

1035-D1-1393      **Ronald J Harshbarger\*** (ronharsh@hargray.com), 9 Prestwick Ct., Hilton Head, SC 29926,  
and **Lisa S. Yocco** (lisay@georgiasouthern.edu), P.O. Box 8093, Statesboro, GA 30460.

*Honey, I Shrunk the Dollar.*

Modeling the purchasing power of a 1984 dollar (which was 50 cents in 2006) is an exponential function application that shows the impact of inflation and convinces students of the necessity of planning for their financial future. There are many other such applications that are interesting to students and that give them the knowledge and skills to protect themselves from being taken advantage of in the marketplace and to create a "nest egg" for the future. Real data applications can be used to show students how long they can expect to live, how unlikely it is that the government will provide for them in their old age, and that time is one of the most important factors in financial planning. For example, linear, quadratic, logarithmic, and logistic functions can be used to model expected life span, and exponential decay can be used to model the expected number of workers available to support each Social Security recipient. Exponential growth functions can be used to show the value of investing early by comparing investments by twins, with one investing for a short period of time and a second one investing much more money but starting investing 7 years later. Mathematics can also be used to expose the "scams" in some refinancing offers and interest only loans. (Received September 19, 2007)