



E² Entrepreneurship Experience

Lesson 4: Budget/Income & Expenses



Table of Contents

Lesson 4: Budgeting/Income and Expenses	4
Resources	9
Resource 4.1: Roll Call Cards.....	13
Resource 4.2: Snack	15
Resource 4.3 Measurement Tents	16
Resource 4.4 Budget Sheet	19
Resource 4.5 Expense Cards	20
Resource 4.6 Savings Cards	22
Resource 4.7 Donation Cards	23
Resource 4.8 Income Cards	24
Resource 4.9 \$1 Bills	26
Resource 4.10 \$5 Bills	27
Resource 4.11 \$10 Bills	28
Resource 4.12 \$20 Bills	29
Evaluation.....	30

Additional meeting resources can be found in the Appendix at the end of Lesson 1 (4H1098A).



Lesson 4: Budget/ Income & Expenses

Lesson Time: 75 minutes

Materials Needed

- » Numbered sign-in sheets, pencil
- » Hand washing poster
- » Camera for photo opportunities
- » White board or flip chart and markers (optional)
- » 4 to 5 volunteer helpers
- » Roll Call Resource 4.1 and balloons
- » Snack supplies on Resource 4.2

For 4-H Meeting

- » American Flag
- » 4-H Flag
- » 4-H Pledge Banner
- » 4-H Motto

Room Arrangements

- » Tables and chairs for meeting
- » Snack table
- » Lesson/activity table

Overview

An entrepreneur must learn to create a budget and learn to live within the budget. A budget is a spending and saving plan for income and expenses. Income is money that comes from working and other sources. Expenses are the costs of goods and services. Income and expenses (including savings) must equal each other.

1. Objectives

Students will be able to:

- Learn what a budget is.
- Create a budget.
- Understand income.
- Understand expenses.
- Explain a balanced budget.
- Review give, spend, grow/invest, and save.

2. Life Skills

- Positive self-concept; inquiring mind; concern for community; sound decision-making

3. Getting Ready

For a 4-H Meeting

- Prepare the meeting room by displaying the American flag, 4-H flag, 4-H Pledge banner, and 4-H Motto banner at the front of the room. Optional: Read the 4-H Code of Conduct.

For a session with or without a 4-H Meeting

- Have numbered sign-in sheet and pencils at the meeting door entrance.
- Arrange tables, chairs, and supplies for meeting space and activity space.
- Arrange beverage and snack ingredients on separate table.
- Arrange lesson activity supplies on a separate table.
- Have camera available for photo opportunities.

For the Snack Activity

- Prior to the meeting, check health participation forms for food allergies and make adjustments accordingly.
- Prior to the meeting, prepare all ingredients according to snack instructions (Resource 4.2).
- Arrange supplies/ingredients in the center of a table so participants can have access from both sides of the table

beginning with plates, food ingredients, plastic ware, napkins, and beverages.

For Lesson Activity

- Prior to the meeting, gather supplies and print and assemble cards according to instructions under section 9 of this lesson.

4. Open the Meeting

- Tap the gavel twice. “The meeting of the Entrepreneur SPIN Club will now come to order.”

5. Flag Salute

“We will now have the Flag Salute led by _____.”

(Choose someone to stand in front of the group to lead the pledge.) *Tap the gavel three times to stand. When the pledge is completed, tap the gavel one time to have the group sit.*

6. Roll Call

“We will now have a “popping” good time with roll call.

Everyone will receive a blown up balloon that contains a slip of paper inside that will determine your career or job for today. You will take your balloon and sit on it to pop it and then read the career or job written on your paper. You will answer your roll call by saying ‘My career or job for today is...’ Remember to use a complete sentence when you answer roll call.”

After everyone has answered roll call with their job or career assignment, talk about the following:

Encourage youth to address you as the chair when wanting to answer questions. Say, **“To practice our meeting etiquette, remember that you must be recognized by me before answering a question. You will need to stand up and say, ‘Madam or Mr. President,’ and then wait to be recognized, and then state your response.”**

“You were assigned a career or job during our roll call. Can anyone explain the difference between a Career and a Job?”

- Give the participants an opportunity to express what they think a Career and a Job are, and then give the explanations.

Say, **“A Career is an area of work that an individual chooses to concentrate on. A Job is not an area of work they choose to concentrate on. You can build a career over time based on the jobs you’ve held. A job can be a career and a career can be a job. You can turn a job into a career. It all depends on the individual. A Career usually requires specific training, goals, and a long-term commitment in one specific field. Sometimes people can be defined by their careers and make life decisions revolving around them. The most important point about a Career or a Job is that you enjoy what you do and love making a difference because of what you do!”**

- Give the participants time to respond making sure that

American Flag
Gavel

Prepare balloons prior to the class session
using Resource 4.1

Chair

E² Budget Crunch Snack

Resource 4.2 – Snack Ingredients

Resource 4.3 – Measurement Tents

Measuring Cups

Measuring Spoons

Bowls

Brown Lunch Sacks

Resource 4.4 – Budget Sheet

Resource 4.5 – Expense Cards

Resource 4.6 – Savings Cards

Resource 4.7 – Donation Cards

Resource 4.8 – Income Cards

Resource 4.9 – \$1 Bills

Resource 4.10 – \$5 Bills

Resource 4.11 – \$10 Bills

Resource 4.12 – \$20 Bills

Copy and cut out the sheets of play money or use purchased play money.

Pencils

they address the chair and are recognized. Make sure that all Careers and Jobs are presented with equal importance so that no one is offended, taking into consideration Jobs and Careers of parents of participants.

7. Snack Activity

“Before we begin to make our snack, it is always important to practice food safety. Everyone will need to wash their hands before we begin.”

- Hold up hand washing poster and briefly talk about proper hand washing. Escort participants to restrooms, encouraging them to wash their hands properly. Escort back to meeting area.

“Today you are going to create your snack from the ingredients on the table, but you will need to make some choices and decisions to fulfill a budget. Cards are placed next to the food ingredients that indicate the amount that you can take. You will be limited or ‘will have a budget’ of no more than 5 ingredients. After everyone has created their snacks, we will discuss your choices and decisions. Please be respectful of others in our group making sure you only take the amount that is indicted.”

“Once you have placed your ingredients in your bag, pick up your napkin and drink also. While you are eating your snack, I will ask you to stand and explain the choices you made for your snack and whether you were able to get everything that you wanted. If not, why were you unable to get all of the ingredients that you wanted.”

- Give participants a little time to create their snack and then begin having them share their snack choices with the group. Those who went through the line first can begin sharing while others are finishing to save time.

8. Talking Points During Snack

“When you created your snack, you had to make choices and were limited to only 5 ingredients even though there were other ingredients available. How did it make you feel when you were limited to what you can take?” Allow participants to respond.

“This activity is similar to making a budget balance. You were limited to the number of ingredients that you could put in your snack mix because that was the amount that you were allowed. You can’t spend more or have more expenses than you have income. A Budget is a spending and saving plan that shows your income and expenses. Income is money that comes from working and other sources. An expense is money spent on goods and services. Income and expenses must equal each other. If your budget is not balanced, how could you solve that problem?” Allow participants to respond, then explain. **“A budget can be balanced by either reducing expenses or increasing income.”**

“When you are finished with your snack and drink, please clean up your area and walk over to the table for our lesson activity.”

9. Entrepreneur Lesson Activity

“Our lesson activity for today involves earning and spending money. Everything in life is about making decisions. Every expense budget will include these four items:

- **giving**
- **spending**
- **growing/investing**
- **saving”**

Hand out the Budget Activity Sheet.

“You have received a Budget Sheet with spaces to write your income and expenses as you move through the activity stations. There will be stations for receiving Income, spending money for Expenses, Donating money to charities, and putting money in Savings. You will draw a card at each station. At the Income station, you will be required to do some type of activity to earn your money for Income. (Each income card includes the activity and how much money you will earn from it.) Record your income and expenses on your budget sheet making sure that you don’t spend more money than you earn. You can go to each station more than once. You will notice that everyone has been given \$20 for their savings account for start-up money. One of the tips we learned during our second week session is to ALWAYS SAVE FIRST! You will need to try to balance your budget sheet when you finish the activity. Ask any of the volunteer helpers questions if you don’t understand what to do.”

“Now that you have finished earning and spending money, were you able to balance your budget sheet?”

- Give participants an opportunity to respond and ask questions.

“If you were not able to balance your budget, what could you have done differently to make it balance?”

- Give participants an opportunity to respond and ask questions.

“As an entrepreneur, it is important to create a budget and keep close records of income and expenses in order to be successful.”

10. Sharing

- After everyone has had an opportunity to try to balance their budget, choose several participants to share their earning and spending experiences. What would they have done differently? Was there enough income to cover all their expenses, savings, and donations? Did they remember to save and donate as well as spend the income that they earned?
- Try to call on participants that might not be as vocal as others so that everyone has an opportunity to speak.
- **“If you have any play money left in your Budget Activity Sheet, please return it to one of the volunteers and then please go sit in our meeting space.”**

4-H Flag
Gavel

11. Review Budget, Income and Expense and Key Words

- Budget — a spending and savings plan that lists the income and expenses that a person has.
- Income — money that comes from working and other sources.
- Expenses — money that gets spent on goods and services.
- Balanced Budget — your income equals your expenses.
- Four Banks (uses for your money) —
 - Save - money to be used later on larger items. ALWAYS SAVE FIRST!
 - Spend - money to be used soon on everyday things.
 - Grow or Invest - money that will be used several years from now.
 - Give - money used for gifts to help others.

12. Close the Meeting

Tap the gavel twice. **“The meeting of the Entrepreneur SPIN Club will now come to order.”**

13. 4-H Pledge

“We will now have the 4-H Pledge led by _____.”

(Choose someone to stand in front of the group to lead the pledge.) At the end of the pledge, everyone will shout the 4-H motto — *To Make the Best Better!* *Tap the gavel three times to stand. When the pledge is completed, tap the gavel one time to adjourn the meeting.*

“The meeting is adjourned!”

Savings



Donating



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

Expenses



Income

Work for your money



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

Roll Call Cards

Medical Doctor

Optometrist

Lawyer

School Teacher

Dentist

Diesel Mechanic

Clothing Store Owner

Trauma Nurse

Pro Football Coach

Architectural Engineer

Research Scientist

Military Officer

Accountant

Highway Patrol Officer

Roll Call Cards

Florist

Waiter or Waitress

Grocery Store Clerk

**Small Business Owner
(Entrepreneur)**

School Janitor

UPS Driver

Farmer

Rancher

Secretary

Construction Worker

Minister

Librarian

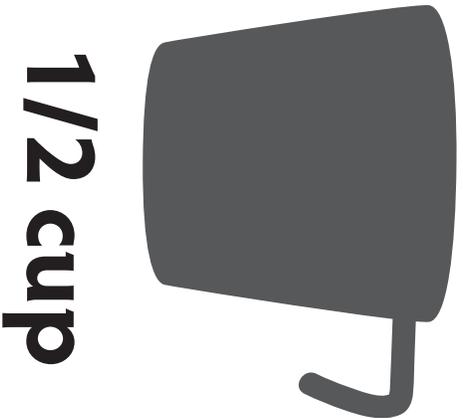
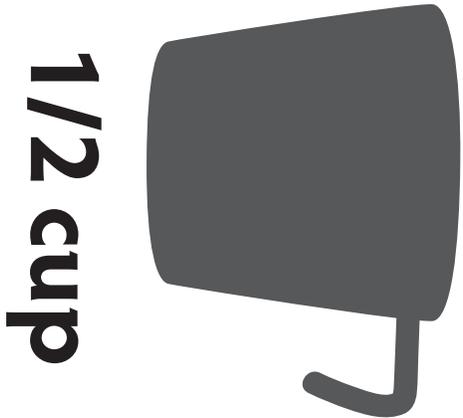
Truck Driver

Bank Teller

E² Budget Crunch Snack

Suggested Ingredients	Suggested Measure	√
Toasted Oat Cereal	1/2 cup	
Corn Chex	1/2 cup	
Goldfish Crackers	1/2 cup	
Small Pretzel Knots	1/2 cup	
Marshmallows	1/3 cup	
Peanuts	1 Tablespoon	
Sunflower Seeds	1 Tablespoon	
Raisins	1 Tablespoon	
Golden Raisins	1 Tablespoon	
Craisins [®]	1 Tablespoon	
Banana Chips	1 Tablespoon	
M&M's [®]	1 Tablespoon	
Corn Candy	1 Tablespoon	
White Chocolate Chips	1 Tablespoon	
Peanut Butter Chips	1 Tablespoon	
Brown Lunch Sacks		
Measuring Cups and Spoons		
Bowls for Ingredients		

Suggested ingredients are listed above. At least 7 to 10 ingredients would be needed for participants to make choices because only 5 ingredients can be selected. Participants will be limited or will have a "budget" of only using the amount indicated. Place measurement table tents next to the ingredients. Brown lunch sacks work well to roll down the top to shake their snack mix after they have their 5 chosen ingredients.

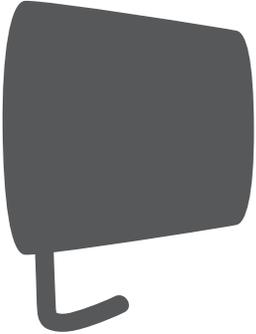




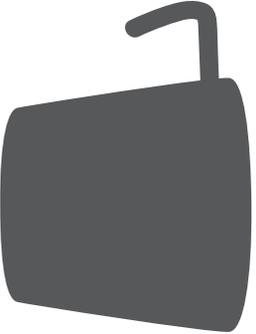
1/3 cup



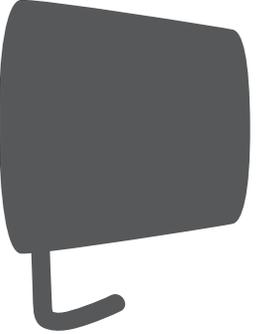
1/3 cup



1/3 cup



1/3 cup



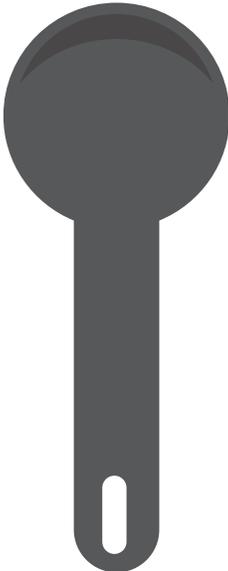
Tablespoon



Tablespoon



Tablespoon



Tablespoon



Expense Cards

Back Pack
\$20

**Movie Tickets &
Snacks**
\$15

**Cookie Dough
Shake**
\$3

Designer Jeans
\$70

Library Fine
\$5

Meal Deal
\$ 5

School Notebook
\$7

Team Shirt
\$40

Video Arcade
\$10

Late Movie Rental
\$4

Expense Cards



Ice Cream Cone
\$3

Necklace
\$8

Lego Set
\$35

Art Supplies
\$18

MP3 Player
\$24

Field Trip Money
\$12

Books
\$9

Board Games
\$17

Pizza
\$7

Bowling
\$7

Savings Cards



Donation Cards



Food Pantry
\$5

Pet Shelter
\$5

Library
\$5

Church
\$5

Angel Tree
\$5

Mission Work
\$ 5

Girl Scout Troop
\$5

4-H Program
\$5

Military Soldiers
\$5

Youth Sports
\$5

Income Cards

Vacuum Carpets
(10 WINDMILLS)
\$ 6

Wash Dishes
(10 PUSH UPS)
\$ 9

Help with the Yard Work
(10 JUMPING JACKS)
\$ 8

Help with the Laundry
(10 TOE TOUCHES)
\$ 7

Wash the Car
(RUN IN PLACE)
\$ 15

Mow the Lawn
(10 HOPS)
\$ 15

Take out the Trash
(10 TWIST AT THE WAIST)
\$ 4

Walk the Neighbor's Dog
(WALK AROUND THE ROOM)
\$ 10

Water Plants
(10 LUNGES)
\$ 5

Pull Weeds
(10 SQUATS)
\$ 8

Income Cards



Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

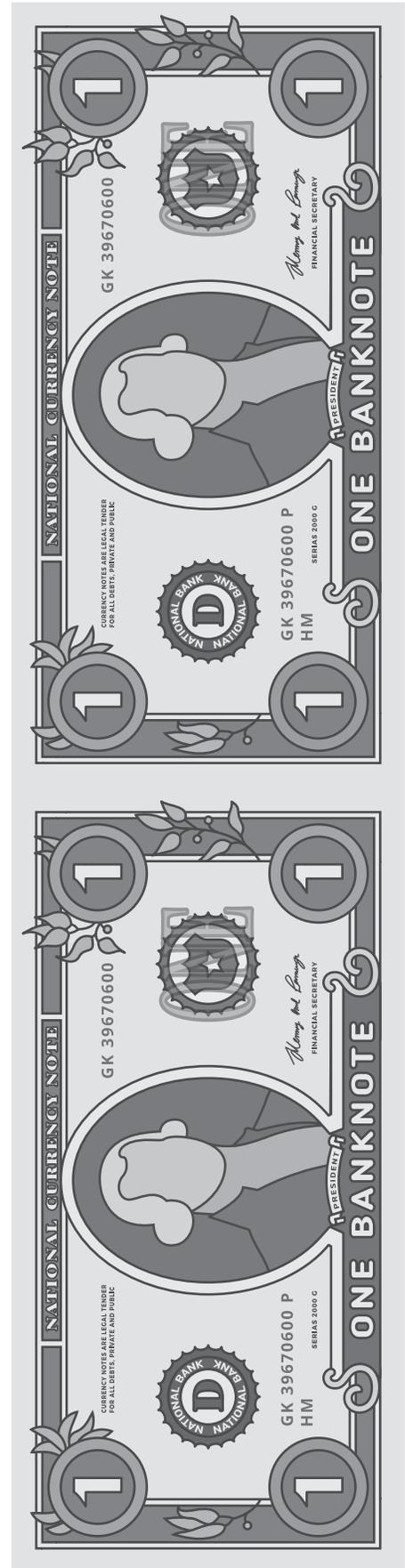
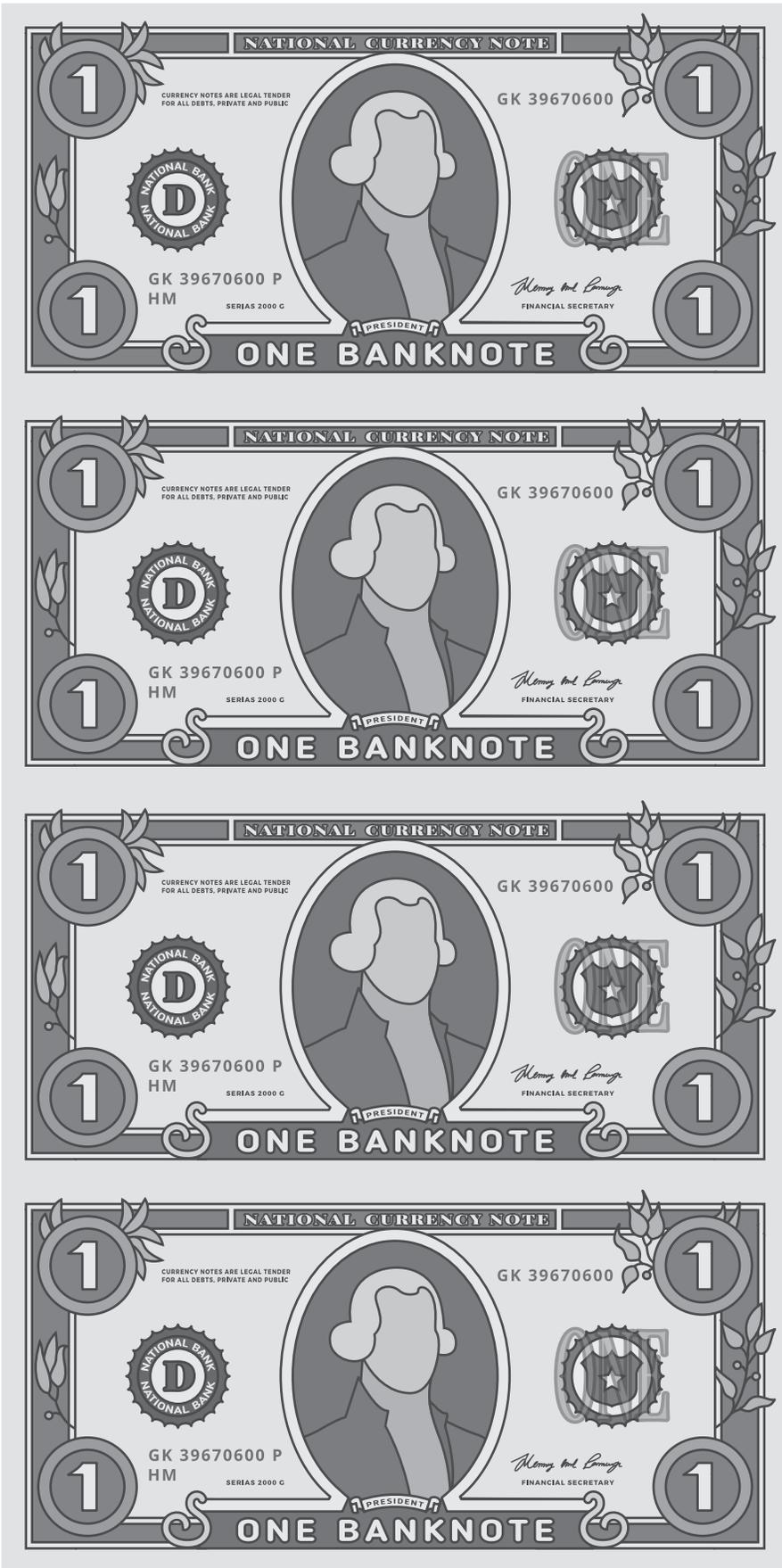
Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

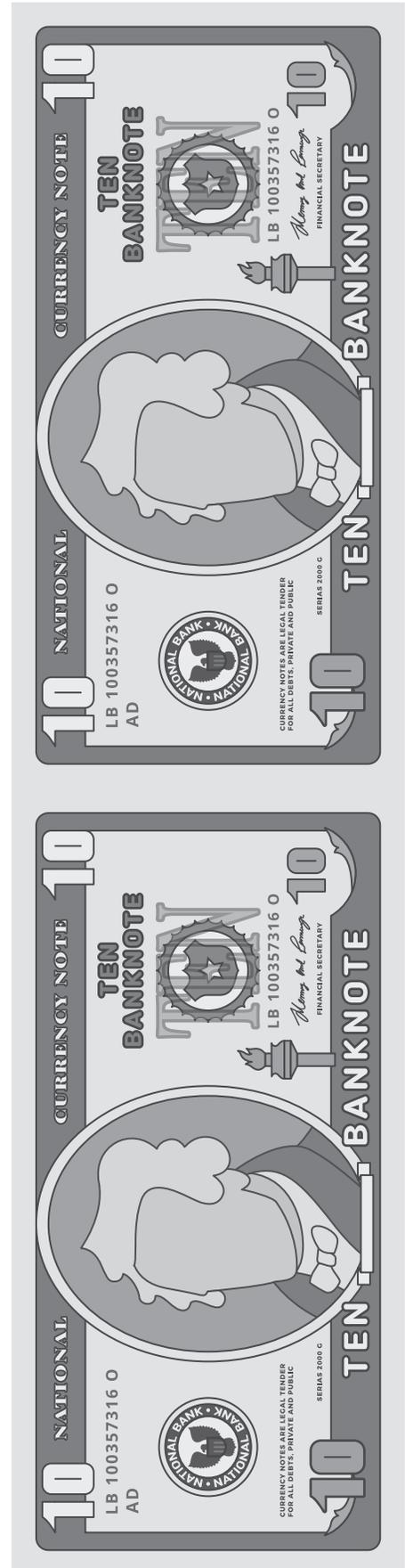
Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10

Help with the Yard Work
(10 JUMPING JACKS)
\$ 10





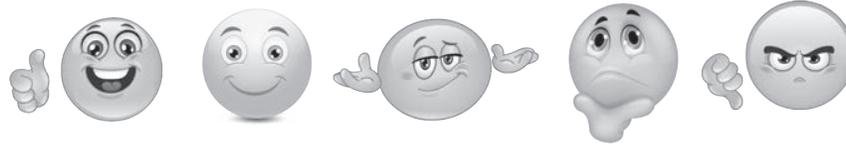




EVALUATION: Budget/Income and Expenses — Lesson 4

Please, **circle** the face that you believe fits each sentence the best.

Key: YES Maybe Yes I Don't Know Maybe Not NO



1. I know what a budget is.



2. I understand what an income is.



3. Expenses are money that gets spent on goods and services.



4. One important thing I learned today:

Dear Facilitator: The number of participants for this lesson: _____

Please, tell us the number of participants who circled each emoji by writing the number (or tally) under each emoji face. Please list any written responses in the last item (#3.)

Facilitator, how might this lesson be improved?

Facilitator, please share any anecdotes that might be insightful and/or indicate a positive impact:

Thank you and, please, send this evaluation form to Sheryl Carson, Extension Agent, at scarson@ksu.edu; or Thomas County Extension at 350 S. Range, Suite 16, Colby, KS 67701. 785-460-4582; FAX 785-460-4583



Publications from Kansas State University are available at:
bookstore.ksre.ksu.edu

Date shown is that of publication or last revision. Contents of this publication may be freely reproduced for educational purposes. All other rights reserved. In each case, credit Nancy Daniels, *4-H SPIN Club E² Entrepreneur Experience: Lesson 4*, Kansas State University, December 2017.

**Kansas State University Agricultural Experiment Station and
Cooperative Extension Service**

K-State Research and Extension is an equal opportunity provider and employer. Issued in furtherance of Cooperative Extension Work, Acts of May 8 and June 30, 1914, as amended. Kansas State University, County Extension Councils, Extension Districts, and United States Department of Agriculture Cooperating, John D. Floros, Director.