



Play #22

BUDGETING

PLAY IN MOTION

Play #22: Budgeting

Description: Whether you get a full ride for college or not, you will always need to learn how to budget your money. In this activity, students and/or parents will learn what it means to budget and will create their own budgets for college.

Goal/Outcome: Students and/or parents will learn how to budget and will create their own budgets.

Suggested Time/Audience:

- 9th–12th grade students and/or parents
- 45 minutes–1 hour

Materials/Space Needed:

- Any room set-up, enough chairs for students.

To Prep for Event:

- Determine a time and place for the event, and determine which students you will be targeting.
- Determine which team members will be facilitating this activity.
- Review all handouts: “Comparing Budgets,” “Sample College Budget,” and “My Personal Expenses” so you are clear about the activity.

At the Event:

- Begin by telling students that you will be discussing Budgeting today, which can be a boring subject, but also one that is very necessary for every part of life.
- Pass out the “Comparing Budgets” handout and have students review. Then, tell them to fill in the questions at the beginning. Make sure they understand that most of Sandra’s expenses are “wants” or “flexible” expenses. Even though she makes more money, she also spends more than she makes.
- Pass out the “Sample College Budget” handout, and have students review and answer the questions at the beginning.

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Play #22: Budgeting, cont.

- Discuss with students: What did they notice about this budget? Does it seem realistic?
- Finally, tell students to fill out the “My Personal Expenses” handout. They will have to recall their expenses for the entire week, or, if it’s easier, they can hold on to it and fill it out over the course of the following week. Discuss with them. Do they have a balanced budget themselves?
- Data to Collect:
 - ✓ Attendance (use the “Attendance Tracker”).

After the Event:

- Debrief with the team:
 - ✓ What went well? What could you improve for next time?
 - ✓ How did this activity go? Were students engaged? Did you feel you had all the information to effectively lead this activity?

Handouts Needed:

- "Comparing Budgets"
- "Sample College Budget"
- "My Personal Expenses"

PLAY IN MOTION

Handout: Comparing Budgets

Look at the sample incomes and expenses below for two high school students, Sandra and James. This is their budget—a comparison of their expenses with their income. **Answer the following questions:**

Who has the greater income?

Who has the greater amount of expenses?

Who is smarter about their money? Why or why not?

What do you notice about Sandra's expenses, compared with James?

James

Monthly Expenses	Amount per month
Food	\$30
Books for school	\$50
Phone bill	\$30

Monthly Income	Amount per month
Babysitting	\$100
Allowance	\$40

Sandra

Monthly Expenses	Amount per month
Clothes	\$100
Movies (and going out to dinner with friends)	\$50
Phone bill	\$30

Monthly Income	Amount per month
Paid Internship	\$100
Job at Target (part-time, two days a week)	\$80

James' income – James' expenses =

Sandra's income – Sandra's expenses =

} This is their savings!

PLAY IN MOTION

Handout: Sample College Budget

Now that you have seen a high school budget, below is a sample college budget for a semester.

Answer the questions.

What does "fixed expenses" mean?

.....

What does "flexible expenses" mean?

.....

Add the fixed and flexible expenses. Now subtract that from the total income and fill it in at the bottom of the page. How much savings does this person have?

Now that you have seen a sample budget, you will get the opportunity to create your own!

Income

Parent Contribution	\$500
Work	\$2,000
Total	\$2,500

Fixed Expenses

Rent, if applicable	\$0
Car insurance/payment	\$1,000/semester
Cell Phone	\$150/semester
Total	\$1,150

Flexible Expenses

Groceries, in excess of meal plan	\$200
Going out to eat	\$200
Gas	\$200
Entertainment	\$200
Clothing, etc.	\$150

Total **\$950**

Savings

Key terms:

- ✓ **Income:** Payment for work or money coming in.
- ✓ **Balance:** The amount left over after the budget period is over. A balanced budget will have a balance of \$0 or greater.
- ✓ **Savings:** The amount of money one has saved.
- ✓ **Expenses:** Money spent.

PLAY IN MOTION

My Personal Expenses

DATE	DESCRIPTION	AMOUNT	FIXED OR FLEXIBLE?

Total Income \$

Total Expenses \$

Is your budget balanced? If not, can you cut some flexible expenses? Which ones?

PLAY IN MOTION

Financial Aid Types

Use this table to identify and learn about different types of financial aid as you begin to answer questions from other students about the financial aid process. If you don't understand something, don't be afraid to do more research!

FINANCIAL AID				
Funding source	What is it?	Who is eligible?	Where is the \$ from?	How do you get it?
Grants	Free money! A grant is money that you do not have to pay back.	For need-based grants, there may be a maximum household income. Other grants are merit-based.	The federal or state government, or schools.	Complete the FAFSA and any state and school financial aid forms.
Loans	Money given that must be paid back later along with interest. Interest means you pay back more than you initially borrowed.	Some need-based loans (determined by household income) are low-interest or no-interest. Other loans only require a good credit history.	Federal, state, school-based, and/or private lenders.	Complete the FAFSA and any state or school-based forms.
Scholarships	Free money! A scholarship is money that you do not have to pay back.	Scholarships often have very specific requirements: skills, interests, background, etc. Some are merit-based and some are need-based.	Private organizations or schools.	Search for scholarships, and apply for those you are eligible for.
Stipends	A small amount of money for living expenses; you do not have to pay it back.	Stipends are generally need-based.	Schools or internship programs.	Fill out school-based financial aid forms.
Work-Study	An on-campus job paid for by the government. You are paid in exchange for services for the campus.	U.S. citizens and permanent residents with a given household income are granted work-study funding.	Usually funded by the federal government.	Complete the FAFSA.