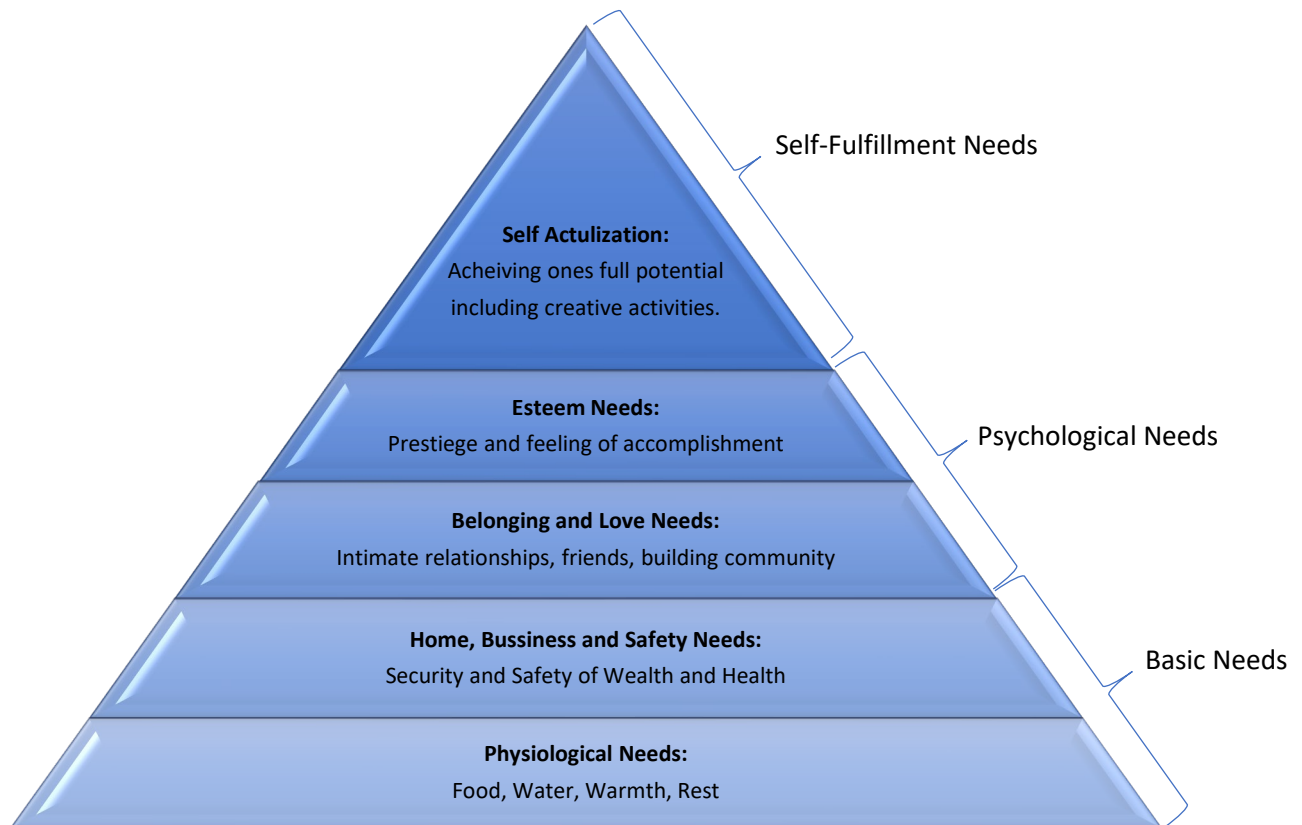


# What to do with your money?

Now that you've found a job, paid your expenses, and made some money, how do you decide what to spend it on? Let's talk about the spending categories available to you and how to allot your money to each. You might put your spending in slightly different categories, but here is a basic breakdown of what this might look like:



This pyramid shows the order in which your money should be prioritized. The base, being your basic needs for survival. Your needs should be the first items you budget for.

Use the pyramid above and the chart on the following page to list items that fall into each category.

Name \_\_\_\_\_ Date \_\_\_\_\_

**Directions:** In small groups categorize essential and nonessential purchases you would put in each level. See the pyramid on the reverse page to better understand each level. If the purchase is essential check the “need” column. If the purchase is non-essential, check the want “column”.

The 5 Categories	Need	Want	Possible categories you might spend your money on:
<b>Level 1:</b> Physiological Needs (What do you need to survive?)			
<b>Level 2:</b> Essential Home, Business, and Safety Needs (Health, warmth, transportation)			
<b>Level 3:</b> Love and Belonging (Building Relationships and community)			
<b>Level 4:</b> Esteem (Work, workout, things that make you feel successful and good)			
<b>Level 5:</b> Self-Actualization (Things you enjoy doing, extra luxuries)			

**Note:** Prioritizing your budget is the point of this exercise. Your categories might look different depending on what works for you. The important part is putting your needs before your wants. For example, to meet your physiological needs, you must earn money. So, a bus pass to get to and from work might be very high on your priority list. Someone who works from home might have a very different priority list.

**Teacher Chart - Possible student answers for each category:**

<b>The 5 Categories</b>	<b>Possible categories you might spend your money on:</b>
Level 1: Physiological Needs What do you need to survive	<ul style="list-style-type: none"><li>• Housing: rent or mortgage payments</li><li>• Basic sustenance: groceries, cooking, and water</li><li>• Clothing: non-designer brand essential wear</li></ul>
Level 2: Essential Home, Business, and Safety Needs Health, warmth, transportation,	<ul style="list-style-type: none"><li>• Power (electricity, gas)</li><li>• Basic telephone service</li><li>• Insurance: health, home, and life</li><li>• Vehicle or other transportation</li><li>• House repairs and maintenance</li><li>• Expenses related to operating your business</li></ul>
Level 3: Love and Belonging	<ul style="list-style-type: none"><li>• Gift-giving</li><li>• Charitable contributions</li><li>• Entertainment</li><li>• Spending time with friends and family</li></ul>
Level 4: Esteem	<ul style="list-style-type: none"><li>• Work-appropriate clothing</li><li>• Education and professional development</li><li>• Dining out</li><li>• Fitness beyond basic health needs</li></ul>
Level 5: Self-Actualization	<ul style="list-style-type: none"><li>• Hobbies</li><li>• Internet, if not needed for generating income</li><li>• Television</li><li>• Vacations, non-essential travel</li><li>• Luxuries</li></ul>