

NAME: _____

DATE: _____

ACTIVITY

Budget Components

What + Why: Learn what information a budget contains so it can actually help you make decisions.

People have a lot of different ideas about what a budget is (and what it isn't). In this activity, you'll sort statements and components based on what you think belongs in a budget and what does not.

Instructions:

1. Work with your partner to sort the budget statements into "What a Budget IS " and "What a Budget Is NOT."
2. Then, sort the budget elements into "What IS in a Budget?" and "What Is NOT in a Budget?"
3. Describe a budget in your own words based on your sorting.

Be ready to explain your choices and share your definition of a budget.



What a Budget IS	What a Budget Is NOT

Budget Statements Bank

A plan for how money will be used

A punishment for spending money

A list of what you wish you spent

A way to tell money where to go
before it's spent

Something that only adults use

Built around real income and real expenses

Something that can change over time

Something that works perfectly the
first time

A guarantee that nothing unexpected
will happen

Used to support priorities and goals

A rule that can never be adjusted

Helpful even when income is limited

Only about cutting out fun or enjoyment

What IS in a Budget	What Is NOT in a Budget

Budget Statements Bank

income	expenses that exceed available funds	financial goals
emotional spending	savings	planned charitable donations
wishful thinking	purchases not assigned to a category	guesswork
fixed expenses	debt repayment	unplanned borrowing
variable expenses		

Describe a budget in your own words based on your sorting.

A budget is: