

AMBASSADOR ON MY OWN BADGE

Badge Purpose: When you've earned this badge, you'll understand the importance of creating a budget—a skill that will help you wherever life leads.

Activity	Materials Needed
<p>You Need a Budget</p> <ul style="list-style-type: none"> Create a budget for your needs, wants, and savings. 	<input type="checkbox"/> Phone or computer with internet access or pen and notebook <input type="checkbox"/> Calculator
<p>Funds for Needs, Funds for Fun</p> <ul style="list-style-type: none"> Track your expenses for a month, then tweak your budget according to your spending. 	<input type="checkbox"/> Budget (from Activity #1)
<p>House Hunters</p> <ul style="list-style-type: none"> Determine your housing priorities, and ask someone about their experiences living on their own. 	<input type="checkbox"/> Budget (from Activity #1) <input type="checkbox"/> Phone or computer with internet access
<p>It's Better to Give than to Receive</p> <ul style="list-style-type: none"> Figure out how much you want to spend on gift-giving and donations. 	<input type="checkbox"/> Budget (from Activity #1) <input type="checkbox"/> Calendar <input type="checkbox"/> Calculator
<p>Planning for a Rainy Day</p> <ul style="list-style-type: none"> Set aside emergency funds, and interview someone about their experiences with an unexpected life expense. 	<input type="checkbox"/> Budget (from Activity #1)

Activity #1: You Need a Budget

Badge Connection: Badge links to multiple steps

Materials Needed: Phone or computer with internet access or pen and notebook; calculator

- First, create a budget. Decide how you want to keep track of your earnings and expenses, whether it's an app (YNAB, Mint), spreadsheets, or an old-school pen and paper.
- The whole reason for budgeting is so you don't spend more than you earn and end up in debt. Figure out how much money you'll have at the beginning of the month (add your wages or salary from your job(s), financial assistance from your family, etc.). The total is your monthly income.
- Financial experts suggest following a 50/20/30 rule when breaking down your expenses:
 - Needs – 50%:** Allocate 50% of your income to necessary expenditures like housing (rent or mortgage), utility bills, groceries, and insurance.
 - Savings – 20%:** Allocate 20% of your income to savings. This can mean putting it into a savings account, using it to pay off student loans/debt, or towards a big purchase (like a vacation, car, etc.).



- **Wants – 30%:** Allocate 30% of your budget to anything that's not a necessity, like entertainment (Netflix account, gym membership, dining out, etc.).
4. The specific percentages should be tweaked to suit your personal financial goals (if you expect to have substantial student loans when you graduate from college, for example, tone down your discretionary expenses to increase your savings).

Activity #2: Funds for Needs, Funds for Fun

Badge Connection: Step 2 – Plan for your daily needs and Step 3 – Plan for having fun

Materials Needed: Budget (from Activity #1)

1. Your needs should account for 50% of your expenses, and your wants for 30%. For one month, keep track of anything (and everything) you spend. Save all your receipts from your purchases for a month. If you use a debit or credit card, print out your monthly statement at the end of the billing period.
2. Once the month is up, categorize your expenses (food, entertainment, bills, etc.). Tally up the expenses and then plug them into your preferred budgeting program (an app, spreadsheet, notebook, etc.).
3. How did your expenses break down? Did they fall into the suggested percentages, or do you need to scale back on certain spending?

Activity #3: House Hunters

Badge Connection: Step 1 – Plan for where you'll live

Materials Needed: Budget (from Activity #1); phone or computer with internet access

1. Living on your own is exciting, but also a big responsibility. Choose a scenario that's in your near future (like dorm living or renting an apartment) to learn more about the process and be better prepared to make good, informed decisions.
2. Create a list of housing priorities—what matters to you when looking at a new place to live? Should it be close to where you go to class or work, or would you rather live in a cooler neighborhood, but have a longer commute? Will you be living with a roommate (or two or three), or flying solo? Based on your current expenses, how much can you afford to pay towards rent?
3. Once you have your list, connect with a young adult friend, family member, or Girl Scout alumnae and ask her about her experience searching for a place to live, and living on her own. What advice and tips does she have? What would she have done differently if she were searching for her own place now?

Activity #4: It's Better to Give than to Receive

Badge Connection: Step 5 – Plan for sharing

Materials Needed: Budget (from Activity #1); calendar; calculator

1. Are you one of those people who thinks it's better to give than it is to receive? If you love showering people with presents or believe in giving back to charities, factor that into your budget as well.
2. Pull up your calendar and go through each month (Jan – Dec) and make a list of all the birthdays and holidays you expect to have to buy presents for (also factor in any charitable donations you'd like to make). Then, make a list of people you need to buy presents for. For example, maybe you buy your Aunt Mary a present for Christmas each year, but do something for free on her birthday together. So, you'd only list Aunt Mary once, whereas you buy your best friend something for their birthday and for Christmas.



3. Look back at your budget and expenses from Activity #1. How much can you afford to spend in total? For example, maybe you can only reasonably afford \$200 in total for presents all year. Based on that number, divvy up how much you'll spend for each person (for example, \$20 for Aunt Mary, but \$50 for your dad).

Activity #5: Planning for a Rainy Day

Badge Connection: Step 4 – Plan for the unexpected

Materials Needed: Budget (from Activity #1)

1. The beauty of a budget is that it accounts for expected expenses like your needs and wants, but it also covers savings for those times when you run into unexpected ones (like when your car breaks down or when you need emergency dental work).
2. Interview a family member (or a financial advisor if you know one) about preparing for unexpected expenses. Have they ever had a financial emergency? How did they handle the situation, what costs (if any) were covered by insurance, and how much (or, what percentage if they're not comfortable divulging the specific amount) was paid out-of-pocket? What advice would they have for you as a person new to living on their own?

