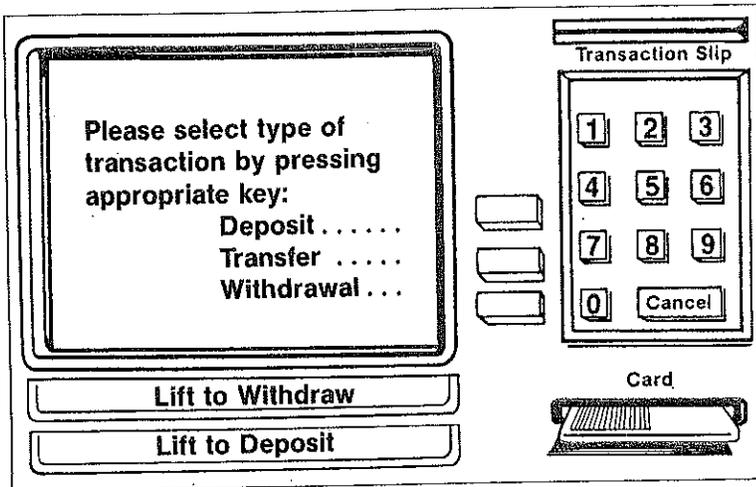


## Exercise 2

Read the article and complete the exercise that follows.

Do you have an automated teller machine (ATM) card with your bank? If so, do you prefer doing business through the machine or with a live teller? Do you use the ATM when the bank is closed?

### How to Use an ATM



Pat Brown went to her bank to get an ATM card. It is a small plastic rectangle that looks like a credit card. A few weeks later, the bank mailed her a card and her four-digit personal identification number (PIN). Her PIN is 1234.

As Pat was getting ready for bed one night, she realized that she had only \$2 in her wallet. She had to give \$10 for a going-away

lunch for a co-worker the next day. She didn't want to get up early to go to the bank. So she decided to go to the bank that night. She used her ATM card to withdraw \$50 from her checking account.

These are the steps she followed to withdraw money. First, she put her card in the lower slot on the right side of the machine. She made sure her card was facing the right way. Second, the computer screen said, "Please enter your PIN." Pat pressed the numbers 1, 2, 3, and 4. Next, the screen said, "Please select type of transaction by pressing appropriate key." Pat pressed the bottom key for *Withdrawal*.

Then the screen said, "From which account?" The choices it gave were *Checking*, *Savings*, and *Money market*. Pat pressed the key for *Checking*. Next, the screen said, "Please select amount of transaction in multiples of ten." Pat pushed the number 5 and then 0 three times, until the screen read, "50.00." The screen then read, "Please wait." In less than a minute, it read, "Please lift the lid and remove your withdrawal."

Pat lifted the lid marked *Withdraw*. She counted her \$50 to make sure the ATM didn't make a mistake. Then she waited for her withdrawal slip to come out of the slot at the upper right corner of the machine. Pat checked the slip to make sure it

was correct. Then her ATM card was returned through the card slot. She put it in her wallet and walked away. If Pat had made a mistake at any point by pressing the wrong button, she could have pressed *Cancel* and started over again.

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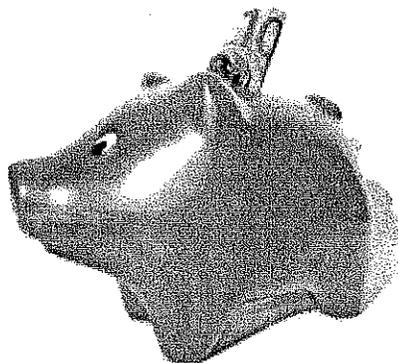
**Circle the best answer for each question.**

1. What was Pat's first step?
  - (1) pressing the withdrawal button
  - (2) inserting her ATM card
  - (3) counting her money
  - (4) getting her withdrawal slip
  
2. What did Pat do immediately after selecting the account?
  - (1) selected whether to withdraw, deposit, or transfer money
  - (2) lifted the lid and removed her money
  - (3) selected the amount of money she wanted to withdraw
  - (4) removed her ATM card
  
3. When did Pat enter her PIN?
  - (1) right after inserting her card
  - (2) right before selecting the account
  - (3) right before selecting the amount of money
  - (4) right after selecting withdrawal
  
4. When did Pat select the type of transaction?
  - (1) right after selecting which account she wants
  - (2) right before receiving her withdrawal slip
  - (3) right before selecting the amount
  - (4) right after recording her PIN
  
5. What did Pat do when the screen said, "Please lift the lid . . . ?"
  - (1) retrieved her card
  - (2) removed her \$50
  - (3) selected the type of transaction she wanted
  - (4) picked up her withdrawal slip

**Check your answers on page 142.**



# How to Set a Student Budget



By christamiller, eHow Member

Budget Bank

The first year of college is usually the first time young adults start tracking all of their expenses. Fortunately, setting a student budget doesn't require fancy finance computer software. A bit of careful foresight and some binder paper will do.

Difficulty: Moderately Easy

## Instructions

things you'll need:

- Income
- Calculator
- Pencil
- Paper

- 1** Organize the Plan - Calculate all of the money you know will be coming to you in the next year: the stuff coming from your parents, the stuff coming from student loans, scholarships, and maybe the stuff you earn for yourself. Write that number at the top of the page, but be sparing if you don't have a job yet. Break that number down into the amount of months in the school year and divide your yearly income into that number of months. Then, in bullet form, break your expected expenses into the following categories.
- 2** The Basics - A student budget isn't really a "student" budget without the need to budget for some (usually pricey) tuition and school supplies. Right off the bat, subtract tuition from your total income. After that,

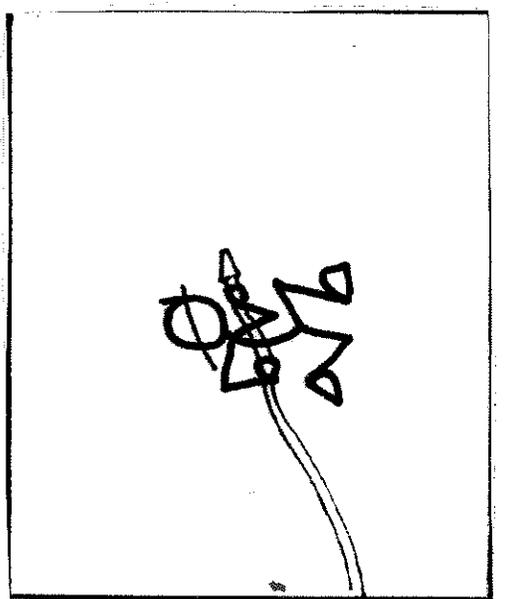
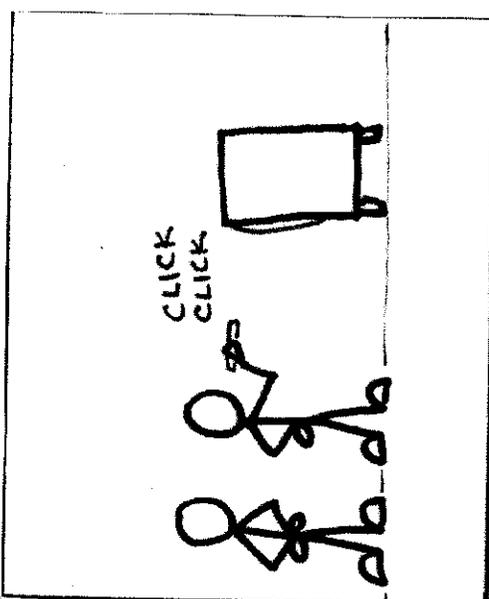
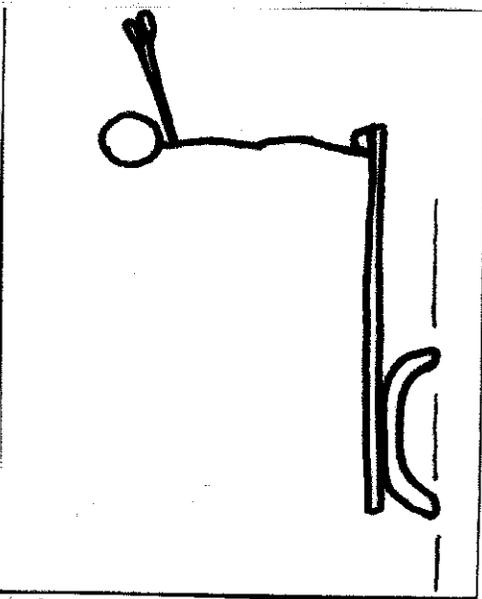
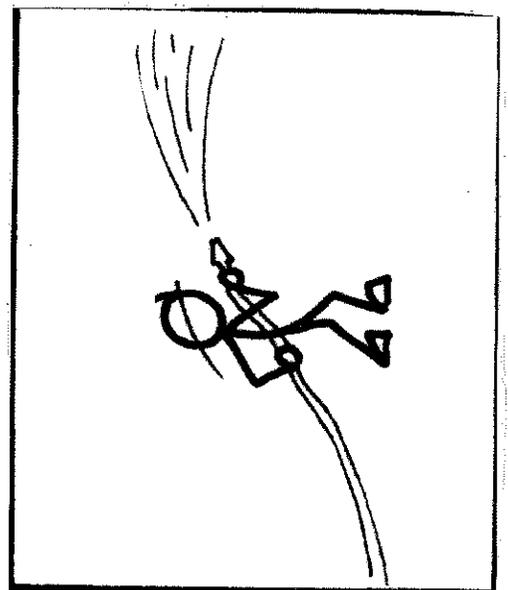
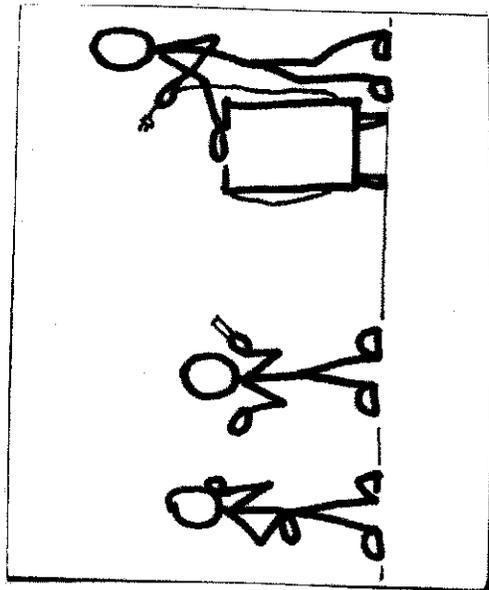
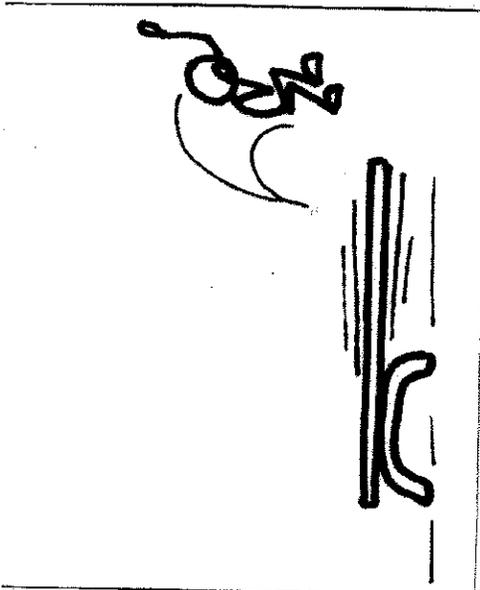
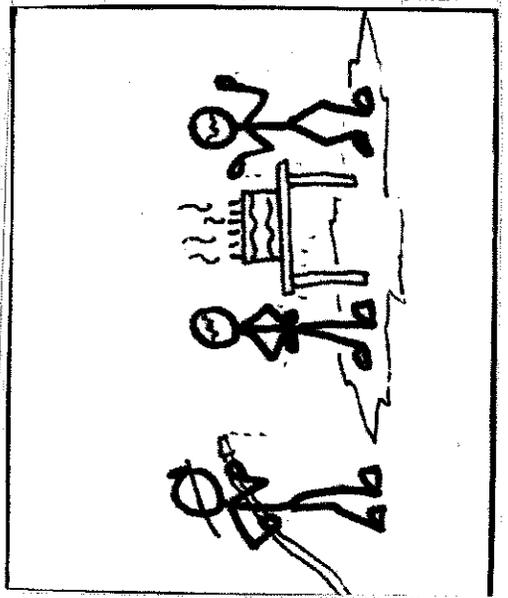
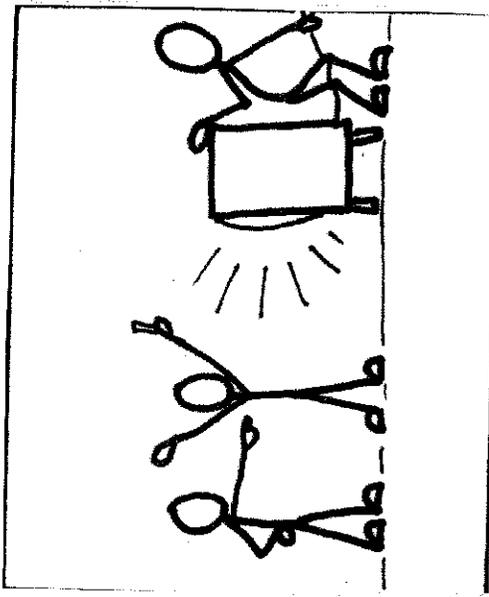
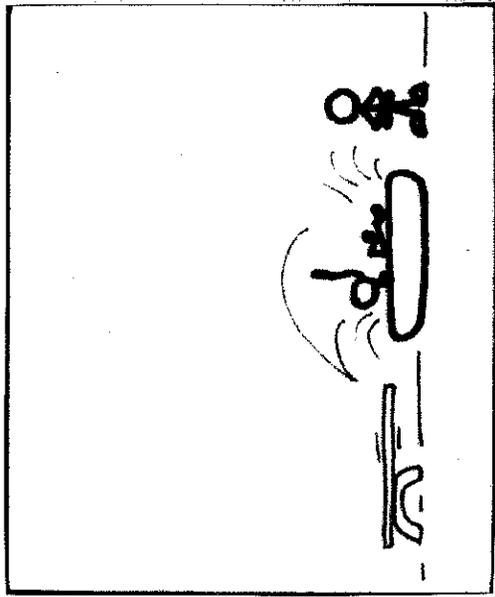
subtract your monthly rent (plus any phone bills and utilities) from your each month's allotted income.

Finally, you may need to estimate how much books and supplies are going to cost you. Most of the time professors will post online a book list for the following semester, but you may also notice at the beginning of the semester that some of the books aren't mandatory.

Whether you'd like to be prepared in advance or wait and save some money is up to you.

- 3 Food - If you're living in a dorm setting, you may have a food plan that is already budgeted into your monthly rent for you. If not, set a realistic food budget based on what you think you eat in a week and multiply it by four. If you're not a selective eater, you may be able to adjust your student budget to accommodate a cheaper eating style. Also budget for how many times you plan to eat out each month (and don't exceed your limit).
- 4 Transportation - If you drive a car, subtract monthly gas + potential insurance/repair/maintenance type expenses from your student budget. If you plan to use public transportation, subtract the cost of a monthly pass. If you plan to mostly walk and ride a bike (occasionally using public transit) then only subtract the cost of the number of trips you think you'll need to take each week and multiply it by four.
- 5 Health and Hygiene - Subtract from your student budget any health insurance expenses and consider any other health supplies you'll need: hygiene products (e.g. shampoo, soap, feminine products,) over-the-counter medicines (e.g. Advil and allergy meds), Kleenex, toilet paper, laundry detergent, laundry machine coins, etc.
- 6 Recreation - What's college without a bit of recreation? Set aside some money for the things you enjoy doing. A trip to the movies, a video game, piano lessons, cigarettes, hiking gear, and cable TV are all examples of what would go under the student budget's "recreation" category. If it isn't a must, it should be subtracted from this portion of your student budget. (Warning: Don't exceed your limit and start subtracting massive amounts of booze from your "Food" budget unless you plan for it in advance.)

- 7 **Miscellaneous Expenses - Do you have a child? A pet? Any outstanding credit card debt? Any other expenses that might not fit into the above categories? Any of these could alter your student budget significantly so consider them before you start to allot your income.**
  
- 8 **Emergencies - A lot can happen in one school year. Unforeseen natural disasters, health complications, and much more can throw off your student budget so subtract a portion of each month's income and put it in an emergency savings account.**



**Get out your toothbrush and toothpaste**

**Squeeze toothpaste onto your toothbrush**

**Wet toothbrush and toothpaste with water**

**Move brush up and down teeth**

**Spit and rinse mouth**

**Rinse off toothbrush**

**Put toothbrush and toothpaste away**