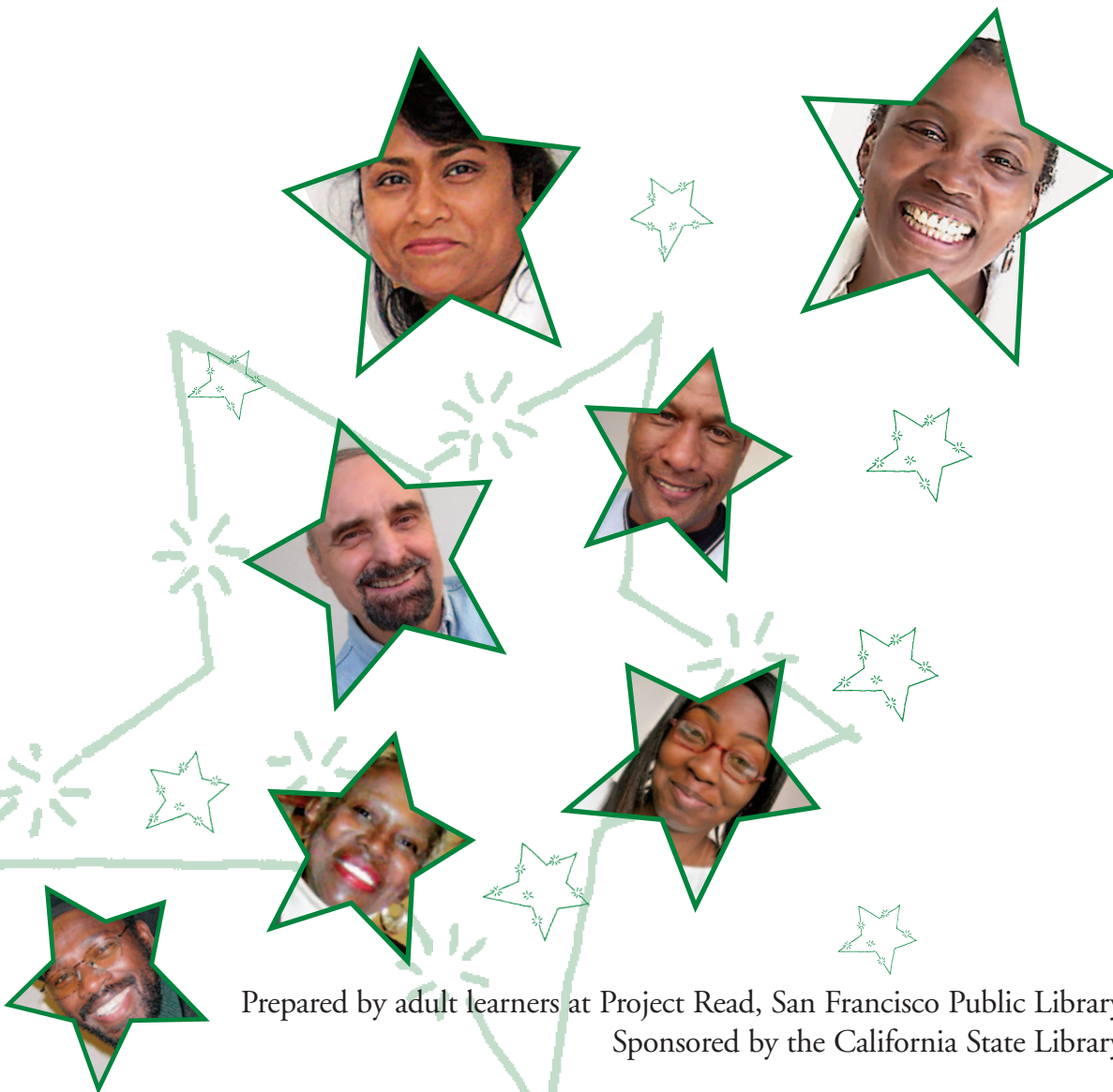




# PROJECT Money

## Reach for Your Dreams: Start Saving Now

This workbook will help you create a spending and savings plan to achieve your financial goals.



Prepared by adult learners at Project Read, San Francisco Public Library.  
Sponsored by the California State Library.

Visit [www.projectmoney.org](http://www.projectmoney.org)

# PROJECT Money

Visit [www.projectmoney.org](http://www.projectmoney.org) for more resources about saving and managing money.

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This workbook was developed in collaboration with a team of reading students (also called “Learners”) from Project Read of the San Francisco Public Library:

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- Shaneika Henderson
- Seema Hossain
- Cornell James
- Neil Mills
- Roy Morris
- Wonderful Wright

Marsha Stewart helped with the outline and writing.

Lisa Dovichi did the illustrations.

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Literacyworks ([www.literacyworks.org](http://www.literacyworks.org))

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San Francisco Public Library



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# Reach for Your Dreams: Start Saving Now

Here is something to help you change your life. We are adult learners and we put this workbook together to help you reach for your dreams.

We are doing this to help ourselves and other learners understand:

- how we use money
- how to use what you already know
- how to make and reach financial goals
- how to follow a savings and spending plan.



We have learned how to save and you can too!

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# I. Getting Started: Know Yourself

Money does not come with instructions. We also know that it doesn't grow on trees. But, what else do we know about money?

## m WHAT ARE YOUR EARLY MEMORIES ABOUT MONEY?

Maybe you were given money at special times. Or maybe you heard grown-ups talking about money problems. Roy's great aunt helped him save his money, and he was able to get nicer things at holiday times. Shaneika has a different kind of memory:

*“My family lived in a big house with about 17 people. I used to get money but as soon as I got it, I was heading back out the door to spend it. If I didn't spend it, someone else in the house would steal it and spend it for me.”*

m SHANEIKA

Write one of your money memories from childhood here:

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How do you think this memory about money has shaped your saving and spending habits today? Do you feel like you have to spend money right away or you will lose it like Shaneika? Did you have a good memory about saving like Roy? Or maybe your experience was different.



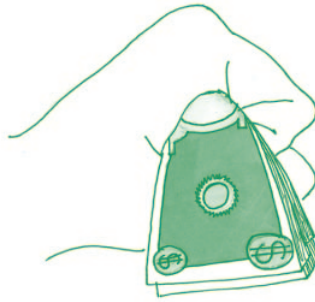
## m WHAT IS YOUR MONEY STYLE?

What do you think about when you have money? Would you rather spend it or save it? Do you feel confident or nervous about your money? See if any of these styles sound like you:



### IMPULSE SHOPPER

Can't resist a sale; cannot hold onto money; money burns hole in pocket



### CHEAPSKATE

Saves money; hard to spend money; may feel like never has enough money



### HIGH ROLLER

Spends to impress and feel important; money is about image; needs to look good no matter what the cost is



### GIFT-GIVER

Spends to please people; tries to buy love with money; has low self-esteem; cannot say no to others



### REFORMED

Learned the hard way; may be very careful about spending



### BALANCED

Has a realistic spending and savings plan; balanced between saving for tomorrow and enjoying today

Are your money habits on this list? How about the money habits of the people you live with?

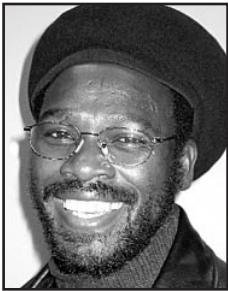
Do you like the way you manage your money? If not, you can change. The best time to start is now.



## m THE SKILLS YOU ALREADY HAVE

Some people find it hard to deal with money. They may have bad credit or fears from their past. Other people just don't know where to begin.

One way to get started is to think about your strengths. What skills do you use when you deal with money?



**ROY** likes to keep things organized so he knows where everything is. He can use this skill in creating a spending and savings plan. Roy's advice about getting organized: *"Do a little at a time and you might be surprised at what you can get done."*



**SEEMA** is good at setting and achieving goals. Since she joined her reading program she has passed her citizenship test, gotten her driver's license, begun reading to her children and improved her writing. Seema is using her skills at setting goals for her own business.



**JANET** likes to meet and get to know people. She has used this ability to make connections to get the support she needs to deal with different financial matters in her life. *"It's important to ask for help when you need it,"* says Janet.

What skills do you use in other parts of your life that can be helpful in handling your money? If you want to make a change, you have skills to help you do that. Think about all the skills you have and use every day. Which ones can you use with your savings goals? Write them down here so you can look at them later.

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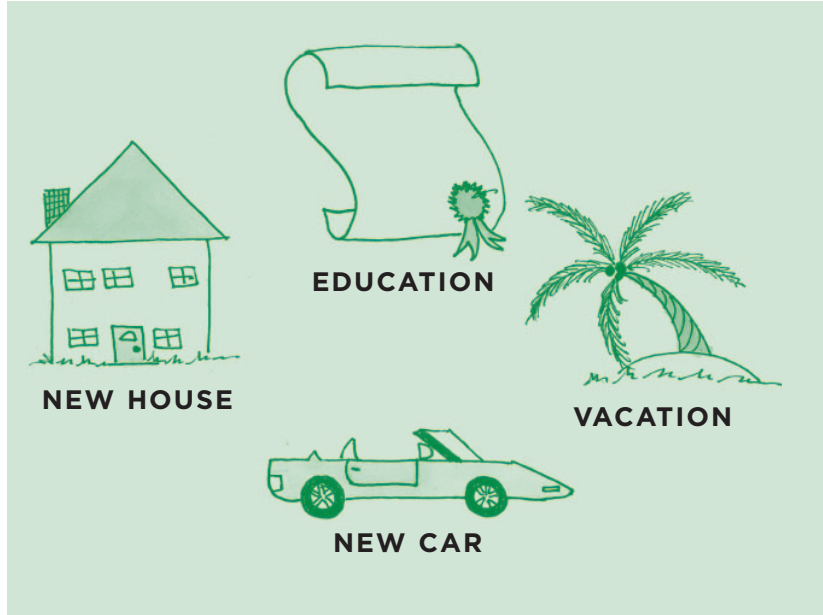
**SOMETIMES WE TAKE OURSELVES FOR GRANTED.  
ASK SOMEONE CLOSE TO YOU WHAT YOU'RE GOOD AT.**



## II. Setting Financial Goals

What do you want to save for? Here is what we have heard from other adult learners:

- To get a car
- To take a special trip
- For a child's education
- For your education
- For medical needs
- To buy a house
- For retirement
- For a wedding
- To get out of debt
- To start a business



### m LONG-TERM AND SHORT-TERM GOALS

To make these things happen, you need to set financial goals. There are two kinds of financial goals: long-term and short-term. Long-term goals usually cost a lot of money and take longer than 6 months to reach. Short-term goals cost less money and take 6 months or less to reach, but you still need to plan for them.

You need to know how much it will cost to reach a goal and when you plan to reach it. You can write your list on the lines below.

#### MY LONG-TERM GOALS

Goal	Total Cost	When I want it by
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

Even buying school supplies at the beginning of the school year and preparing for the holidays can be financial goals. These are extra expenses that we need to plan for. Since they cost less and don't take as long to reach, they might keep changing. But, it's still important to know how much each goal will cost and when you plan to reach it.

### MY SHORT-TERM GOALS

Goal	Total Cost	When I want it by
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

### m SEEING YOUR GOALS

It is very important to see your goals. So, first list them. Then, put the list where you can look at it often. Every time you read your list or see your goals, you get a little closer to reaching them.

Be creative! If one of your goals is to buy a car, look through old magazines and newspapers and cut out pictures of cars. Put the pictures where you can see them every day. Also, you should be able to close your eyes and see yourself driving that car!

Make a commitment to your dreams. You can use the next page to create your own picture that will help make your goal into a reality.

EVERY TIME YOU  
READ YOUR LIST  
OR SEE YOUR  
GOALS, YOU GET A  
LITTLE CLOSER TO  
REACHING THEM.



*“My name is Wonderful and my story is about how I never learned to save money, but now I am learning with the help of Start Saving Now. I would love to go to Mecca; that’s what I am saving for. I’m visualizing the dream by creating a collage of pictures of Mecca. I put it on my refrigerator and look at it every day. I did that with Egypt and India and have been to both. Faith will make your dreams come true.”*

m **WONDERFUL**



**My Goal** — MAKE A PICTURE OF YOUR GOAL HERE :



### III. Starting a Savings and Spending Plan

To help you achieve your goals, you need a roadmap. A savings and spending plan is a way to keep track of what you are spending and what you can save for your goals.

A Savings and Spending Plan helps you focus on your most important needs first. It also helps you understand what you really want and how to get it. When you have a plan, you no longer need to just wonder what will happen. With your plan, you will know!

#### m NEEDS OR WANTS?

Before you make a Savings and Spending Plan, you can think about what is really important to you. “Needs” are what you must have. “Wants” are the things you would just like to have. For instance, we need clothes, but we might want fancy or expensive clothes.

Look at the following list and check whether these things are wants or needs.

NEED	OR	WANT
_____	_____	Trip to the nail shop every week
_____	_____	Health insurance
_____	_____	Gourmet coffee
_____	_____	A place to live
_____	_____	A DVD player
_____	_____	To go out to lunch
_____	_____	Lottery tickets

It is important to know yourself. One person’s wants may be another person’s needs. Do you spend most of your money on your wants or on your needs?

When you are tempted to spend on things you may want but don’t really need, think about your long term goal. You can carry a picture of it with you in your wallet and look at it before you spend.



*“Now that I have rent to pay, I’m thinking about my bills when I go shopping. I can’t go to my favorite store just to see what’s on sale anymore. My needs have changed.”*

m SHANEIKA



## m HOW DOES A SAVINGS AND SPENDING PLAN WORK?

In the Savings and Spending Plan, you compare what money you have coming in (your “income”) and your expenses to see what you have left over for your financial goals. “Expenses” are what you spend on bills, food and other costs of daily life. Your spending plan also needs to have a way to cover any emergencies that come up.

If your income is larger than your expenses, that is how much you can save each month. If you spend more than you have coming in, then you need to find a way to spend less each month.

The Savings and Spending Plan helps us see whether we can save every month and how much. This also lets you know how many months it will take to reach your goals. There are a lot of different ways to make a Savings and Spending Plan. This is one way. If it doesn't work for you, try your own style.

### THERE ARE 3 STEPS:

1. Figure out your monthly income
2. Figure out your monthly expenses
3. Figure out your monthly savings

## 1. FIGURE OUT YOUR MONTHLY INCOME:

If you have regular job, you know what you make each month. Use the after-tax “take-home” amount of your paycheck. If you work seasonally, you can come up with a monthly average of your pay. Estimate what you make for the whole year and divide that by 12.

Monthly Take-Home Pay \_\_\_\_\_

Social Security or Pension \_\_\_\_\_

Other income from business \_\_\_\_\_

Alimony and Child Support \_\_\_\_\_

Other Income (SSI, gifts, recycling etc.) \_\_\_\_\_

**TOTAL INCOME**

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## 2. FIGURE OUT YOUR MONTHLY EXPENSES

Where does your money go each month? Some people know to the penny. For others, it is a mystery. Do you want to become a money detective? The best clues are your receipts. Take an envelope and put every receipt you get in it. You can also put a copy of each of the bills you have paid. Some people like to keep a calendar of all of their bills.

<b>HOME</b>	Rent or House Payment	_____
	Property Tax and Insurance (if own home)	_____
	Home Repairs	_____
	Utilities: • Electricity/Gas	_____
	• Water	_____
	• Phone	_____
<b>HOUSEHOLD</b>	Food and Supplies	_____
	Clothes, shoes, haircuts	_____
<b>CHILD CARE AND SCHOOL</b>		_____
<b>TRANSPORTATION</b>	Car Loan or Bus Fare	_____
	Gas and Oil, Car Repairs	_____
	Car Insurance and Tax	_____
<b>HEALTH &amp; DENTAL CARE</b>		_____
<b>DEBT/LOANS</b>	Credit Card payments	_____
	Other Loan payments	_____
	Alimony and Child Support	_____
<b>FUN</b>	Entertainment (Cable TV, movies, eating out)	_____
	Trips/vacation	_____
	Other treats	_____
<b>FUND FOR ACCIDENTS AND EMERGENCIES</b>		_____
<b>RETIREMENT SAVINGS</b>		_____
<b>OTHER:</b>	_____	_____
	_____	_____

**TOTAL MONTHLY EXPENSES**



### 3. FIGURE OUT YOUR MONTHLY SAVINGS

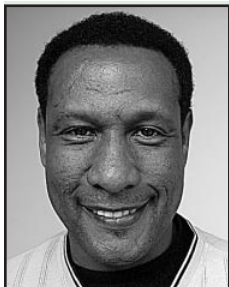
- **TOTAL INCOME** (from page 9) \_\_\_\_\_
- Minus **TOTAL EXPENSES** (from page 10) \_\_\_\_\_
- **WHAT YOU HAVE TO SAVE** for your goals

Is your income greater than your expenses? How much are you able to save each month for your goal?

Take another look at your expenses and see if you have really sorted your wants from your needs. Then, if you need to reduce your expenses even more, try some of the savings tips on the next page.

Once you have been able to get some savings each month, you can figure out how many months or years it will take you to meet your goal. For example, if you need \$4,800 for your goal and you can save \$100 month, it will take you 4 years (48 months) to save enough for your goal.

My Goal	When I Want It	Total Cost	Monthly Cost
Used Car	4 years	\$4,800	\$100
Trip	10 months	\$800	\$80
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____



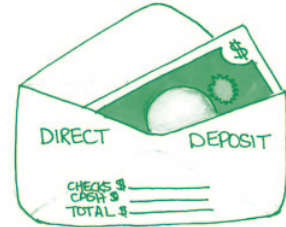
*Cornell saved to fly home to New Orleans for the Christmas holiday. “Last year I didn’t go because I didn’t save. My money was going and I wasn’t seeing much for it. I decided to save this year and I had a great trip.”*

**CORNELL**



## m SAVINGS TIPS

- Don't go to the store just "to see what they have." If you go when you don't really need anything, don't take any money with you.
- Pay bills on time so you won't have to pay late fees.
- Eat at home before you shop for your groceries.
- Take your lunch to work.
- Use direct deposit for your paycheck and have them automatically put money into your savings account.
- Instead of spending money on friends and family, spend time.
- Participate in your company's 401(k) plan
- Take care of yourself. It's a lot cheaper than being sick.
- If you ride public transportation a lot, get a pass. Find out which one is best for you.
- Always ask if there's a discount that might apply to you – senior citizen, low income, single parent or maybe some sale or plan that is being offered. You never know unless you ask.

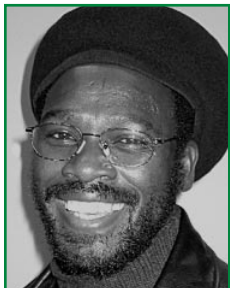


These are just a few of the many ways to find a little extra money. What are your favorite savings tips? Ask your friends about their tips too. Write them down here:

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*"We really don't need credit cards. When we develop a saving habit, we can borrow money from ourselves. In return, you pay the interest to yourself. So you can become independent and stronger."*

m ROY



# IV. Putting Your Plan in Action

## m MAKING YOUR PLAN

I am starting a Savings and Spending plan on \_\_\_\_\_ (date)

Here are my goals and what it will cost to reach them:

My Goal	When I Want It	Total Cost	Monthly Cost
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Here is what I can save each month for my goals:

\_\_\_\_\_

Why are these goals important to me?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How am I going to remind myself of my goals?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**“PAY YOURSELF FIRST” MEANS TO SET ASIDE THE MONEY FOR YOUR GOALS BEFORE EVERYTHING ELSE. IT WORKS!**



### m WORKING ON YOUR PLAN

We have found that it takes time to get a spending and savings plan that works for you. Do not feel discouraged if you make mistakes along the way.

Here is what we have learned:



- Make sure the plan is realistic. If it is too strict you may not be able to follow it. Don't take all the little pleasures out. What are the treats you are going to cut out? Which ones will you keep?

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- Find someone you can trust to help you. Get a support group of friends and family. Who will you call on to help you?

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- Recognize the small gains you have made along the way to your big goal. What are they?

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Use the checklist on the inside of the back cover to keep track of your progress. Which of these steps have you taken?



## Congratulations!

So you have written your financial goals, and started a savings and spending plan. You're keeping your receipts and you have found a way to save money. Great! You're on your way, just like Neil.



*“When I was about 38, I had trouble with alcohol and was absolutely broke. I went to a 12-step program and I got sober and started to feel better. I didn’t want to work all my life. I decided to strive to retire at 50. I had problems with spelling and reading. I found a tape called Think and Grow Rich by Napoleon Hill and that inspired me. It said you had to change your attitude. I used to do just enough work to get by. And then I changed. I always did more than I had to because of what I learned from the book. I started to produce and feel better about myself. I started to save.*”

*“I worked three jobs in massage and physical therapy. I saved a lot of money. After I got a few thousand saved, I found a broker and invested in some funds. I stuck to the goal. I would retire at fifty. I kept working and saving and was able to retire at 48. I traveled all through Europe for two years in a row. I had saved enough until social security helped me when I turned 62. Now I am still retired. I have traveled to Asia every year for the last fifteen years.*”

*“Whatever you do, be the best at it and associate with people who are the best in your field. That’s what I learned from Think and Grow Rich and it worked for me.”*

**m NEIL**





Shaneika Henderson, Roy Morris, Susan Clark of Common Knowledge, Cornell James, Wonderful Wright and Janet Boston. Not pictured: Neil Mills, Seema Hossain.

Visit [www.projectmoney.org](http://www.projectmoney.org) for more information.

**GOOD LUCK!**



# My Progress

- Wrote down my long term goals
- Wrote down my short term goals
- Have an income record; know what is coming in
- Kept track of expenses; know what I spend each month
- Have a system for keeping track of bills; no late fees!
- Achieved one of my goals

Other steps:

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