

Budget Maker

A budget means keeping track of how to spend and save money to meet a goal. So, why do you need to budget? Let's say you want to buy something, but it costs more money than you have. Or your troop has money to spend from Girl Scout Cookie™ sales and you have a goal you want to meet. Creating a budget helps you plan to meet your goals. As part of that plan, learn smart ways to spend, save, and share money.

Steps

1. Investigate why you want what you want
2. Practice spend-save-share
3. Learn how to decide what to buy
4. Find out how financial services help people save
5. Build a spend-save-share plan

Purpose

When I've earned this badge, I'll be able to create a budget to save for the things I want and need.



Words to Know

Account: The place in a bank or financial institution where someone's money is held. Accounts each have a unique set of numbers that match up with the person who opened the account.

ATM: "Automated teller machine." This machine lets customers make deposits or withdrawals from a bank account and check their balance.

Balance: The amount of money in an account.

Bank: A place that looks after people's money and keeps it safe.

Brainstorm: A fun word that means coming up with new ideas and different ways to solve a problem.

Budget: A plan for how to use money for a certain length of time to meet a goal.

Deposit: Putting money into an account.

Essential: Extremely important or necessary.

Feedback: What someone thinks of another person's ideas.

Financial institution: A company that manages money, such as a bank, savings and loan, or credit union.

Goal: Something a person wants to do, be or have. It can also mean what a person plans to do with the money they earn.

Influence: Persuade or sway—the power to change how a person thinks or acts.

Interest: When a person deposits money in a savings account, that money earns more money, called interest.

Needs: The things people must have to stay healthy and be safe, like clothing, housing, and medical care.

Savings: Money that is not spent and has been set aside to use later.

Survey: To collect information.

Wants: The things people would like to have but can live without.

Withdraw: Taking money out of an account.

Step 1: Investigate why you want what you want

Sometimes it's hard to tell the difference between what you need and what you want. Advertisers create exciting commercials or images to convince you that you need what they are selling. Or you might think you need something because your friends have it. But the things you need are essential to keeping you safe and healthy, like water, food, and clothing. Think about what makes you want something you may not need.

Choices—do one:

Analyze what you own. Think of five things you own and write them down on separate index cards. They could be things like a backpack, lunch bag, sneakers, jacket, tablet, video game player, or reusable water bottle. Line up your cards on a table or floor from the items you need most to the items you need least. Then consider each item. What inspired you to want it? Do you need it? How do you know? Do you use it often? Do you think you'll still need it a year from now? Share your results with a friend or family member.

Role-play money and happiness. With friends, break into groups to act out these three scenes. In each role play, show how these scenes can make people happy. Group 1: Buy an experience. (This might be an experience like a camping trip, ticket for a roller coaster ride, or day at an arcade.) Group 2: Buy a small treat. (This might be a hot chocolate on a cold day or a sticker to add to a backpack.) Group 3: Spend on someone else. (This might be a gift for a family member or donation to charity.) How is each of these experiences different? How do you feel paying for them?

Do a survey. Collect information from at least five people in different places, like your school or Girl Scout troop. Ask what they think are three trendy or popular items, a brand of sneakers or the newest phone. Put the lists together and check off any items you'd want, too. Did the people you surveyed influence what you want? Did something else inspire your picks? Do you think you'll still want these items 2 or 3 years from now?

Step 2: Practice spend-save-share

Spending is for things you need to buy right now, or for smaller things you want. Saving is money you're setting aside for a bigger purchase. Sharing is money you plan to use to help others. Do one of these choices to find out how to spend, save, and share.

Choices—do one:

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Make a plan with your troop. On a large sheet of paper, write at the top: Spend, Save, and Share. In a column down the left-hand side, make a list of 10 things your troop wants or needs, like a trip to the zoo or a new first-aid kit. Have an adult help you find out how much each item costs. Then give your group \$50 in play money. Decide together how you'll spend, save, or share the money. Will you spend it all on the item you want or need most, or save money to get it or something else later? What can you do to share your money?

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Create spend-save-share jars. Decorate three different jars for spend, save, and share. Now imagine you need school supplies that cost \$10. You have \$20 in play money to spend. How will you divide the money in your jars? Give your family member or friend the same play money and school supplies budget and see how they would divide the money. Why did you each make the decisions you made?

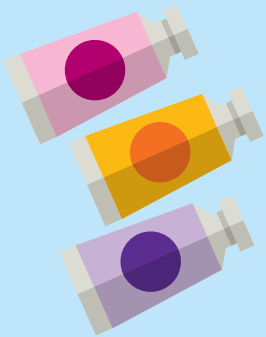
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Plan for the unexpected. From the “Unexpected Expenses” box, write down each item on a separate slip of paper. Put the slips of paper in a container. Now imagine you earn \$10 a week. On top of a sheet of paper, write Spend, Save, and Share: Week 1. Under that, write your goals for that week. Have an adult help you find out how much they cost. Pull out one slip of “unexpected expenses.” How will you need to adjust your budget for week 1? Create a new budget for week 2, but this time you'll earn another \$10. Take the same steps but remember to carry over any money and goals you have from week 1. Keep going for as many weeks as you want. What did you learn about dealing with spending issues that might come up unexpectedly?

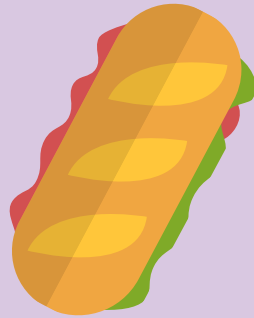
Unexpected Expenses

These are things you spend money on but didn't really plan for.

Write these examples down on separate slips of paper, or cut these out to play "Plan for the Unexpected":

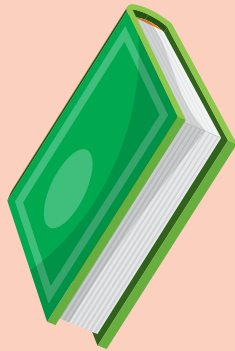


It's a family member's birthday and I need to spend \$4 on supplies to make something.



I forgot to bring my lunch to school, so I had to buy food for \$5.

I found a book I'd been wanting to read and bought it for \$5.



I spent \$10 to get new headphones to replace the ones I broke.



My friend didn't have enough money for bus fare, so I gave her \$2.



I need to save \$25 to buy a pair of soccer cleats.

Pro or Con?

Pro	Con	
<input type="radio"/>	<input type="radio"/>	I want this item but don't need it.
<input type="radio"/>	<input type="radio"/>	This item will make my life easier.
<input type="radio"/>	<input type="radio"/>	I have enough money to buy it and would still have enough left in my savings.
<input type="radio"/>	<input type="radio"/>	I don't have enough money right now to buy this item.
<input type="radio"/>	<input type="radio"/>	I want it because I like to get the newest thing and my friends have it.
<input type="radio"/>	<input type="radio"/>	I need this item to replace one that is not working well or is broken.
<input type="radio"/>	<input type="radio"/>	The item isn't on sale.
<input type="radio"/>	<input type="radio"/>	The item is on sale and is at a good price.
<input type="radio"/>	<input type="radio"/>	I haven't compared the item to other models and brands.
<input type="radio"/>	<input type="radio"/>	I haven't checked to see if other people are satisfied with this item.
<input type="radio"/>	<input type="radio"/>	I've done research about this item and know that it's a good value.
<input type="radio"/>	<input type="radio"/>	I can borrow this item from a friend or neighbor.
<input type="radio"/>	<input type="radio"/>	I will use this item all the time.
<input type="radio"/>	<input type="radio"/>	I will feel happier when I have this item because:
<input type="radio"/>	<input type="radio"/>	I might regret buying this item because:

Step 3: Learn how to decide what to buy

“Buyer’s remorse” is the disappointment people sometimes feel after buying an item. Often, they were influenced by the media or peers, or they’ve convinced themselves that they really needed something—like the latest device or hottest sneaker—only to later discover that it wasn’t all that great or worth the cost. If you think through your reasons for buying something, you can end up feeling happier about your decision to purchase or not purchase.

Choices—do one:

Visit a store. Start by picking an item you need or want that comes with different options at different prices, such as a pair of shoes or a computer. With an adult, go online or to a store to compare two or three versions. Find out what makes them different and how that affects the price. Being more informed about the available options makes it less likely we will purchase something spontaneously and regret it later.

Figure out the pros and cons. When people make a big decision, they often list the pros and cons. This means listing the advantages (pros) and disadvantages (cons) to help decide. With your friends, think about one big-ticket item to buy. It could be a new trendy jacket, a bike, or a magic set. One by one, read out the statements in the “Pro or Con?” box. Then say whether it’s a pro or con and why. Continue until you’ve finished all the statements. Did everyone agree on the choices? Did these questions change how you would think about making future purchases?

Find out what other people think. Think of an item you want to buy. It could be something for you or your troop. Then, with an adult, go online to find out what customers who bought your product say about it. What kinds of complaints did they have? What did they like about it? If possible, interview someone who knows about the item you want to buy. It might be an older sibling or someone who sells your item. Ask questions like: What product (model) is best for me? How can I find the best price? Are there any downsides to buying this product? Are parts expensive to replace? Is an improved model coming out soon so I should wait?

Step 4: Find out how financial services help people save

It's never too early to start saving money. A bank or other financial institution is a place that looks after people's money and keeps it safe. When people put money in a bank or financial institution, it's called a deposit. Money in a savings account can earn interest. The sooner someone starts to save money, the more they'll have for things they want in the future! It can be tempting to spend money if it's in your wallet. Having it in a bank can help you take your time when making decisions.

Choices—do one:

Talk to a financial expert. Have an adult help you set up an in-person or video chat with a banking or financial services professional. Make sure they know you are learning about finances and only seeking information. Ask them for details about savings plans. Are there special plans for people just starting to save? Find out how people can borrow money and what interest means.

Watch a video. With a friend, write questions you have about how banks and other financial services can help people save money. Then, with an adult, watch a video about banking and financial services to see how many of your questions you can find answers to.

Use an interest calculator. When you deposit your money in a savings account, your money earns more money, called interest. See how far your money would go if you deposited it in a savings account. With an adult, find a simple interest calculator online. Decide how much you want to deposit and how many years you want to save. Imagine you would earn 0.50% interest yearly and see how your money would grow over time. What happens when you add more money to the savings account?

Bank Business

Why does putting your money in a bank save money?

Because it's in a safe place, earning interest.

What is interest?

When you deposit your money into a savings account, your money earns its own money, called interest. The financial institution or bank pays you this interest because you've put your money into a savings account with them. They know it helps to encourage you to keep saving because your money is earning interest!

How do people deposit cash?

People go to a bank, financial institution, or ATM to deposit money. They may fill out a deposit slip that says the amount of money they are putting in and the account number. The teller (or machine) puts the money into the account and gives a receipt.



Do you want tips on how to build a business?

Earn one of the Cookie Business badges for Girl Scout Juniors! Then try what you learn for your own business idea by earning the Junior Business Jumpstart badge!



My Cookie Team



Cookie Collaborator



Business Jumpstart

Step 5: Build a spend-save-share plan

Now that you understand how spending, saving, and sharing works, plan for something you want or that your troop wants.

Choices—do one:

Make a plan for your cookie money. Make a group decision about how to use the money you and your troop earn selling cookies. Start by brainstorming your troop needs and wants. Make sure everyone knows there are no bad ideas! Write your list on a board and divide into spend, save, and share. Spend is what you'll use the money for now, save is for something in the future (such as a troop trip), and share is what you plan to donate or use to help your community. Create a budget so you can track your spending and savings to meet your goals.

Plan for something you want or need. Come up with at least one item that you or your family needs. Then work together to come up with a budget that will let you save for it. It doesn't have to be something you really buy, but plan for it anyway. Ask your family how you can set aside money for sharing, like to help donate to others.

Look into your future! Imagine yourself 10 years from now. What 10 items do you think you'll need daily? You might be driving, so will you need a car? Will you need a briefcase, purse, or backpack to carry your things? Come up with a list and create a spend-save-share budget for your future self.





girl scouts

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Volunteer's Guide to the Budget Maker Badge*

Find tips and ideas to help guide your troop through this badge.

Note to volunteers: There are many free online tools and video resources for financial literacy. Start by checking out the FDIC's index for resources.

Step 1: Investigate why you want what you want • 30–40 minutes

Ask: What makes you want to buy something?

Share: It can be hard to tell what you need and what you want. What makes you want something you may not need?

Choices—do one:

- **Analyze what you own.** Give each Junior five index cards to write items they own and line them up from what they need the most to the least. Ask Juniors to share their results with the group. Encourage them to explain why they have the item and how they picked their order.

Materials: *index cards, pens, or pencils*

- **Role-play money and happiness.** Ask Juniors what experiences or purchases have made them happy. Then divide them into three groups to role-play different scenes: 1) Buy an experience (maybe a camping trip). 2) Buy a small treat (like a hot chocolate on a cold day). 3) Spend on someone else (perhaps a gift for a family member or a donation to charity). When they're done, have them share how they felt.

Materials: *paper and pens to plan role-play, props as needed*

- **Do a survey.** Have each Junior interview two others in the meeting room. Tell them to find out three trendy or popular items someone else would want to own. Then have them put their lists together and check off items they'd want, too. Ask them if the people they surveyed influenced their decisions about what they wanted.

Materials: *paper, pens*

Step 2: Practice spend-save-share

• 30–40 minutes

Ask: What do you think it means to spend, save, and share?

Share: Spending is for things you need to buy right now, or

for smaller things. Saving is setting aside money for a bigger purchase. Sharing is using money to help others.

Choices—do one:

- **Make a plan with your troop.** On a whiteboard or large piece of paper, write on top: Spend, Save, and Share. Have the group brainstorm ten things the troop wants and needs. Write their list on the left-hand column and estimate the costs. Give the group \$50 in play money and have them decide how they'll allocate it. Will they spend most of it on one item? What will they save for? How can they share their money? Encourage the troop to always set aside money for sharing.

Materials: *whiteboard or large paper, markers, play money*

- **Create spend-save-share jars.** Have Juniors decorate three different jars for Spend, Save, and Share. Now ask them to imagine that they need school supplies that cost \$10. Give them each \$20 in play money to spend. Tell them to place their money in their jars, whatever way they decide. Have them share their reasons.

Materials: *three jars with lids, paint or markers to decorate glass jars, stickers (optional), play money*

- **Plan for the unexpected.** Prepare ahead by writing or cutting out the scenarios from "Unexpected Expenses," folding them, and putting them in a container. Have Juniors prepare their Week 1 Spend-Save-Share papers with their goals for that week. Remind them that they're earning \$10 a week. Help them estimate how much their goals would cost that week. Ask one Junior to pick a paper out of the container and read it out loud. Have the troop adjust their Week 1 budget according to the scenario. Repeat for several weeks. Ask Juniors to share what they learned about dealing with unexpected spending.

Materials: *paper, pencils, erasers, "Unexpected Expenses," container*

Step 3: Learn how to decide what to buy • 20–30 minutes

Ask: Have you ever bought something but realized you

*Detailed choice activities, meeting tools, and additional resources and materials can be found within the Volunteer Toolkit on my.girlscouts.org.

wanted something else, or ever regretted a purchase?

Share: “Buyer’s remorse” is the disappointment people sometimes feel after a purchase. Often, they’ve convinced themselves they really needed something, only to later discover that it wasn’t truly necessary or worth the cost. Being more informed about the available options makes it less likely we’ll purchase something spontaneously and regret it later. Find out how to decide what to buy.

Choices—do one:

- **Visit a store.** Have Juniors come up with a product they want to explore. Then plan a field trip to a department store or mall or help Juniors visit an online marketplace. Have them compare two or three versions of their item and take notes. Ask: why do you think one brand is less expensive than another? Do you see any deals?

Materials: *paper, pens; computers, smartphones, or tablets (optional)*

- **Figure out the pros and cons.** Have Juniors pick one big-ticket item. Then read the “Pro or Con?” statements from the badge booklet one by one. Have them show an action to mark if they think the statement is an advantage or disadvantage for their purchase. Did everyone agree? Find out if the statements changed how they look at buying things. Are there other things they would consider before buying?

Materials: *“Pro or Con?”*

- **Find out what other people think.** Have the group decide on an item to buy. Guide them to a marketplace website that sells their item. Have them read customer reviews and note the most helpful feedback. If possible, invite a salesperson to the meeting—if the group wants an archery set, for example, invite a sports retailer. Juniors can ask: What product (model) is best? How can we find the best price? Are there any downsides?

Materials: *Computers, smartphones, or tablets*

Step 4: Find out how financial services help people save • 20–30 minutes

Ask: Have you ever saved money? How did you do it?

Share: Financial institutions are places that look after people’s money and keep it safe. When people give money to a bank or other financial institution, it’s called a deposit. The sooner someone starts to save money, the more they’ll have for things they want in the future!

Choices—do one:

- **Talk to a financial expert.** Arrange a chat with a banker or financial services person. Have Juniors ask how

savings plans work, if there are plans for people just starting to save, how people borrow money, and what interest means.

Materials: *none*

- **Watch a video.** Share “Bank Business” with the group. Ask if they’ve ever been inside financial institution. Have them think of questions about how banks and other financial services help people save money. If available, screen a kid-friendly video online about how financial institutions work.

Materials: *“Bank Business;” pens; paper; computers, smartphones, or tablets (optional)*

- **Use an interest calculator.** Find a simple interest calculator online and divide Juniors into groups. How much do they want to save and for how long? Help them calculate interest of 0.50%. Encourage them to try different scenarios, such as adding more money each month.

Materials: *pens; paper; computers, smartphones, or tablets*

Step 5: Build a spend-save-share plan • 20–30 minutes

Ask: Do you have a purchase in mind for you or the troop? What would you save for?

Share: Now that you understand how spend, save, and share works, plan for something you want!

Choices—do one:

- **Make a plan for your cookie money.** Write Spend, Share, and Spend on a whiteboard or large piece of paper. As Juniors decide on goals for their Girl Scout Cookie™ earnings, have them place each in a column.

Materials: *whiteboard or large piece of paper, markers*

- **Plan for something you want or need.** Have Juniors talk to their families and come up with at least one item that they or their family wants or needs. Make sure to be sensitive to different financial situations in the group. Help them go online to get or estimate costs for the item. Then have them imagine that their family saves \$10 a week in a jar. When will their family have enough? What would they do if they could save money to share with others?

Materials: *computers, smartphones, or tablets (optional)*

- **Look into your future!** Have Juniors discuss what life might be like in ten years. Let them be creative with futuristic ideas. As a group, have them think up ten things they’d want or need for their future selves. Capture their ideas. Try to assign costs for the items then ask how they would spend, save, and share for their future self.

Materials: *whiteboard or large piece of paper, markers*

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