

Managing a Budget: A Look at Your Spending

1. What did you spend money on last month? Brainstorm a list of things and record your answer on the a piece of paper.
2. Arrange the items into categories (e.g., video games, school supplies, clothes, entertainment, food, etc.)
3. Get into a group with four other classmates. Pretend that your teacher has given a selected student in your group an extra \$500 to spend during the next month. The money is in addition to whatever income they may normally have. As a group, determine how the selected student should spend the extra \$500.
4. Complete the budget sheet with your group's final purchase decisions.
5. Illustrate your decision by drawing a pie chart that shows the amount you will spend on each category.
6. As a group, discuss the following questions:
 - a. Was there negotiation?
 - b. Did some students get more what they wanted than others did?
 - c. Is anyone totally satisfied, or not at all?
 - d. Did it make a difference that they all have much in common?
 - e. How would their decisions be affected if they had less in common?
7. Remaining in your group, now pretend that you run your own city. It is your responsibility to determine the city's budget that totals \$500,000. Rank the following items in order of importance to your group:

Rank	Budget	
_____	_____	Parks
_____	_____	Police
_____	_____	Fire
_____	_____	Emergency 911 Service
_____	_____	Garbage Pickup
_____	_____	Office Space Rental
_____	_____	Salaries for City Hall Staff
_____	_____	Special Events (festivals, parades, etc.)
_____	_____	Streets
_____	_____	Insurance
8. After the items are ranked, assign a dollar amount of the \$500,000 budget to each expense. Compare your answers with the other groups.