Introduce yourselves!

- Name
- School
- Grade

“Welcome to the Financial Literacy Introduction Program, known as FLIP, at [insert YEI branch], presented by the Youth Economics Initiative! The goal of this program is to introduce basic financial literacy concepts in an engaging and hands on manner. FLIP is an initiative started by the YEI in the Summer of 2020. This curriculum was curated by the National FLIP Leadership Team. ”

Agenda: “Today we are going to be going over budgeting, namely: where you should budget, how you should budget, and how to do so effectively.”

Lesson

Budgeting: “Open prompt, where should we budget?” Write down their ideas on a whiteboard. Prompt lightly if stuck. Try to make it fun!

[If virtual: put them in breakout rooms, then bring them back and debrief]

Takeaways: “We should budget for food, insurance, luxury, emergency funds, housing, utilities, cars, loans.”

Budgeting Activity (Activity Source: thefep.org)

Tell everyone they have $200 and they have to live off it for a week till they get their next paycheck- they can spend or save it. Give them 5 minutes to decide how to use the money and remind them to think of all their needs.

After that time, ask for things people bought. If individuals run out of things to say, ask about who bought food. Gently remind those who didn’t that if they forgot, they would be starving. Also ask about other necessities such as utilities. Attendees may be creative here. Perhaps someone decided not to pay much for utilities by minimizing consumption. Congratulate them if they found ways to save.

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After this discussion, tell everyone they received their paycheck so they all have another $200. Again, tell them they have 5 minutes to decide how to use it and then they should be receiving their next paycheck.

After 5 minutes, quickly debrief. Then tell them, “Sorry folks, you just lost your job.” At this time, ask who remembered to have savings and congratulate them for being the ones who will be able to survive the week by using their savings.

Debrief the activity briefly. Ask attendees about what they learned or maybe about tricks they have to share with others on how to save.

Buying smartly is a very important aspect of saving money in the long term, as small things add up. If you save $5 each time you go shopping, and shop 70 times in a year, you just saved $350! Go buy yourself a new XBox! Just kidding, don’t.

Takeaways:

A commonly practiced budgeting rule is the 50/30/20 Rule, which stands for: Needs, Wants, Savings + Debt. **Always calculate your budget based on post-tax income. There is no good budget for everyone.**

Now that we’ve answered where to budget and gotten some rough ideas on how to budget, let's consider how we are actually going to set up our budgeting and track it.

Crowdsource ideas on how to track budget, before providing some examples on the slides that are also going to be on their handout.

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