



## BUDGETING FOR INCOME AND EXPENSES SIMULATION: 3-DAYS TEACHER SECTION

<b>Simulation Overview &amp; Objectives</b>	<b>Digital Literacy Tool:</b> Mint <b>Est time for activity:</b> 90 – 120 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 the best ways to improve your financial well-being. In this 3-part simulation, students will use real-world technology and the app (**Mint**) to follow Scott and his fictitious budget and financial transactions. In Part 1, students will get to know Scott and look at individual transactions. In Part 2, student will use Mint Trends to draw conclusions and analyze the spending. In Part 3, students will create a budget for Scott. Finally, students will reflect upon what they learned through 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 Video

- Introduction and Logging in to Mint: <https://youtu.be/qowo0-5jNYY>
- Mint Budgeting Video: <https://youtu.be/aLnj75nNSsQ>

<b>Take Charge Today Lesson Connection</b>	<b>TCT Lesson 2.2.4</b>
--	-------------------------

**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 & Students Should Know”.

### 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.

<b>National Standards</b>	
---------------------------	--

- 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.

<b>Supplies</b>	
-----------------	--

**Basics:**

1. Teacher Section
2. Student Section
3. Student Simulation Worksheet
4. Optional Student Resource
5. Answer Key

**Supplemental:**

1. Device per student
2. Print copies or digital copies of the Student Guide & Worksheet
3. Sticky Note, Index Card or half sheet of paper to create an Exit Slip per student

<b>What Teachers &amp; Students Should Know</b>	<b>Developing Conceptual Understanding</b>
---	--

**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. Part 1 - Transactions
  - b. Part 2 - Trends
  - c. Part 3 - Budgets
2. Explain to students that at various times students will be redirected from one of the three above tabs to one of the others.

**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 tabs.
- 25-30 for each of Part 1, 2 and 3. (75 – 90 minutes total)
- 15-20 minutes for conclusion 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, a conclusion is included with open-ended questions. 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 & Expense Simulation: 1-Day
2. Finding your Net Worth Simulation (*coming soon!*)
3. Comparing Savings Accounts Simulation
4. Evaluating Credit Card Offers Simulation
5. Analyzing a Credit Score & Report Simulation