Diving Into Spending Plans
Answer Key

Diving Into Spending Plans note taking guide 2.15.1.L1:

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>Fundamental belief or practice about what is desirable, worthwhile and</td>
<td>Answers will vary</td>
</tr>
<tr>
<td></td>
<td>important</td>
<td></td>
</tr>
<tr>
<td>Need</td>
<td>An essential item required for life</td>
<td>Food, water, shelter</td>
</tr>
<tr>
<td>Want</td>
<td>Something unnecessary but desired</td>
<td>Answers will vary</td>
</tr>
</tbody>
</table>

A spending plan is: a financial statement individuals can use to assist with money management.

Spending plans help people:
- Track income and expenses
- Meet financial goals
- Live within their income

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<tr>
<td>Income</td>
<td>Money that is earned</td>
<td>Wages/salaries, tips, interest earned on savings accounts, monetary gifts</td>
</tr>
<tr>
<td>Expenses</td>
<td>Money that is spent</td>
<td>Entertainment, food, housing, insurance</td>
</tr>
</tbody>
</table>

Describe what you learned by playing Spending Plan Shake-up.  
Answers will vary

How can you apply what you learned to your life?  
Answers will vary
Spending Plans 101 worksheet 2.15.1.A1:

1. D
2. E
3. A
4. C
5. F
6. B
7. A spending plan is a financial statement individuals can use to assist with money management.
8. The benefits of creating a spending plan include giving a person an understanding of where their money is going, tracking income and expenses, helping a person to meet financial goals, and helping people live within their income.
9. Housing, transportation, food, insurance, utilities, clothing, savings and other. It is necessary to make a list of all expenses in order to create an accurate spending plan and manage money effectively.
10. – 13. paycheck, winning the lottery, putting money into a piggy bank, birthday money
14. – 17. rent/house payment, groceries, internet bill, utilities, hobbies, car repairs, clothes, MP3’s, using savings to buy a skateboard