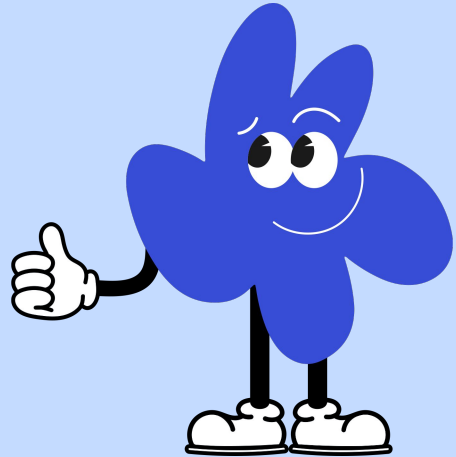


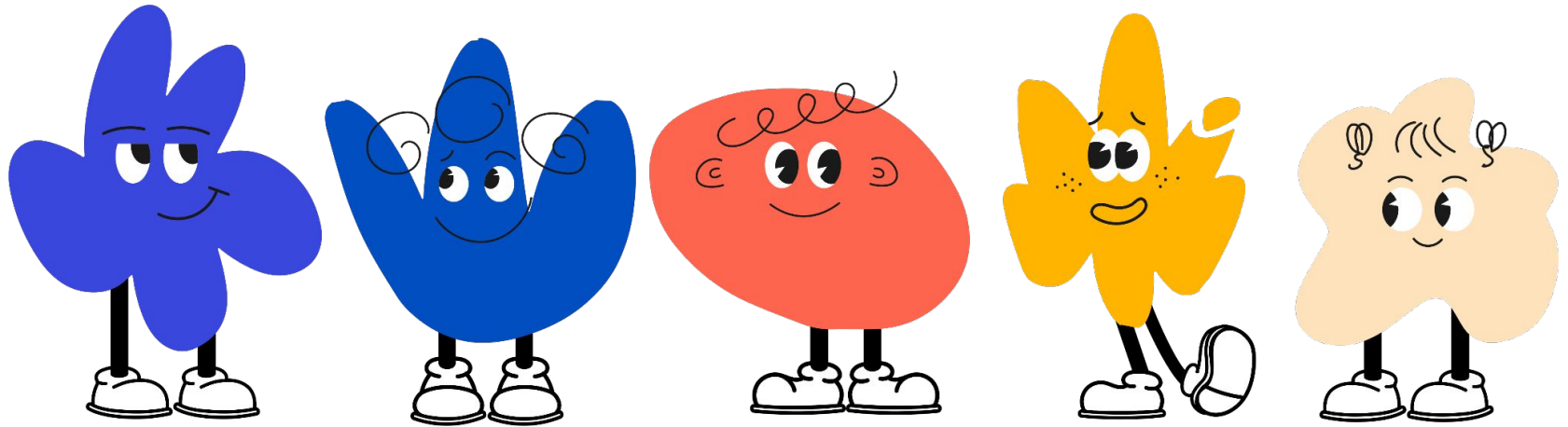
Third Grade

Financial Literacy

Lesson 8
Making a Budget

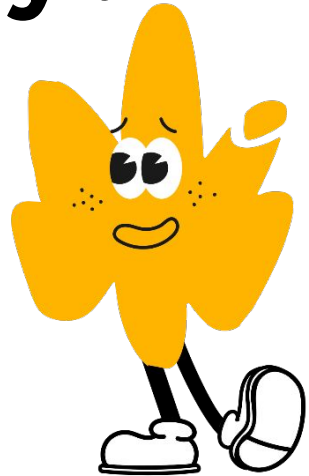


Learning Target: I can explain what a budget is and how it helps organize money to a friend.



Essential Question

Why is a budget important and how does it help decide how to use money?



What Is a Budget?

A **budget** helps you see how much money you have and plan how to spend it. A budget can include bills like rent and fun purchases like dinners at a restaurant.

Budgets help people, companies, and governments plan ahead to ensure they have enough cash to pay their bills.



Getty Images

How Do You Make a Budget?

You start by recording how much money you have. And then you decide how much you need to spend each month to cover essential living expenses like rent, food, and medicine.

There are lots of apps and tools you can use to help you organize the information, like [Investopedia's budgeting calculator](#).

BUDGETING & SAVINGS > BUDGETING

Budgeting Calculator

Learn how to gain control of your saving and spending

Use this budget calculator to plan for your savings goals and manage your expenses. Fill out all fields that apply to you, and make adjustments to see how you could save more. In the income field, enter your take-home pay—the amount you have after withholding taxes, paying for benefits, or contributing to pre-tax retirement accounts.

Enter Your Income

Monthly Income +

Enter Your Expenses

Housing +

Food +

Transportation +

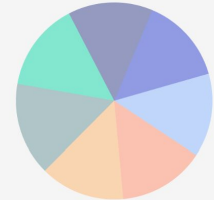
Education +

Personal & Family +

Healthcare +

Savings & Investments +

MONTHLY BUDGET BREAKDOWN



<input checked="" type="checkbox"/> Housing	\$0
<input checked="" type="checkbox"/> Food	\$0
<input checked="" type="checkbox"/> Transportation	\$0
<input checked="" type="checkbox"/> Education	\$0
<input checked="" type="checkbox"/> Personal & Family	\$0
<input checked="" type="checkbox"/> Healthcare	\$0
<input checked="" type="checkbox"/> Savings & Investments	\$0

Total Monthly Income \$0

Total Monthly Expenses \$0

Remaining Monthly Funds \$0

Activity: Bean Budget Game

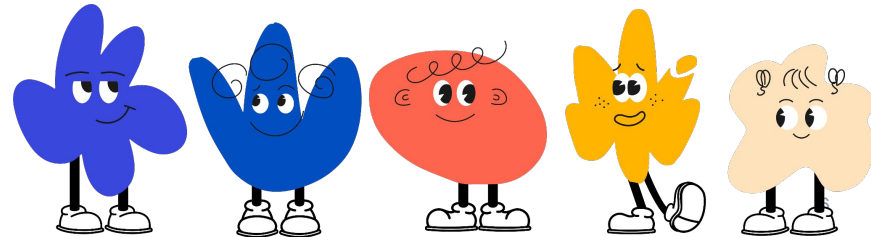
Team up! Get in small groups of 2, 3, or 4.

Goal: Budget your beans so that you can live with what you have

How To Play: Each round, decide how to spend your 15 beans based on your values, goals, and circumstances. Use the squares on the gameboard to show how many beans you will pay for each item, 1 bean per square.

- **Round 1:** Budget a bean on at least one item that classifies as a need.
- **Round 2:** What else will you need or want?
- **Round 3:** Get a promotion and earn 5 more beans! Decide where they should be budgeted.
- **Round 4:** Your car broke and will cost 2 beans to repair. Where will you move money from to cover this? Do you have enough?

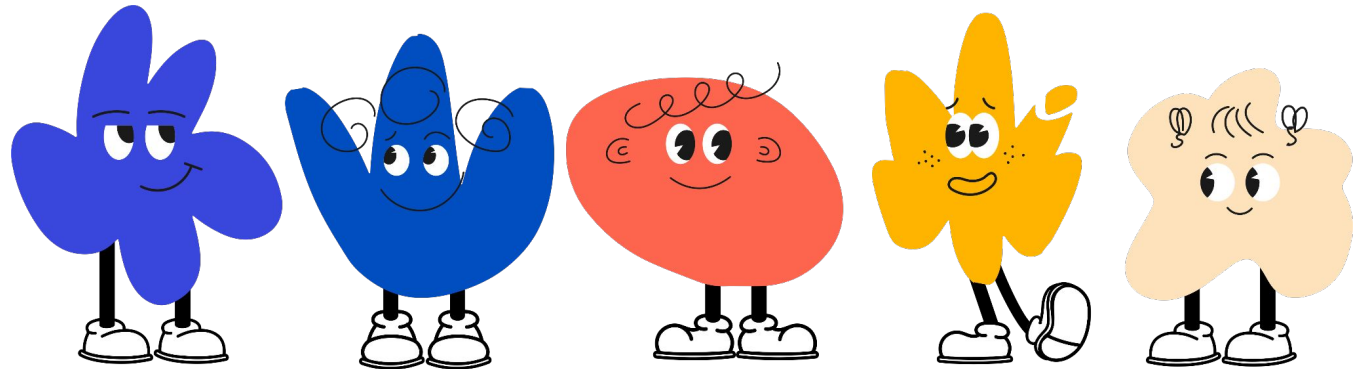
the bean game	Food		Shelter	
	Buy groceries at the store and eat at home.	<input type="checkbox"/>	Live with relatives and share a room with someone.	<input type="checkbox"/>
	Eat at home half of the time and eat out half of the time.	<input type="checkbox"/> <input type="checkbox"/>	Rent an apartment.	<input type="checkbox"/> <input type="checkbox"/>
	Eat most of your meals out in restaurants.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Buy your own house.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Clothing		Transportation	
	Buy new clothes infrequently, wear what you have	<input type="checkbox"/>	Walk or Bike	<input type="checkbox"/>
	Buy at a discount clothing store or on sale.	<input type="checkbox"/> <input type="checkbox"/>	Ride the bus or share a car with other family members	<input type="checkbox"/> <input type="checkbox"/>
	Buy new clothes often, rarely wear the same outfit twice.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Buy a car and pay for gas	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>



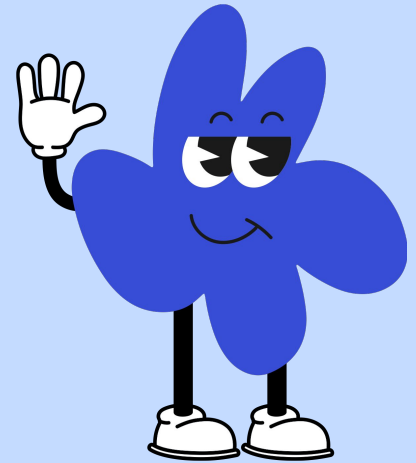
Let's Discuss! The Bean Budget Game

What Did You Learn?

How can you connect this game to what we've learned about making smart choices with the money we earn?



thanks.



APPENDIX: Resources and Activity Worksheets

Slide 6: Bean Budget Game

- Equipment needed: 20 Beans or small tokens for each team and 1 printed game board for each team (see page after this slide).
- Round 1: Give each team 15 beans to start, and then 10 minutes to determine where their beans should go on the board, reinforcing the importance of making sure they consider needs like food and shelter.
- Round 2: Give students 5 minutes to review their decisions. Do they want to move anything?
- Round 3: Give each team 5 more beans because they got a promotion! What will they do with these beans?
- Round 4: Explain that they need to repair their car. How does this change what they have budgeted? Is any team out of beans? Use this as an opportunity to talk about planning for unexpected expenses and saving money in a budget to do so.
- See slide 7. Conclude by asking each small team to share what they learned.

the bean game

Food

Buy groceries at the store and eat at home.

Eat at home half of the time and eat out half of the time.

Eat most of your meals out in restaurants.

Shelter

Live with relatives and share a room with someone.

Rent an apartment.

Buy your own house.

Clothing

Buy new clothes infrequently, wear what you have

Buy at a discount clothing store or on sale.

Buy new clothes often, rarely wear the same outfit twice.

Transportation

Walk or Bike

Ride the bus or share a car with other family members

Buy a car and pay for gas

the bean game

Furniture

Borrow furniture or get furniture for free from relatives

Buy furniture from a thrift shop or garage sale

Buy new furniture

Entertainment

Play at the park, picnics and hikes, swim at neighborhood pool

Movies, arcade, bowling, etc.

Vacations, amusement parks

Technology

phone, TV

phone ,TV, Internet, tablet

phone, TV, Internet, tablet, gaming system, computer

Savings

Save 10% of income

Save 20% of income

Save 30% of income

the bean game

