"Welcome to the Real World" Assists Students in District II

The Situation
The average student who graduates from high school lacks basic skills in the management of personal finances, according to a 2008 survey by the Jump Start Coalition for personal literacy. Many are unable to balance a checkbook and most simply have no insight into the basic survival principles involved with earning, spending, saving and investing. On the 2008 high school financial literacy survey, seniors answered only 48.3% of the questions correctly. This is a drop from a 2006 survey, and illustrated that most students are ill prepared to manage financial issues. Today’s teens in adulthood will be required to take more personal responsibility for actively managing their financials than any previous generation. Those who understand budgeting, credit, debt and living within your means will have a significant advantage over those who do not. These concepts are integrated into the “Welcome to the Real World.”

Our Response
District II Family and Consumer Sciences Extension Educators responded to requests from local high school teachers by offering “Welcome to the Real World,” a simulation on personal financial management, budgeting, savings and career exploration. Students receive instruction and go through a hands-on process of selecting a career, receiving a paycheck, putting money in a savings account, depositing money in a checking account, writing a check properly and balancing a checkbook. They learn about the different budget categories and the percentage of their income that should be allocated for each. Based upon the salary for the “career” they have randomly selected, students write a check for housing, transportation, insurance, utilities, groceries, clothing, and entertainment. Each category has several choices with varying dollar amounts based upon the prices in their community. Students are also taught the difference between a debit card and a credit card. They are given the choice to use a debit card or on-line bill pay instead of writing a check for some of the categories. The last activity is random selection of a chance card. Chance cards contain real life situations that can occur without warning, such as a flat tire.

Program Outcomes
Over 200 students participated in “Welcome to the Real World” simulation during the 2007-2008 school year in District II from a variety of high school classes; such as consumer economics, math, careers, school to work, and family consumer.
science. A post survey was given to students who completed the program. Students were asked to rate their level of agreement and 93% agreed or strongly agreed that participating in the program will help them in the future.

Students indicated new skills they learned:

<table>
<thead>
<tr>
<th>Skills</th>
<th>Learned</th>
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<tbody>
<tr>
<td>How to budget your money</td>
<td>86%</td>
</tr>
<tr>
<td>How to balance a checkbook</td>
<td>52%</td>
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<tr>
<td>How to open a savings account</td>
<td>47%</td>
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<tr>
<td>Career choice and income</td>
<td>43%</td>
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<tr>
<td>How to write a check</td>
<td>25%</td>
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**Participant Comments**

Students were asked how has your view of life in the future changed as a result of participating in the “Real World” program:

- Money and career choice matter, if you have a bad job, you can’t pay for the things you need.
- Learned to pay myself first and prioritize items that are most important.
- How important it is to budget your salary and put money into savings.
- I’ll start using my check register.
- I learned that right now since I’m not responsible for paying bills I didn’t realize how many expenses there are.

Students indicate this simulation helped them to think into the future about finances. Balancing their checkbook and budgeting their money were the two skills a greater number of students reported learning.

Future plans for District II include teaching more students, revision of resource information to reflect current prices, and enhancement to the evaluation tool.

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