pleasant as possible. By using the "No-Lose/Win-Win" and "Family Council" methods of problem solving, everyone's feelings and needs are respected and addressed, and everyone accepts some responsibility for the solution. Consequently, there are fewer hard feelings between family members.

Have the students complete the student activity guide, "MY FUTURE FAMILY" WANT AD, page 7.39, describing and identifying the characteristics and/or qualities they want to have in their own future families. Ask the students to complete the activity; some might want to share their want ads with the class. The teacher may want to list the desirable families' qualities on the board as they are identified.

9. IDENTIFICATION OF RELATED CAREERS

Using the career information provided (pages 7.40-7.41), and the career posters (pages 7.42-7.44), identify and discuss some careers related to family economics and financial management.



CORE TEST QUESTION BANK

UNIT: FAMILIES

TOPIC #7: FAMILY ECONOMICS

20.001-0208 Assess how career choices affect family patterns.

1. In many families, more than one person is employed and earns part of the family income. This is because:
 - a. The family needs more money
 - b. The person enjoys being employed
 - c.* Both a and b answers could be correct
 - d. Neither answer a nor b are correct

2. The kinds of jobs that family members have:
 - a. Make no difference on the lifestyle of the family
 - b. Make some difference on the lifestyle of the family
 - c.* Make a big difference on the lifestyle of the family

20.001-0209 Identify various types of housing.

1. Match the type of housing on the left with the descriptions on the right by putting the letter of the term in the space before the definition.

a. Traditional houses	__b__	A house that stands alone but can be moved to a new location when desired
b. Mobile homes	__d__	A house in a jointly owned complex where a fee is charged for grounds upkeep
c. Apartments	__a__	A house built on the ground that sits alone without any other homes attached to it
d. Condominiums	__c__	A rental living space that is part of a larger building

2. There are four main types of homes. They are:
 - a. House, home, barn, doghouse
 - b.* Traditional, mobile, apartment, condominium
 - c. Apartment, houseboat, condominium, traditional
 - d. None of the above answers are correct



20.001-0210 Consider factors affecting housing choices.

1. A family needs to have a home in which to live. It should:
 - a.* Provide protection and comfort for the family
 - b. Be the most expensive house you can afford
 - c. Have a separate bedroom for each child in the family
 - d. Have a two-car garage attached to it

2. Check the items listed below that you should consider when choosing a place to live. (There are four (4) correct answers.)
 - * a. The size and needs of your family
 - * b. The location of job(s) of family members
 - * c. The amount of money available for housing
 - * d. The neighborhood and lifestyle you want
 - e. What kind of computer you have
 - f. What other people will think of you

3. Check the items listed below that are included in "housing costs": (There are three (3) correct answers.)
 - * a. The house payment
 - b. The utility bills
 - * c. The property taxes on the house
 - * d. Insurance on the house
 - e. The cost of a new bedspread and sheets
 - f. The cost of a new piece of furniture

4. Housing costs, including utilities, are often:
 - a. One of the smallest expenses for most families
 - b.* One of the biggest expenses for most families

5. A family should generally spend no more than which of the following percentages of their income on housing?
 - a. 15 percent
 - b. 20 percent
 - c.* 25 percent
 - d. 30 percent



20.001-0211 Identify various types of transportation.

1. The main type of transportation used in the United States is the:
 - a. Bus
 - b. Train
 - c.* Automobile
 - d. Bicycle

2. People who live in large cities often use this form of transportation:
 - a.* Subway or bus
 - b. Horse
 - c. Truck
 - d. Automobile

3. People who live in more rural areas (the country) largely depend on this vehicle for transportation:
 - a. Subway or bus
 - b. Horse
 - c. Truck
 - d.* Automobile

20.001-0212 Consider factors affecting transportation choices.

1. Owning one or more automobiles is:
 - a. A major expense for most families
 - b. A minor expense for most families
 - c. A necessary expense for most families
 - d.* Both a and c answers are correct

2. A family should generally spend no more than which of the following percentages of their income on transportation?
 - a. 10 percent
 - b.* 15 percent
 - c. 20 percent
 - d. 25 percent

3. Check the items listed below that are included in "transportation costs":
(There are four (4) correct answers.)

* —	a.	The car payment
* —	d.	Insurance for the car
* —	c.	The costs for car repairs and gas
— —	d.	The costs for gas only
* —	e.	The cost of the car taxes and license
— —	f.	The cost of a new tape or CD for the CD/cassette player



4. Check the items listed below that are things to consider when buying an automobile: (There are five (5) correct answers.)
- * a. The size of your family
 - * b. How far you have to travel to your work
 - * c. The amount of money you can afford for transportation
 - * d. The activities of your family
 - * e. The miles per gallon of gas it gets
 - f. The most popular car in the United States
 - g. How fast it will go
 - h. What color it is

20.001-0213 Define terms related to budgeting.

1. "Budgeting" is a money management technique that:
 - a. Tells people how to spend their money
 - b. Keeps a list of addresses and telephone numbers
 - c.* Helps people control their money and make it work for them
 - d. Helps people manage their time better

2. A budget is a plan for:
 - a.* Spending and saving money
 - b. Spending money only
 - c. Saving money only
 - d. Paying your taxes

3. "Needs" are:
 - a.* Things you must pay for each month
(like housing, utilities, car payments)
 - b. Things you can choose to spend your money on
(like new clothes, entertainment)
 - c. Neither of the above answers are right
 - d. Both of the above answers are right

4. "Wants" are:
 - a. Things you must pay for each month
(like housing, utilities, car payments)
 - b.* Things you can choose to spend your money on
(like new clothes, entertainment)
 - c. Neither of the above answers are right
 - d. Both of the above answers are right



20.001-0214 Analyze reasons for budgeting.

1. Using a budget allows you to:
 - a. Spend whatever you want to
 - b.* Be in control of where your money goes
 - c. Make payments when you have enough money leftover
 - d. All of the above answers are right

2. An amount of money to be saved regularly should be considered:
 - a. A "want"
 - b. A want rather than a need
 - c. When there's money left over after everything is paid
 - d.* A "need"

3. You should plan to save some money:
 - a.* On a regular basis to use for emergencies
 - b. If you have enough money after the bills are paid
 - c. If you have any money left after you've spent what you want
 - d. Only if there is an emergency

20.001-0401 Explore factors to consider when choosing a career.

1. Choosing a career that seems right for you:
 - a. Is an easy decision for most people
 - b.* Is not an easy decision for most people
 - c. Doesn't make much difference as long as you have a job
 - d. Is easy when you graduate from high school

2. Choosing a career that seems right for you:
 - a.* Is one of your most important decisions in life
 - b. Is one of your least important decisions in life
 - c. Only affects you and no one else
 - d. Only affects you for a few years of your life

3. Check the items listed below that are some things a person should consider when choosing a career. (There are five (5) correct answers.)
 - * a. Career duties or responsibilities
 - * b. The possible income you can earn
 - c. The number of your friends who want the same career
 - * d. The hours you would have to work
 - * e. How your career would affect the lifestyle of your family
 - * f. The amount of education required to do the job



20.001-0402 **Name reasons for career changes.**

1. Most people today change jobs several times in their lifetime. Check each item listed below that is a good reason to change jobs.

(There are four (4) correct answers.)

- a. The company you worked for went out of business
 b. You are making too much money where you work now
 c. New technology makes your current job outdated
 d. You can make more money somewhere else
 e. You really don't like the work you do
 f. You have a super boss to work for

20.001-0403 **Identify careers related to budgeting and finance.**

1. Check each of the careers listed below that relate to budgeting and finance.

(There are four (4) correct answers.)

- a. Loan Officer
 b. Financial Consultant
 c. Truck Driver
 d. Assembly Line Worker
 e. Stock Broker
 f. Insurance Agent