

CARD SORT ANSWER KEY

Budget Terms and Definitions:

1. Budget: A plan for spending and saving money.
2. Income: All money that is earned, given as a gift or for an allowance.
3. Wages: Money that has been earned through a job.
4. Financial needs: The amount of money required to maintain daily living.
5. Financial wants: Money used for entertainment, social activities or for future goals.
6. Tracking: The ability to follow expenses throughout the month in order to avoid overspending beyond your income.
7. Expenses: The cost of daily living needs, emergencies, and future goals.
8. Emergencies: Unexpected expenses not planned for in a budget.
9. General budget rules: A budget system that spends 50% on daily living expenses, 30% on entertainment, and 20% on savings, emergencies, and future goals.
10. Short-term goals: A savings plan for emergencies or immediate aims.
11. Medium-term goals: Saving for aims or objectives in the near future.
12. Long-term goals: Saving for future aims or objectives that may be years away.
13. Envelope system: A budget system that identifies categories for spending and relies on cash. Once cash is spent, no other money can be borrowed from another category.
14. Patterns: The ability to determine and predict how money is spent in a budget by looking at repeating expenses.