### Overview & Purpose:
This activity is designed to help students develop the attitudes and skills needed to achieve personal financial success. They will learn the implications of sound financial decision-making and how to create and manage a budget that includes a savings component.

### Ohio Education Standards Addressed:
1. Estimate, compute and solve problems involving real numbers, including ratio, proportion and percent, and explain solutions.
2. Write and solve real-world, multi-step problems involving money, and verify reasonableness of solutions.
3. Locate and interpret mathematical information accurately, and communicate ideas, processes and solutions in a complete and easily understood manner.

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<tr>
<th>Teacher Guide</th>
<th>Vocabulary:</th>
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<tr>
<td><strong>Objectives:</strong></td>
<td>1. Budget</td>
</tr>
<tr>
<td>(Skills and information that will be learned.)</td>
<td>2. Income</td>
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<tr>
<td>Students will:</td>
<td>3. Expenses</td>
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<tr>
<td>1. Identify expenses and sources of income (e.g. earnings, gifts).</td>
<td>4. Goal</td>
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<tr>
<td>2. Develop a budget that has spending, savings, and charitable goals.</td>
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<td>3. Describe decision-making steps that lead to meeting and distinguishing between financial needs and wants.</td>
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### Information:
**Needs** are the very basic things that people must have to survive. **Wants** are the things that make life more interesting and fun. In other words, you could live without them if you had to. For example, you need food to eat, but you want to eat out with your friends rather than at home. You need a place to live, but you want a TV in your room. You need some clothes to wear, but you want those designer jeans.

A **budget** is a savings plan or a record of actual and estimated income and expenses over a set period of time. Estimated **income** is money that you anticipate earning or receiving for chore completion or special occasions. Budgets contain financial goals. Some **goals** are short-term or long-term while others can be intermediate goals.

**Examples of Savings Goals:**
- Short-term – Saving $10 by the 16th of next month to buy grandma a birthday gift.
- Intermediate-term – Save $3 a week for the next three months to buy a new video game.
- Long-term – Save $4 per week for the next six months to buy a new bike.

### Activities and Procedures:
1. Have students determine the monthly total of their allowance.
2. Ask students to add their birthday money and other money totals together to get their spending total before making a savings deposit.
3. Examine the savings component and discuss the importance of saving for future goals and activities. Have students subtract their savings total from the subtotal above to learn the amount of money they have to spend during the activity. Students should

### Materials Needed:
1. Budget Activity Sheets labeled A thru F.
Find more personal finance and money lessons at www.MoneyAndStuff.info
Budgeting Activity Key

**A Money**
Allowance - $5.00 a week ($5.00 x 4 = $20.00 per month.)
Birthday Money - $20.00
Other Money - $4.50

Subtotal $44.50
Place 20% in Savings - $8.90
Money to Spend $35.60

**B Money**
Allowance - $7.50 a week ($7.50 x 4 = $30.00 per month.)
Birthday Money - $20.00
Other Money - $5.00

Subtotal $55.00
Place 20% in Savings - $11.00
Money to Spend $44.00

**C Money**
Allowance - $8.00 a week ($8.00 x 4 = $32.00 per month.)
Birthday Money - $25.00
Other Money - $7.50

Subtotal $64.50
Place 20% in Savings - $12.90
Money to Spend $51.60

**D Money**
Allowance - $6.00 a week ($6.00 x 4 = $24.00 per month.)
Birthday Money - $30.00
Other Money - $7.50

Subtotal $61.50
Place 20% in Savings - $12.30
Money to Spend $49.20

**E Money**
Allowance - $9.00 a week ($9.00 x 4 = $36.00 per month.)
Birthday Money - $40.00
Other Money - $12.50

Subtotal $88.50
Place 20% in Savings - $17.70
Money to Spend $70.80

**F Money**
Allowance - $4.50 a week ($4.50 x 4 = $18.00 per month.)
Birthday Money - $40.00
Other Money - $12.50

Subtotal $70.50
Place 20% in Savings - $14.10
Money to Spend $56.40
Money
Allowance - $5.00 a week ($5.00 x 4 = ________ per month.)
Birthday Money - $20.00
Other Money - $4.50

Subtotal $__________

Place 20% in Savings - $8.90

Money to Spend $__________

Candy .50
CD $11.99
Video Game $27.99
Wireless Control $39.99

Purse $9.99

Clothes
Jeans $39.99
T-shirt $9.99

Movie $6.00
Popcorn Package $5.50

Chips $1.29

iTunes $9.99
10 songs

Bike $89.99

Pizza
Large $11.99
Medium $8.99
Small $5.99
Money
Allowance - $7.50 a week ($7.50 x 4 = __________ per month.)
Birthday Money - $20.00
Other Money - $5.00

Subtotal $___________

Place 20% in Savings - $11.00

Money to Spend $___________

Candy .50
CD $11.99
Video Game $27.99
Wireless Control $39.99
PSP $169.99
Nintendo DS $129

Clothes
Jeans $39.99
T-shirt $9.99

Movie $6.00
Popcorn Package $5.50

Bike $89.99

Pizza
Large $11.99
Medium $8.99
Small $5.99
**Money**
Allowance - $8.00 a week ($8.00 x 4 = __________ per month.)
Birthday Money - $25.00
Other Money - $7.50

Subtotal $__________

Place 20% in Savings - $12.90

Money to Spend $__________
Money
Allowance - $6.00 a week ($6.00 x 4 = __________ per month.)
Birthday Money - $30.00
Other Money - $7.50

Subtotal $__________

Place 20% in Savings - $12.30

Money to Spend $__________

- Candy .50
- CD $11.99
- Video Game $27.99
- Wireless Control $39.99
- Purse $9.99
- PSP $169.99
- Nintendo DS $129
- Movie $6.00
- Popcorn Package $5.50
- Chips $1.29
- iTunes $9.99 (10 songs)
- Bike $89.99
- Pizza
  - Large $11.99
  - Medium $8.99
  - Small $5.99

Clothes
- Jeans $39.99
- T-shirt $9.99
Money
Allowance - $9.00 a week ($9.00 x 4 = ___________ per month.)
Birthday Money - $40.00
Other Money - $12.50

Subtotal $___________

Place 20% in Savings - $17.70

Money to Spend $___________

Candy .50
CD $11.99
Purse $9.99

Clothes
Jeans $39.99
T-shirt $9.99

Movie
$6.00
Popcorn Package
$5.50

Chips $1.29

Bike $89.99

Video Game $27.99
Wireless Control $39.99

PSP $169.99
Nintendo DS $129

iTunes $9.99
10 songs

Pizza
Large $11.99
Medium $8.99
Small $5.99
**Money**
Allowance - $4.50 a week ($4.50 x 4 = ____________ per month.)
Birthday Money - $40.00
Other Money - $12.50

Subtotal $__________

Place 20% in Savings - $14.10

Money to Spend $__________

- Candy .50
- CD $11.99
- Video Game $27.99
- Wireless Control $39.99
- Purse $9.99
- PSP $169.99
- Nintendo DS $129
- Movie $6.00
- Popcorn Package $5.50
- Jeans $39.99
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