



“Budget, Smudget”



Inquire Phase

Time: 20 Minutes

Objective: Discover what students already know and perceive about budgeting, and how their values relate to spending.

Instructor Reference Material: The first activity allows students to think through and discuss the pros and cons of budgeting. Many adults associate “budgeting” with restriction (similar to how we feel about diets). But there can be positives associated with budgeting as well. The second activity challenges students to examine how their spending choices align with their professed values. As you know, many times what we say is important to us is not borne out by how we spend our time (or money).

Instructor: On an **individual** basis, students create an agree/disagree chart about budgets (answering based on their perceptions) for the following statements. Students create or copy the following chart, placing a checkmark by each statement for which they agree or disagree. After completing the chart, students compare their responses with a **partner**, and then the instructor leads a brief **class** discussion on the statements.

Agree	Statement	Disagree
	1. A budget is a record of fixed expenses.	
	2. Interest earned on investments should be considered as part of a budget.	
	3. A budget helps you plan for the fun things in your life, so you can feel good about how you spend your money.	
	4. Flexible budgets are more likely to be followed.	
	5. Budgets aren't necessary to reach your financial goals.	
	6. Savings should be paid first in every budget.	
	7. No one really uses budgets anymore.	
	8. A budget is too much trouble to follow.	
	9. Budgets are too restrictive.	



Students: Create the chart on their **own**, then compare their responses with a **partner**. Then briefly discuss the chart responses as a **class**.

Instructor: Ask the following questions.

- 💰 How did your perceptions of a budget change during this activity?
- 💰 Which of your classmate's responses surprised you? Why?
- 💰 Are you now more or less likely to consider creating a budget for yourself?

Instructor: Distribute the "Values & Spending" handout and ask students to complete them on an **individual** basis. Then graph the class results for the top three categories for each student. If time allows, graph the results comparing male/female responses for the top three values.

Students: Individually complete all of the spending pairs in the exercise and record their answers on their handout.

Instructor: Ask the following questions.

- 💰 What surprises you about the entire group's values?
- 💰 What do the top three values say about your class?
- 💰 If your top three values don't match the group's top three, how does that make you feel?





Student Handout

Values & Spending

We learned in Unit 1 that your values are beliefs or ideas you consider important or desirable. Everyone has values, but everyone does not value the same things equally.

To help you recognize some of your own money values, read the pairs of words below, then circle one value in each pair that would be your first choice in answering the question presented. You must make one choice in each pair.

IF YOU HAD \$50, WHAT WOULD YOU SPEND IT ON?

- | | |
|-------------------------|-------------------------|
| 8. Hobbies | 9. Social activities |
| 5. Church/giving | 5. Church giving |
| 9. Social activities | 10. Personal appearance |
| 3. Clothes | 3. Clothes |
| 1. Savings | 1. Savings |
| 4. Sports/recreation | 5. Church/giving |
| 7. School expenses | 8. Hobbies |
| 3. Clothes | 3. Clothes |
| 2. Food | 2. Food |
| 4. Sports/recreation | 5. Church/giving |
| 5. Church/giving | 6. Car |
| 10. Personal appearance | 7. School expenses |
| 1. Savings | 1. Savings |
| 8. Hobbies | 9. Social activities |
| 7. School expenses | 8. Hobbies |
| 4. Sports/recreation | 4. Sports/recreation |
| 2. Food | 2. Food |
| 8. Hobbies | 9. Social activities |
| 10. Personal appearance | 4. Sports/recreation |
| 2. Food | 3. Clothes |





Values & Spending

(continued)

- | | |
|-------------------------|-------------------------|
| 3. Clothes | 3. Clothes |
| 5. Church/giving | 6. Car |
| 8. Hobbies | 8. Hobbies |
| 9. Social activities | 10. Personal appearance |
| 5. Church/giving | 6. Car |
| 4. Sports/recreation | 4. Sports/recreation |
| 6. Car | 7. School expenses |
| 1. Savings | 1. Savings |
| 9. Social activities | 10. Personal appearance |
| 4. Sports/recreation | 4. Sports/recreation |
| 6. Car | 7. School expenses |
| 10. Personal appearance | 8. Hobbies |
| 10. Personal appearance | 3. Clothes |
| 1. Savings | 2. Food |
| 5. Church/giving | 5. Church/giving |
| 6. Car | 7. School expenses |
| 2. Food | 3. Clothes |
| 1. Savings | 1. Savings |
| 8. Hobbies | 9. Social activities |
| 6. Car | 6. Car |
| 9. Social activities | 10. Personal appearance |
| 7. School expenses | 7. School expenses |
| 6. Car | 7. School expenses |
| 2. Food | 2. Food |
| 10. Personal appearance | |
| 9. Social activities | |





Student Handout

Values & Spending

(continued)

Count all the times you circled Savings and write the total in the space provide below. Do each of the other values the same way.

1. Savings	6. Car
2. Food	7. School expenses
3. Clothes	8. Hobbies
4. Sports/recreation	9. Social activities
5. Church/giving	10. Personal appearance

Now write the item having the highest number in the space next to number 1. If there is a tie, write the items in the order you would choose. The list reflects the items you consider most important in their order of importance. By knowing your values, you can design a personal spending plan that will fit them. The closer your budget fits your values, the easier it will be to follow.

1.	6.
2.	7.
3.	8.
4.	9.
5.	10.

