

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Budgeting Tips

a. WANTS versus NEEDS

b. Pay yourself first

c. Before charging

d. Rule of percentages

e. Money tracking

f. Fixed, Variable, or Luxury?

## Living on a 20-Bean Salary

**Purpose** Managing money means making choices. There is never enough money available for all the things we'd like to have or do. Follow the instructions below. On a separate piece of paper, answer the questions.

**Part A:**

- You make 20 beans per month.
- Select one item of each category with a STAR. These categories are your needs. A need is a necessity. Decide how you want to select your need. Place the beans on the square.
- If you have any beans left, continue selecting items until you have used up all your beans.

Answer the following questions. Write in one or two sentences for each.

1. Choose a minimum of 3 categories. Justify each choice in one or two sentences. Give reasons. (A choice from one category might be connected to another choice in another category).
2. In what ways were you influenced by your values? What are your goals for the future?
3. Compare what you spent your beans on with your partner. Have a discussion. Write a conclusion that you have made about your choices.

**Part B:**

- There's a recession, your company needs to cut your wages to 13 beans per month! You need to take away 7 beans.

Answer the following questions. Write in one or two sentences for each.

1. What changes will you make? Write down each change and the reason for the change.
2. Think about your budget-cutting choices. Are they a "need" or "want"? Justify.
3. Compare your choices with your partner. Have a discussion. Write a conclusion that you have made about your choices.

**Part C:**

- You've broken your hand and you need to be off work for 1 month. If you have disability insurance or benefits from your job, you don't need to do anything. If you don't, you need to take away 3 beans. What changes will you make?

Answer the following questions. Write in one or two sentences for each.

1. State whether you had disability insurance. If not, where did you take off 3 beans? Why?

**Part D:**

- Things are looking up! Your company is out of recession! Your wages are increased back to 20 beans per month. Place the 7 beans on a square. What choices did you make?

Answer the following questions. Write in one or two sentences for each.

1. Are these choices the same or different than the original choices you made before your salary cut? Give reasons for your choices.

**If you managed to keep beans on your "need" categories and have extra beans for your "want" categories, YOU WIN!!**