

# Tennessee Studies Weekly

GRADE  
2

LIFE IN THE UNITED STATES

## Planned Saving



“Ouch!” Revere puts on his shoes and finds they are too tight.

His mother tells him he’s grown again and will need new shoes. Rev wants to spend the money he’s saved on a video game. His mother says shoes are important. Rev wants to know how he can have both. His mom tells him he needs a budget. Rev agrees and wants to learn more about budgeting!

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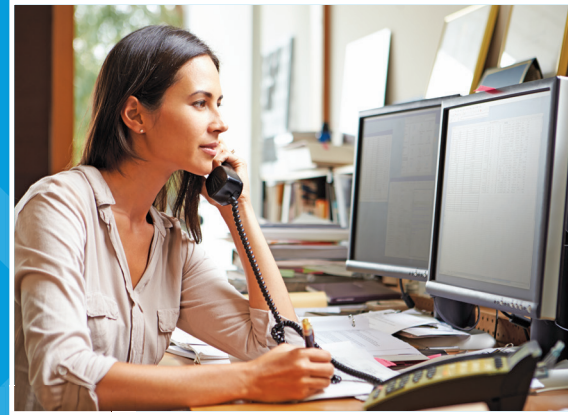


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# Planned Saving

## What is a budget?

When we work at a job, we get paid money. The money we get from work is our income. The things we pay for like food, clothes and our house are expenses.



A budget is how much money we make and how much money we spend. If we spend more money than we make, we have a problem. If we spend less money than we make, we are okay.



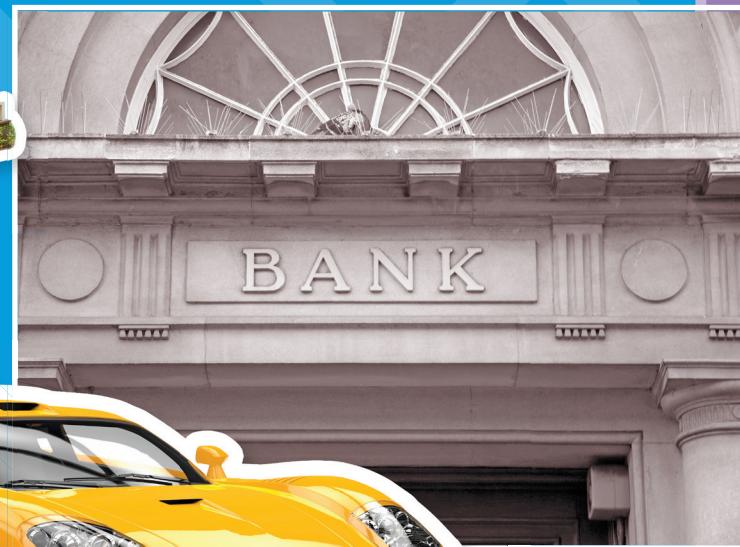
## Planning a Budget

We need to plan our budget. We need to know how much money we make. We need to know how much money we spend. A budget helps us have control over our money. A budget can help us know where our money goes. This way, we can make good choices with our income. We can have peace of mind.



## Saving is the Way to Go!

After planning your budget, you can start learning about saving. If you would like to buy a car in the future, you can start saving money. Saving money is a good idea. When you work and make money, you can save a portion of it in a bank. Banks keep your money safe. If you do this for a while, in time, you will have enough money to buy the car you wanted.





Name \_\_\_\_\_

Answer the following questions.

1. What is a budget?

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2. Why is budgeting important?

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Pretend that you earn \$100 a month. You would like to save \$20 a month. How much money would you have to spend on each item to reach your goal?

| Items                 | Expenses |
|-----------------------|----------|
| Food                  | _____    |
| Clothes               | _____    |
| Shelter               | _____    |
| Video Game            | _____    |
| Chocolate             | _____    |
| Soda                  | _____    |
| <b>Total Expenses</b> | _____    |
| <b>Savings</b>        | _____    |

