# BUDGETING FOR INCOME AND EXPENSES SIMULATION:
## 1-Day
### TEACHER SECTION

| Simulation Overview & Objectives | Digital Literacy Tool: Mint  
Est time for activity: 45 Minutes |
|----------------------------------|--------------------------------|

### Overview
While all individuals make decisions on how to spend their money, not all take time to set financial goals and create a financial plan. Creating a budget and tracking monthly income and expenses is one of the best ways to improve your financial well-being. In this simulation, students will use real-world technology and the app (Mint) to follow Scott, his fictitious budget, and his financial transactions to evaluate how Scott is managing his money. By looking at Scott’s budget, students will learn about the components of a budget and how it can work to meet monthly goals. Finally, students will reflect upon their learning outcomes by conducting a short self-analysis about the budgeting process.

### Objectives
1. Explain the purpose of creating a personal budget, also known as a spending plan.
2. List common personal expenses that may appear on an income and expense statement.
3. Analyze a personal budget and make recommendations for improved financial well-being.
4. Reflect upon the learning outcomes and ways to promote the value of creating a budget.

### Helpful Mint Videos
- Introduction and Logging in to Mint: [https://youtu.be/qowo0-5jNYY](https://youtu.be/qowo0-5jNYY)
- Mint Budgeting Video: [https://youtu.be/aLnj75nNSsQ](https://youtu.be/aLnj75nNSsQ)

### Take Charge Today Lesson Connection
<table>
<thead>
<tr>
<th>TCT Lesson 2.2.4</th>
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<tbody>
<tr>
<td>Budgeting for Income and Expenses Simulation has been created as a real-world, hands-on technology activity to accompany Take Charge Today Lesson 2.2.4 titled Income and Expense Statement. If you have not taught this lesson plan, we recommend students are proficient in budgeting concepts described in the section below, “What Teachers &amp; Students Should Know”.</td>
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### DISCLAIMER:
For students to be able to access Mint successfully, they must use the same computer or device every time they access Mint. Otherwise, they will be forced to re-create a new account.
National Standards

- Jump$tart National Standards in K-12 Personal Finance Education: Spending and Saving
  - Standard 1 - Develop a plan for spending and saving.
  - Standard 2 - Develop a system for keeping and using financial records.
- Council for Economic Education (CEE) National Standards for Financial Literacy
  - Standard II: Buying Goods and Services
- National Business Educators Association (NBEA) Standards: Managing Finances & Budgeting
  - Develop and evaluate a spending/savings plan.

Supplies

<table>
<thead>
<tr>
<th>Basics:</th>
<th>Supplemental:</th>
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</thead>
<tbody>
<tr>
<td>1. Teacher Section</td>
<td>1. Device per student</td>
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<tr>
<td>2. Student Section</td>
<td>2. Print copies or digital copies of the Student</td>
</tr>
<tr>
<td>3. Student Simulation Worksheet</td>
<td>Guide &amp; Worksheet</td>
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<tr>
<td>4. Optional Student Resource</td>
<td>3. Sticky Note, Index Card or half sheet of</td>
</tr>
<tr>
<td>5. Answer Key</td>
<td>paper to create an Exit Slip per student</td>
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What Teachers & Students Should Know

**Before starting the Mint activity, teachers and students should know the following:**

1. Individuals make a spending plan, also referred to as a budget, to help identify income and expenses to track where their money is going and meet financial goals.

2. The formula for budgeting using an income and expense statement is:
   - a. Income **minus** Expenses **equals** Net Gain/Net Loss

3. Since both income and expenses can vary month to month, an effective spending plan should be managed and analyzed on a regular basis.

4. By creating and maintaining a budget, individuals can work toward achieving their financial goals.
What Students Will Do | Teaching Instructions & Time to Complete

Students will do the following in this activity:

1. Go to Mint or Mint.com.
2. Log on using directions from the Step-by-Step Guide to access Mint as the fictional user Scott.

Upon logging into Mint:

1. Direct students from the Dashboard to the following tabs:
   a. Trends
   b. Transactions
   c. Budgets
2. Explain to students that Mint software attempts to record transactions into categories and also create a few basic major budget areas with budget limits (goal). But:
   a. Sometimes the transactions are categorized incorrectly.
   b. The Mint user must add additional budget areas.

The following timeline is recommended for carrying out this activity with students:
- 2 minutes to read scenario about the Mint profile.
- 5 minutes for guided demonstration of Mint and the Budgets and Transactions tabs.
- 25-30 minutes for students to explore Mint and complete the worksheet.
- 5 minutes for closing and check for understanding.

Assessing Learning | Exit Slips, Quizzes, Worksheets, & More

By exploring Mint and answering the worksheet questions, students will be exposed to real-world financial tools. To assess student learning, an exit slip with a reflection question is included at the end of the student worksheet. Use of this formative activity may allow the teacher to check for understanding and/or have a follow-up discussion.

Expanding Student Learning | Mint & TCT Lessons Continued

Listed below are five additional simulations connected with Take Charge Today lesson plans:

1. Budgeting for Income & Expenses Simulation: 3 Days
2. Finding your Net Worth Simulation *(coming soon!)*
3. Comparing Savings Accounts Simulation
4. Analyzing a Credit Score & Report Simulation
5. Evaluating Credit Card Offers Simulation