

Facilitators should have completed their own budget, following the same steps, during the Facilitator Training. You should be familiar with the process and should be available to help participants with tallying up their total income and expenses and identifying areas to cut.

Write the following steps on the whiteboard to guide the participants through the process of creating a personalized monthly budget. Facilitators can email or print out copies of the Workshop 3 Worksheets for steps 1-5 ahead of class.

Step 1: Income. Have the participants write down their total income, including wages, tips, SSI/SDI payments, tax refunds, odd jobs/ “under the table” work, alimony, etc. Ask participants to keep this list as a working, usable resource they can add to or review from time to time.

Step 2: Expenses. Using their homework assignment and the worksheets, ask the participants to write down all of their regular expenses, including rent or mortgage, bills, loan or debt payments, insurance etc.

Next, using their homework assignment and the worksheets, ask the participants to write down all of their monthly expenses, such as groceries, medicine, clothing, childcare, pet care, etc. Again, ask participants to keep this list as a working, usable resource they can add to or review.

Step 3: Needs vs Wants. After adding up their total income and compiling their list of expenses, ask the participants to separate their expenses into *needs* vs. *wants*. Emphasize that needs and wants will look very different from person to person. Each participant’s list will be unique. Emphasize the importance of having an open mind.

Step 4: Optional Activity: Maslow’s Hierarchy of Needs. Ask the participants to view and discuss Maslow’s Hierarchy of Needs. Ask them to list specific items from their needs and wants lists that would fall into each category. Allow time for sharing.

Step 5: Create a Budget: Using the Basic Budget Worksheet in the Student Guide or Workshop 3 Worksheets, participants will enter their income and expenses and see if they have any money left over. If their expenses are greater than their income, facilitators should help them to brainstorm ways these expenses could be reduced or cut, referring back to their Needs vs Wants lists.