

 **BUILDING BLOCKS STUDENT WORKSHEET**

# Including giving in your budget

For some people, giving is part of their budget. Some people have a budgeting rule in which they donate a specific amount of their income to charities they support. Creating your own budgeting rule for donations can help you reach your goals for giving.

## Instructions

- 1 Review the scenario.
- 2 Answer the “Finding a way to give” questions.
- 3 Answer the reflection questions.

## Scenario

Kaia is a veterinarian’s assistant. Her monthly net income is \$1,500. She uses the 50-30-20 rule to create her monthly budget. That means she uses 50 percent (\$750) of her income on needs, spends 30 percent (\$450) on wants, and sets aside 20 percent (\$300) a month for her savings. Kaia loves animals and wants to donate to her town’s animal shelter every month. She has decided to spend less money on her wants so she’ll have money to donate to the shelter. Her parents have a rule in which they donate 10 percent of their monthly net income. She doesn’t earn as much as her parents, so she decided to start by donating less than 10 percent.



Here's what she spends on wants each month:

## Wants budget

Expense	Expense cost
Eating out with friends	\$300
Gym membership	\$45
Movies	\$30
Three video streaming services (\$10 each)	\$30
Manicure at a nail salon	\$25
Video game subscription	\$10
Music streaming service	\$10
<b>Monthly total</b>	<b>\$450</b>

## Finding a way to give

To answer question 1 below, you'll need to calculate how much a percentage is of an amount. First, convert the percentage into a decimal and then multiply that by the amount. For example, to calculate how much 7 percent of 50 is, convert 7 percent into a decimal (.07) and multiply that by 50.

### EXAMPLE

$$7 \text{ percent} = .07.$$

$$50 \times .07 = 3.5.$$

$$\text{So, } 3.5 = 7 \text{ percent of } 50.$$

1.	If Kaia donates this percentage of net income	How much in dollars is she donating?
	3%	\$
	5%	\$

2. If you were Kaia, would you donate 3 percent or 5 percent each month? Why did you choose that amount?

3. Look at Kaia's wants budget. How do you think she could reduce that spending so she can donate the amount you chose?

Why?

## Reflection questions

1. Kaia wants to support her local animal shelter. Is there a charity or cause you might like to support?

What charity or cause is it?

2. Would a budgeting rule for giving work for you?  Yes  No  
Why or why not?

3. Donating money is one way we can support a charity. We also can donate property, like a car or a gently used household item. Volunteering our time and talent is another way to give. Would you prefer to donate money, time, or your talent?

Why?