

# IMPACT

University of Idaho  
Extension

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## Careers, spending and bill paying in the real world of money management

### The Situation

Today's teens are and will get paid by employers, spend money and pay bills very different from how their parents handled finances; teens are living in a virtual financial world. In this fast paced world the possibility of teens having just one job/career, like their grandparents, is very slim. Going to a bank to deposit a paycheck is a task from the past; paychecks are deposited electronically right into the bank.

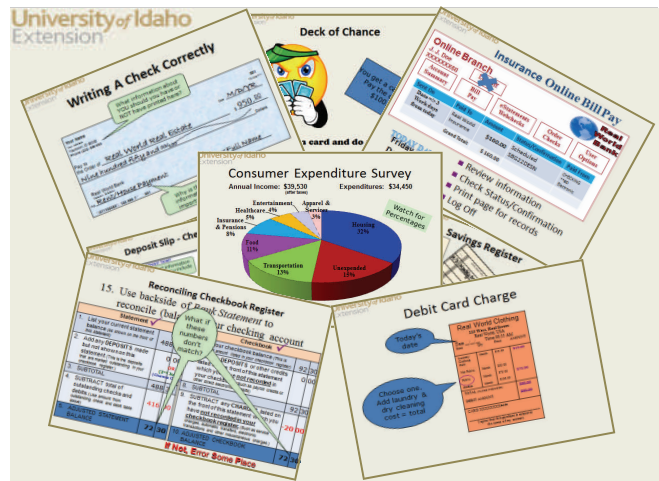
Paying for items with cash or check has changed to CARDS. There are virtual banking companies that do not have a traditional brick and mortar building. So do teens still need to know how to write a check and balance a checkbook? Yes, but they also need to have an understanding of these new deposit and payment methods. One thing that is not changing in today's world is the influence education has on a person's income and lifestyle.

Learning money management skills by trial and error can be expensive; but learning by means of active, hands-on activities can be educational as well as fun. Welcome to the Real World (WTRW) curriculum allows teens to face the challenges of future financial obligations while learning valuable life skills in the safety of a classroom.

### Our Response

Idaho's Welcome to the Real World (WTRW) program is based on a curriculum developed in 1996 from the University of Illinois Extension. In 1998 University of Idaho Extension Family and Consumer Sciences (FCS) and 4-H educators modified and adapted the curriculum to reflect current incomes, expenses and trends in Idaho's economy.

WTRW helps teens see how a person's income affects lifestyle choices and budget decisions by imagining



"Welcome to the Real World" sample slides from the PowerPoint presentation.

they are 25 and now faced with stretching an assigned career's monthly "salary" to meet their needs and wants. During the simulation, they receive a paycheck, open a savings account, learn to write checks correctly, and pay bills in seven different budget categories.

Technology has changed the banking industry, and Idaho's Extension educators have adjusted the program and its delivery methods to reflect those changes. For example: PowerPoint slides have replaced overhead transparencies. Two debit cards and one online bill payment have been substituted for writing checks in three budget categories.

Two UI Educators include a checkbook reconciliation activity when they taught WTRW. Teens acting as bankers create a bank statement for a fellow classmate using the deposit slips, checks, debit receipts, and online bill payment receipt produced during the

simulation. This bank statement is used to reconcile the checkbook register.

**Program Outcomes**

Extension educators worked with 23 high school teachers, 10 of which have invited Extension educators to offer WTRW in their classroom for more than ten years. Four of these teachers utilized the program for the first time in their classrooms in 2011.

Data from the retrospective evaluations, completed by 867 teens, show that 63% learned how to balance a checkbook register and 54% learned how to set up and use online banking.

I know how to	Learned	Already Knew	# of Students	NA
Write a check	37%	63%	867	1
Difference between wants and needs	31%	68%	867	7
Open a savings & checking account	46%	50%	864	37
Balance a checkbook register	63%	36%	867	11
Set up and use online banking	54%	19%	407*	113
I understand				
Budget percentages for different expense	72%	26%	866	25
Relationship between education and potential	50%	49%	865	12
“Time value” of saving money	54%	45%	866	8
*Note: Online banking was not taught in all counties				

During the 2010-11 school year, eleven UI Extension faculty and nine staff/volunteers offered this program and evaluated 867 students from six counties: Bingham, Canyon, Caribou, Franklin, Jefferson, and Madison. An additional 650 students from Bonneville County experienced WTRW, but did not complete evaluations.

In Bonneville County, the previous FCS educator worked closely with the Bank of Commerce, a regional bank in the area. After that FCS educator took another position, the Assistant Vice President for the bank continued to offer the program on her own because she felt it was so important.

She wrote the following, “Recently, I ran into a student I had taught the Welcome to the Real World program two years ago. In talking with her she told me the reason she decided to finish high school was because of the program. I was in shock. I had no idea this program had that level of impact. Now when I go into a classroom, I hope to inspire one more student to finish high school or college. I

*wish we could inspire every high school student in Idaho with the Welcome to the Real World program.”*

**Cooperators and Co-Sponsors**

Zions Bank, Montpelier and Blackfoot

Bank of Commerce, Idaho Falls and Rexburg

Ireland Bank, Preston

Capital Educators Credit Union, Treasure Valley area

*Support varies from supplying sample checkbooks and calculators to having bank employees assist with teaching the program.*

**FOR MORE INFORMATION**

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