

Financial Literacy

Here are a few key topics you might include in your short readings:

1. **Budgeting Basics** – Understanding income, expenses, and how to plan a monthly budget.
2. **Needs vs. Wants** – How to prioritize spending wisely.
3. **Saving Money** – Why saving is important and different ways to save.
4. **Banking Services** – How to use a checking and savings account.
5. **Understanding Prices & Discounts** – How to compare prices and find the best deals.
6. **Paying Bills** – Different ways to pay bills and avoid late fees.

1. Budgeting Basics

Maria earns \$2,000 each month. She has to pay for rent, food, transportation, and other expenses. To make sure she has enough money, Maria makes a budget. A budget is a plan for spending money. She writes down her income (money she earns) and her expenses (money she spends). If she spends too much, she must adjust her budget. A budget helps people save money and avoid debt.

Maria's Budget:

Category	Amount (\$)
Income	2,000
Rent	800
Food	300
Transportation	150
Other Expenses	400
Savings	350
Total Expenses	2,000

Questions:



1. What is a budget?
2. Why does Maria write down her income and expenses?
3. How does a budget help people?

2. Needs vs. Wants

John goes to the store with \$50. He needs to buy food, but he also sees a new phone case that he wants. Needs are things we must have, like food, rent, and transportation. Wants are things we like but do not need. John decides to buy food first. If he has extra money, he can buy the phone case later. Making good choices with money is important!

Needs vs. Wants:

Needs (Must Have)	Wants (Nice to Have)
Food	Phone Case
Rent	Video Games
Electricity	New Shoes
Transportation	Coffee from a Café

Questions:

1. What is the difference between needs and wants?
2. What does John decide to buy first?
3. Why is it important to make good choices with money?

3. Saving Money

Lisa wants to buy a new laptop. It costs \$600. She does not have enough money now, so she decides to save. Each month, she puts \$100 in her savings account. After six months, she has enough money to buy the laptop. Saving money helps people buy things without borrowing or using credit cards.

Lisa's Savings Plan:



Month	Money Saved (\$)	Total Savings (\$)
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500
6	100	600 (Goal!)

Questions:

1. What does Lisa want to buy?
2. How much money does she save each month?
3. Why is saving money a good idea?

4. Banking Services

Carlos wants a safe place to keep his money. He goes to a bank and opens a checking and savings account. With a checking account, he can pay bills and use a debit card. With a savings account, he can save money and earn a little extra. The bank also helps him deposit and withdraw money. Banks help people keep their money safe.

Types of Bank Accounts:

Account Type	Purpose	Key Features
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Checking Account Daily spending Use a debit card, pay bills, withdraw cash

Savings Account Saving money Earn interest, keep money safe, grow savings

Questions:

1. Why does Carlos open a bank account?
2. What is the difference between a checking and savings account?
3. How does a bank help people?



5. Understanding Prices & Discounts

Anna wants to buy a jacket. The price is \$80, but the store has a 25% discount. She calculates 25% of \$80, which is \$20. Now, the jacket costs \$60. Discounts help people save money. Checking prices and looking for sales can help people spend less.

Discount Calculation:

Original Price (\$)	Discount (%)	Discount Amount (\$)	Final Price (\$)
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80	25%	20	60
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Questions:

1. How much does the jacket cost before the discount?
2. What is 25% of \$80?
3. Why is it good to look for discounts?

6. Paying Bills

David has bills to pay every month. He must pay rent, electricity, and his phone bill. If he does not pay on time, he might have to pay a late fee. He sets reminders on his phone and pays his bills online. Paying bills on time helps avoid extra costs and keeps services running.

David's Monthly Bills:

Bill	Amount (\$)	Due Date	Paid?
Rent	900	1st	<input checked="" type="checkbox"/> Yes
Electricity	50	10th	<input checked="" type="checkbox"/> Yes
Phone Bill	40	15th	<input type="checkbox"/> No

Questions:

1. What bills does David have to pay?
2. What happens if he does not pay on time?
3. How does David remember to pay his bills?

