



Important Safety Tips for Writing a Check

Opening a checking account makes you responsible to keep your checkbook and check writing as secure as possible. Rhonda told Daniel about the following safety tips. She also explained the various features on the face of a check as shown at the top of page 15.

- Use a pen. A dishonest person can easily erase pencil and change to whom the check is payable, or write in whatever amount they choose.
- Write neatly and legibly so there is no confusion about what you write.
- When writing the digit amount, write it as close to the dollar sign as you can. This makes it harder for someone to change the amount.
- After writing the amount with words, draw a line from where you stopped writing to the word *Dollars*. This is to prevent anyone from changing what you wrote on the check.
- Writing 04/100 for 4 cents instead of 4/100 prevents someone from changing the 4 to another number such as 94 cents. Also, what is being written is the decimal part of a number. When showing hundredths there must be two places, just as there are two places after the decimal point.
- It is best not to scribble out anything on the check, but if you make a minor mistake, such as the year of the date, draw a line through the mistake, write the correction above it, and initial it to show that you have authorized the change.

A check is a written order to the bank to take money out of an account and give it to another person. Suppose Grandmother sends you a check for \$25.00 for your birthday. You take this check to your bank and either cash it or deposit it. Grandmother's check, written to you, gives your bank permission to take money out of her checking account and give it to you.

Write the number words for the amount of payment in correct mathematical form. Use the word *and* only to signify the decimal point. Otherwise, use commas between the place values as you do when writing any large numbers in words.

- Sometimes it is necessary to void a check and write a new one. Perhaps you write the check to the wrong person or make the check out for the wrong amount. Write *VOID* in large print across the check. In your check book register, record the check number, the date, and write *VOID* in the Transaction Description column. There is no need to subtract an amount, as this check will not be used. Keep the check with your duplicates, or save it to file with your next bank statement.

Teaching the Lesson

Important Safety Tips for Writing a Check

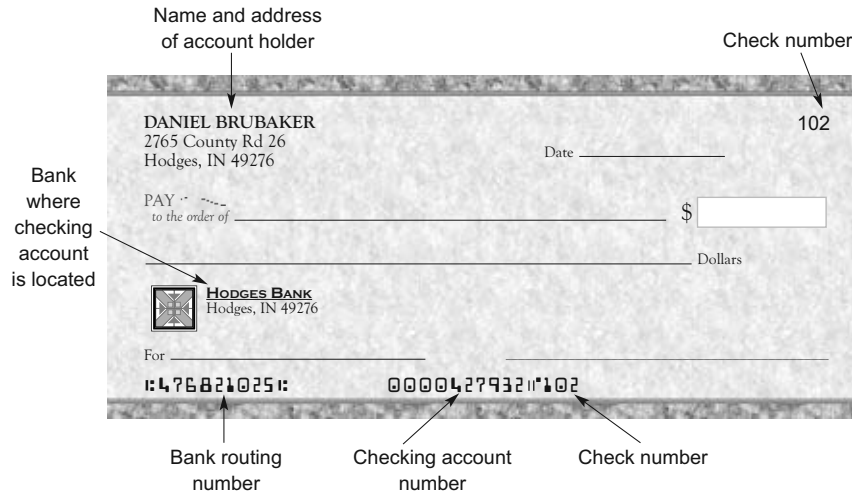
Since a check represents cash in the bank, it should be treated as carefully as cash, and not provide extra temptations for others to steal or misrepresent the intentions of the account holder.

Help your students find a good balance between being careless and sloppy when handling money, including writing checks, and being too suspicious and fearful of others and their intentions. We want to be good stewards of the income God blesses us with, but also be “open books” before the world by being honest, fair, and above reproach so that others can trust us.

Teacher Notes:

Lesson 4

Features of a Check:



To prevent unlawful reproduction of checks, certain security features are built into each check. Checks may be printed on watermarked paper. This watermark can be words or a design that is difficult to see until the check is held at an angle or held up to a light. Watermarks are light in color and will not show on a copied check.

Some checks, when photocopied or scanned, will have *VOID* printed on the copy even though it is hard to see it on the check itself. Checks can have erasure protection. If an eraser is used to alter a check the eraser marks will show. A microprinted endorsement line looks like a solid black line until it is magnified. On a U. S. Treasury check, the endorsement line, when magnified, reads

USAUSAUSAUSAUSAUSA . . .

This extremely small print is difficult to duplicate.

U. S. Treasury checks also have ultraviolet overprinting which can only be seen under a black light, a unique signature block, black security ink that runs and turns red when moisture is applied and a series of symbol and serial check digit numbers. Unfortunately this is all necessary in today's world to keep finances as secure as possible.

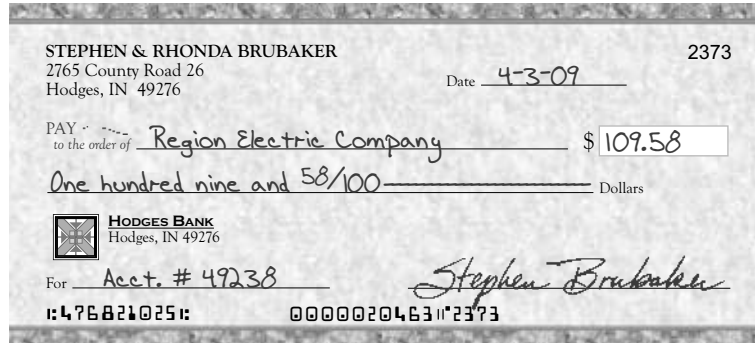
Teacher Notes:

Teacher Notes:

Lesson 4

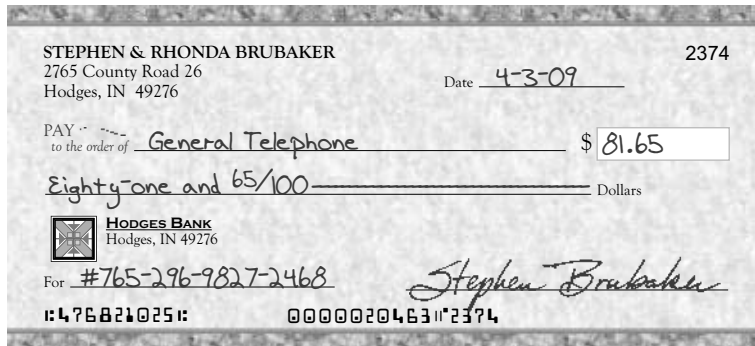
Write the following checks that Stephen used to pay bills on April 3rd of this year.

1. The electric bill from Region Electric Company was \$109.58. The account number is 49238.



Year will vary.

2. The telephone bill from General Telephone was \$81.65. The account number is 765-296-9827-2468.



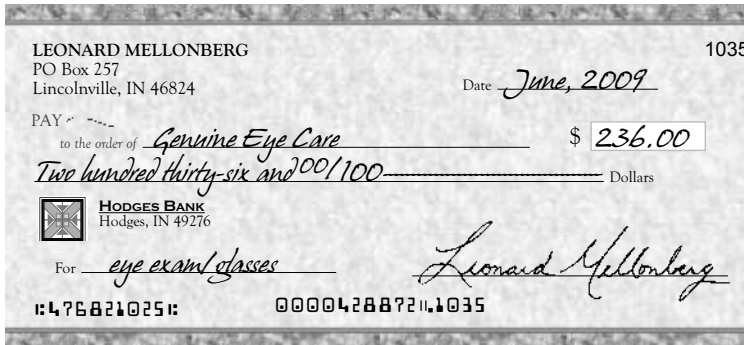
Year will vary.

Teacher Notes:

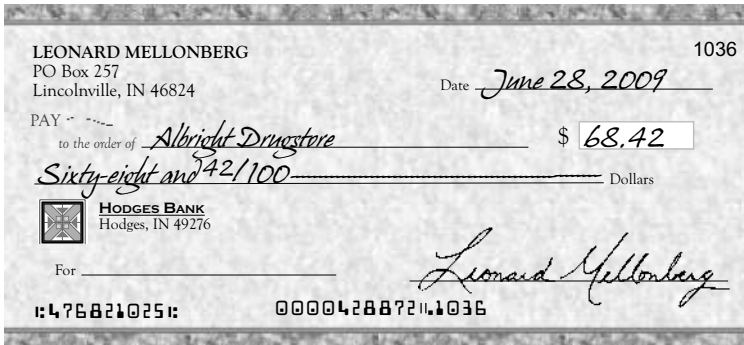
Lesson 4

Teacher Notes:

Find and describe the errors on these checks.



3. The day is missing from the date.



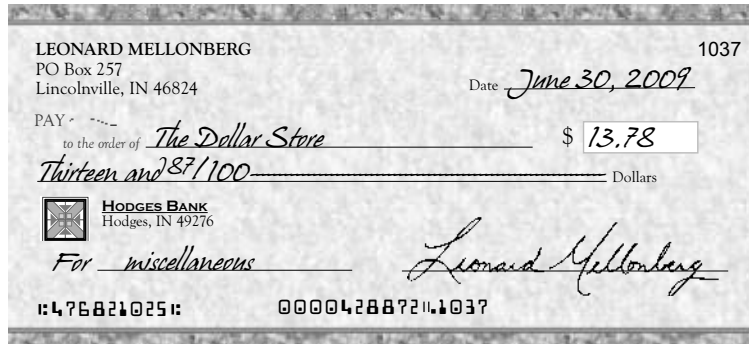
4. The purpose for the payment is missing.

Teacher Notes:

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Lesson 4



5. The 78 cents in the digit amount doesn't match the 87 cents in the word amount.



6. No signature is given.

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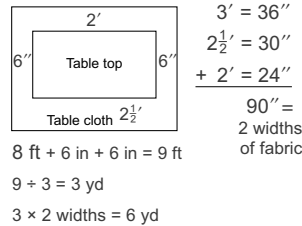
Teacher Notes:

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7. Stephen and Brent went to Rural Hardware to purchase chicken supplies. They bought 1 roll of chicken wire at \$20.99, 4 six-foot fence posts at \$2.60 each, and a 50-lb bag of chicken starter for \$7.50. The store charges 6% sales tax. How much was the total bill? \$41.22

$$\begin{array}{r}
 \$2.60 \\
 \times 4 \\
 \hline
 \$10.40 \\
 \$20.99 \\
 10.40 \\
 + 7.50 \\
 \hline
 \$38.89 \\
 \times 1.06 \\
 \hline
 23334 \\
 \hline
 388900 \\
 \hline
 \$41.2234 \approx \$41.22
 \end{array}$$

8. Rhonda is buying fabric to make a tablecloth for the front display table. The table top is 8' long, 3' wide, and 2½' from the floor. She wants the tablecloth to hang down to the floor in front, 2' at the back, and 6" along either end. She is looking at fabric that is 45" wide. How many yards will she need to buy? 6 yd



Budgeting—Projecting Future Expenses

After Jacob was aware of how he was spending his money, he was ready to plan a budget for future earnings and expenses. The first step was to look at his income. Every evening after school and on weekends he helps his neighbor with barn chores. He earns an average of \$50.00 per week, so Jacob planned for a monthly income of \$200.

Planning for expenses was a little harder. With an income of \$200.00 per month, Jacob planned to tithe \$20.00 per month. He would continue to save for buying the calf and also for feed and veterinarian expenses after he had the calf. So he planned to continue putting \$120.00 a month into his savings account. Stephen said he would help Jacob decide when he had enough savings to buy a calf and still have enough left to help with feed and unexpected veterinarian bills.

This leaves Jacob with \$60.00 a month for expenses that could include gifts for his family’s birthdays, bike repairs or accessories, extra to give to his church, and wood projects that he likes to build now and then. On the next page are the categories he chose for his budget. Looking at last month’s expenses will help Jacob determine how the \$60 should be divided among these categories. Stephen had Jacob start by

Teaching the Lesson

Budgeting—Projecting Future Expenses

This next step for setting up a budget involves planning ahead for expected expenses in the future. This includes regular tithing, savings, and recurring expenses. For the head of a household, these recurring expenses could include mortgage payments on the family property, utility bills, and food and clothing needs. For a teenager living at home, expenses could include saving toward buying a car, gasoline expenses for getting to a part-time job, and regular giving to his church.

Budgeting is really just simple common-sense planning to live within one’s means. Having a plan for earning, spending, and saving can help a person understand the areas where he is tempted to be wasteful or careless, and correct these weak areas.

Teacher Notes:

Lesson 5

rounding the total of each expense from last month up or down to the nearest \$5 or \$10. When they added all the expense estimates together, the total didn't equal the income for the month. A couple of dollar amounts in several categories were adjusted to make the expenses equal the income.

Jacob's Previous Month's Income & Expenses

Income	225.00
Tithing	22.50
Savings	120.00
Gifts	15.51
Bicycle Expenses	8.95
Extra Giving	15.00
Projects	11.98

Jacob's Monthly Budget

	Income	Expenses
Chore Money	\$200.00	
Tithing		\$ 20.00
Calf Savings		120.00
Regular Savings		10.00
Gifts		10.00
Bicycle Expenses		10.00
Extra Giving		20.00
Projects		10.00
Totals	\$200.00	\$200.00

Use rounded numbers to make a budget.

Dad reminded Jacob that a budget is only a plan. However, a budget is necessary to help him be responsible for the income God is blessing him with.

Sally has never budgeted her income because it is different each week. As she listened to her dad and Jacob discuss Jacob's budget, however, she realized the advantage and importance of having a budget plan. She realized that it was possible, even with her uncertain income and expenses.

At the top of the next page are Sally's income and expenses from Lesson 2. She had no youth group expenses for that month, but she wanted to add that category to her budget for activities her youth group has planned for the summer.

Teacher Notes:

Teacher Notes:

Lesson 5

Using the information on the left, write a budget plan for Sally. Round expenses to the nearest \$5 or \$10. Remember, the expenses must equal the income.

- △ 1. Income 220.00
- Tithing 22.00
- Savings 74.50
- Gifts 29.67
- Clothing 25.86
- Extra Giving 20.00
- Youth Group 0.00
- Misc. 12.76

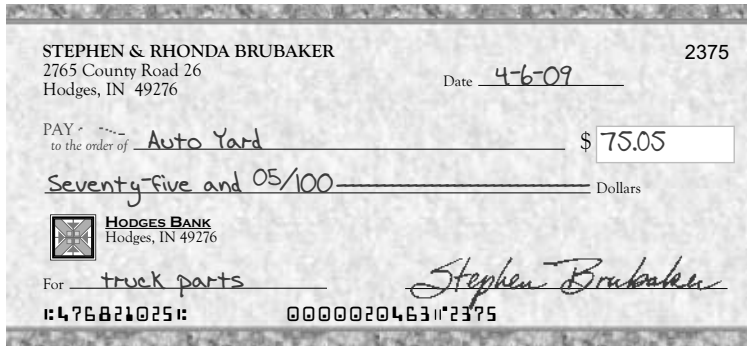
Sally's Monthly Budget

	Income	Expenses
Income	\$220.00	
Tithe		25.00
Savings		75.00
Gifts		30.00
Clothing		30.00
Extra Giving		20.00
Youth Group		25.00
Miscellaneous		15.00
Totals	\$220.00	\$220.00

Answers may vary.
This is only one possibility.

Write the following check for Stephen for April 6th of this year.

- 2. Stephen went to Auto Yard to get parts for his truck. The bill came to \$75.05.



Year will vary.

- 3. Stephen brought sawdust from the cabinet shop to spread one inch thick over the chicken house floor. It covered the 90 ft² of the pen. How many cubic feet of sawdust was this? 7½ ft³

$$\frac{90}{1} \times \frac{1}{12} = \frac{15}{2} = 7\frac{1}{2}$$

Teacher Notes:
