

3

50 / 30 / 20

Lesson 2.4.3 · A rule you can carry

I CAN

split income into needs, wants, and saving and giving.

A rule grown-ups use: **50% needs · 30% wants · 20% save and give**. Apply it to three amounts.

INCOME	NEEDS (50%)	WANTS (30%)	SAVE + GIVE (20%)
\$10			
\$20			
\$50			

Does it fit you?

Which slice feels too big or too small for your life right now? What would you change it to, and why?

Answers and talking points

What a good answer looks like, and one question to ask when the pencils go down.

K-2 Need or Want?

Needs: food on the table, a warm coat, a place to sleep, clean water. **Wants:** a new game, ice cream.

Ask: "Is a coat always a need? What about a fifth coat?" The same thing can be both, and that's the lesson.

3-5 50 / 30 / 20

$\$10 \rightarrow \$5 / \$3 / \$2 \cdot \$20 \rightarrow \$10 / \$6 / \$4 \cdot \$50 \rightarrow \$25 / \$15 / \10 .

Ask: "Which slice would you change, and what would you give up to do it?" Any answer with a reason is a good one.

6-8 Where Did \$177 Go?

Gross pay \$1,200. Social Security \$74.40. Medicare \$17.40. The remaining \$85.20 is federal and state income tax withheld. Net pay \$1,023.

Ask: "Who gets each deduction, and what does it buy Miller?" A student who can name where the money goes stops reading a pay stub as theft.

9-12 The Credit Card Trap

First month's interest is about \$85. The minimum payment is about \$82, so the balance grows and never clears. At \$150 a month it takes about 41 months and roughly \$2,000 in interest. At \$300 a month, about 17 months and roughly \$770. A 0% balance transfer clears it in 18 months at about \$228 a month, plus the transfer fee.

Ask: "Why would a card company set the minimum below the interest?"

Want the rest of the unit?

Each of these comes from a full Financial Foundations™ unit of 10 to 12 lessons, with teacher scripts, family letters and a unit checkpoint. For a free five-day money game your students can play in a browser, try **The \$100 Week™**. Everything is at wealthwisekids.org.