

# WORKSHOP THREE: CREATING A BUDGET & RESOURCES TO SAVE MONEY

## Advanced Preparations for Workshop 3:

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard
3. Facilitator Guide
4. Student Guide (Workshop 3)
5. Laptop & projector
6. PowerPoint slides (Workshop 3)
7. Workshop 3 Worksheets
8. Calculators
9. Paper and pens/pencils/markers
10. Additional budgeting worksheets and resources
11. “Budgeting Apps” Handout
12. “Budgeting Tips” Handout
13. “Money Saving Resources Handout”
14. List of local money-saving resources

## **Learning Objectives:**

*Upon conclusion of Workshop 3, participants will:*

1. Understand the definitions of fixed expenses, variable expenses, non-monthly expenses, and unexpected expenses.
2. Differentiate their expenses into needs and wants.
3. Create a personalized, working budget and commit to working with it for the next week.
4. Identify areas in their budgets in which they need to adjust their spending and make a plan to do so.
5. Have learned at least three new resources in the community for saving money.

## Welcome Back & Group Sharing

**Facilitator:**

**Suggested time:** 5-10 minutes

**Materials:** PowerPoint slides; attendance sheet; Community Agreements; Financial PDP worksheets

**Teaching:**

Welcome back the participants. Take attendance. Review the *Community Agreements* and go over the day's agenda.

**Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues relating to money and finances and how the money saving ideas went. If there have been any savings as a result of using the idea, this should be shared, with an estimated dollar amount. Give each participant 1-2 minutes to share, as well as the second facilitator.

Ask the participants if they were able to gather and create a list of their monthly expenses as homework. This list will help them with the budgeting activity later on in this workshop.

**Activity:**

Ask participants to read through their PDP worksheets (particularly the Financial Dream, Life One Year from Now, and Action Plan sections) from last class before delving into the budgeting worksheets to remind themselves of their financial goals and how budgeting can be a tool to help them get there. If participants didn't finish these worksheets last class, facilitators can dedicate some time here or at the end of this workshop to wrap them up.

## Budgeting Basics

**Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guide p. 40-41; whiteboard and markers; Workshop 3 handouts 1-2

### **Teaching/ Discussion:**

Using the Student Guide, explain the various types of expenses (fixed, variable expenses, non-monthly, and unexpected expenses). Write them down on the whiteboard and ask participants if they can think of other examples of expenses that fall into these categories. Ask the participants to have these in mind when creating their own budgets.

Review the budgeting basics information in the Student Guide. Discuss what a budget is, the benefits of creating and using a personalized budget, and why budgeting is a key tool for financial success.

Remind the participants that beginning the process of budgeting can be daunting, especially if they have never used a personal budget before. It is important that they find a budgeting worksheet or tool that works for their needs, lifestyle, and learning style.

Remind them of the additional budgeting worksheets and resources in the Toolkit and Student Guide. They can choose between additional budget templates, websites, apps, and other tools to find a budget that works best for them. Some individuals may prefer to use a spreadsheet, while others may prefer to use an app.

Emphasize that the most important thing is to make their budget work for them and their own unique needs. Hand out the “Budgeting Apps” and “Budgeting Tips” handouts.

### **Activity:**

Using the information in the PowerPoint Slides, discuss a fictional person who is spending more than they're earning. Write their expenses on the whiteboard or project the example table below, using the PowerPoint slides.

Ask participants to work in small groups (in the classroom or in Breakout Rooms) to figure out which monthly expenses to cut out and which to keep, determining the expenses that are important to them.

**Note:** This is an opportunity to make the class more interactive and fun by adding humor to this example scenario, such as a silly name for the example person or funny or unusual expenses in their budget.

For example:

Archie Andrews			
Monthly Income:		Monthly Expenses:	
Paycheck (after taxes)	\$2100	Rent	\$800
Other Income:		Electric	\$95
Tax return (March)	\$600	Cable (with HBO & Showtime)	\$120
Christmas bonus (December)	\$150	Cell phone	\$77
Birthday money (October)	\$100	Credit card (minimum)	\$95
Overtime	\$320	Landline phone	\$60
<b>Total Annual Income:</b>	<b>\$26, 370</b>	Car insurance	\$90
Non-monthly Expenses:		High speed Internet	\$48
Dog groomer (6 times a year)	\$360	Car loan	\$190
Annual trip to the beach	\$860	Groceries	\$120
Heat in winter	\$420	Pet food & supplies	\$30
<b>Total:</b>	<b>\$1640</b>	Dining out:	\$140
Archie has one dog and lives alone in a two-bedroom apartment. He works full time, picking up a two overtime shifts a year. He owes \$3960 on his credit card and \$4390 on his car loan.		New clothes	\$60
		Household goods	\$60
		Toiletries	\$70
		Starbucks	\$95
		Gas for car	\$60
		Barber	\$20
		<b>Total:</b>	<b>\$2230</b>

## Budgeting Worksheets

### Facilitator:

Suggested time: 35-45 minutes

Materials: PowerPoint slides; Student Guide p. 42-50; Workshop 3 Worksheets; calculators; paper and pens/pencils; different budgeting worksheets (printed or online); homework assignment (list of expenses)

### Activity:

Guide the participants through the five to completing the generic budgeting worksheet in their Student Guides. Ask them to work through this budget template first before moving on to other worksheets, apps or websites. Provide them with other budgeting worksheets as additional options/resources. There are several templates on the Facilitator Toolkit website and several examples of apps and websites in the Student Guide.

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.

Once everyone has worked through these 5 steps, you will facilitate a class-wide discussion on how to cut down on spending. There are some suggestions in the Student Guide, but open it up to class discussion, writing suggestions down on the whiteboard or asking participants to add ideas to a Jam Board.

**Note:** If the participants do not finish their budgets by the end of class, they can work on them at home or spend some time on them at the beginning of next class.

## **Resources for Saving Money**

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 51-55; whiteboard and markers

### **Teaching:**

Once everyone is finished with their budgets, through some tips and resources on how to save money with a limited income. As a class, read through the federal, state, and community resources outlined in the Student Guide and pass out the “Money Saving Resources” handout. Pay particular attention to the information on SNAP benefits, Medicaid, and Social Security Disability Benefits for individuals with mental health diagnoses.

Ask participants to brainstorm additional money saving resources in their communities. Write their suggestions down on the whiteboard and make sure everyone has access to this list of resources. It might be beneficial if you created a group document (like a Google Doc) for any additional resources and suggestions participants may have, so you can share it with them after class.

**Note:** The local and community-based resources referenced in the Student Guide are primarily within the Portland metro area. If you are facilitating this course outside of Portland or outside of Oregon, you will likely need to do some research on local resources in your community that you can share with your peers.

## **Wrap-up**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 22

### **Teaching:**

Go over the Homework Assignments for this week:

1. Ask the participants to choose one more money saving idea and commit to it for the next week. Facilitators will commit to one idea as well.
2. Ask the participants to commit to their budget for the next week.
3. Ask participants to find one community resource that could help them save money and be prepared to share it with the class.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

**Note:** By now, you should have a general idea of what your class size will be, which will help you plan the amount of time to devote to each section in future classes. For example, if you have fewer participants, you may spend less time on updates and sharing and more time on topics in which the class has expressed interest. You should also have reviewed participants' *Class Topics Questionnaires* and should have a better idea of which topics to focus on.

### **After Class:**

1. Facilitators should fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet up in person or via phone or video call before the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

**Thoughts about the class:**

**Lessons learned:**