

Week 1 - Needs and Wants

9th Grade – 12th Grade Education

April is National Financial Literacy Month, which is designed to create awareness about the importance of personal financial education. Over the next 4 weeks, we will be exploring different financial education topics with specific age-minded activities and links, designed for your use at home.

Most high school students can remember learning about needs and wants in elementary school. Knowing the differences between the two may have made decision-making easier, especially when it came to spending your own money. We have included a few activities to test your skills in recognizing the differences between needs and wants in some scenarios and a game that will have you competing with others that can be found below.

A-Z List

Instructions: Have your student(s) write all 26 letters of the alphabet down two sheets of paper. One sheet will be for Needs and the other for Wants. Have them start with the Need sheet and write a need for every letter of the alphabet and then do the same for the Want worksheet. To make this a bit more challenging, have them do one list at a time and keep track of their time. Ask them which list was easier and why. Use this activity to discuss the difference between a need and a want.

Instructions

Read each scenario. Choose which costs are needs and which are wants. Explain your decisions.

Scenario 1

This is a big year for Jasmine — she recently started 9th grade. To celebrate, her parents are giving her a larger allowance of \$30 each week.

Jasmine rides her bike to and from school, eats the lunch her dad packs for her (she secretly buys \$5 pizza at lunch on Thursdays), and spends most of her free time with friends.

Jasmine's crew regularly spends Saturday at the mall eating lunch at the food court and catching a movie afterwards. Lunch usually costs Jasmine \$12 and the movie is \$10 for students. At the end of each week, Jasmine is able to put at least \$3 in her savings account.

While biking home from school one day, Jasmine realizes her bike is close to breaking. However, she needs a new bike to get to work after school and found one on Craigslist for \$60. However, she only has \$24 in her savings account and will need to buy a replacement bike in the next two weeks. She isn't sure what she should do.

What are Jasmine's needs?

What are Jasmine's wants?

What decision would you make and why?



Instructions

Read each scenario. Choose which costs are needs and which are wants. Explain your decisions.

Scenario 2

As quinceañera gifts, María received \$900. Her parents said she has to put at least half of her money in a savings account, but the rest she can choose to spend however she wants.

María is a future planner and is already thinking about purchasing her own car after she passes her driver's test in a year. Her parents have generously offered to help her find and purchase a reliable used car once the time comes. María still wants to be able to contribute some of her own savings towards half of the total cost of the car which she estimates will be around \$3,000.

It's also sophomore year and María has a lot of social activities planned with her cheerleader team. The group wants to do a multi-weekend dance camp that would cost about \$275 per person. Plus, the team is debating about whether or not to purchase new uniforms this year for competitions. The school won't pay for the entire cost, so that means that each cheerleader would have to contribute \$120. María knows that extracurriculars look good on college applications and hopes that cheerleading, in addition to her good grades and community service, will help her get into her top choice.

María is torn about what to do.

What are María's needs?

What are María's wants?

What decision would you make and why?



Instructions

Read each scenario. Choose which costs are needs and which are wants. Explain your decisions.

Scenario 3

Marcus and Chris are best friends who attend high school together. Marcus is a junior who frequently gives Chris, a sophomore, advice on school and finances—for better or worse.

Chris is nervous because he's taking his first AP class, World History, and the midterm exam is coming up. A large part of his class grade will be determined by this test and he can't afford to fail. His parents gave him \$100 to spend on study aids or a tutor.

Marcus already took AP World History and passed the AP Exam with flying colors, scoring a 5. Marcus assures Chris that he'll be fine and asks his friend to ditch studying this weekend to go camping. The camping trip would cost \$56.

Chris looked online for additional study materials and found an official study guide for \$40. An 'A' student in the class also offered to tutor him this weekend for \$50.

Chris knows he needs all the help he can get, and that doing well in AP courses will help his class standing and look good on his college applications. But Marcus assures him the midterm is easy and the camping trip will be worth it. What should he do this weekend?

What are Chris' needs?

What are Chris' wants?

What decision would you make and why?



Instructions

Read each scenario. Choose which costs are needs and which are wants. Explain your decisions.

Scenario 4

During summer break, Scott worked a minimum wage job at an ice cream shop. He made \$2,700. After paying for his back-to-school items, he has \$2,500 remaining at the start of his senior year.

Scott wants to attend his senior class overnight trip to a nearby amusement park, but his parents say that he has to use his summer earnings to pay for it. He estimates that he'll spend a total of \$650 for the all-inclusive trip.

Between then and now, Scott has a few other expenses coming up. He'd like to purchase airfare (\$900) to visit out-of-state colleges before applying to school, a refurbished laptop (\$600), and the newest video game console (\$400).

What are Scott's needs?

What are Scott's wants?

What decision would you make and why?



Instructions

Read each scenario. Choose which costs are needs and which are wants. Explain your decisions.

Scenario 5

Emma just finished her senior year and scored a local PR internship for the summer before college. The PR firm was impressed by her freelance work and has offered her a monthly stipend of \$2,100 for three months.

She doesn't normally have any expenses, but her parents are trying to instill smart financial practices. In addition to receiving a credit card for emergencies only, she'll be expected to pay for her own transportation, cell phone bill, and contribute to an emergency fund. Her public transportation pass is \$105 per month. Her monthly phone bill averages \$35 for her share. And she has decided to save \$525, or 25% of each stipend.

Her internship is in full swing, and Emma has her first \$2,100 stipend. With \$1,435 left to spend after paying her bills, Emma budgets about 50% for everyday expenses and entertainment, or \$718.

A national one-day PR conference and networking event is coming up. Emma's internship is offering her free admission, but she'll have to pay for the train commute herself, which will total \$100. Emma wants to make a good impression and decides she wants to buy a new dress (\$180), blazer (\$300), and heels (\$129) for the occasion. She also wants to print business cards (\$50), resumes (\$20), and one professional portfolio (\$70) to carry around. She doesn't have enough money in her budget to cover all of the personal and professional expenses, so she considers either tapping into her emergency fund or using her credit card to cover the costs.

Emma knows this networking event will be a great place to make valuable connections. This is her time to shine, but she's not sure how to make a lasting impression.

What are Emma's needs?

What are Emma's wants?

What decision would you make and why?





Wishful Wants or Necessary Needs?

LESSON 11: STUDENT ACTIVITY SHEET

Case Study 1:

Casey is preparing to leave for college in the fall. She lives in New York, but will be going to school in California, so she is planning on buying a car to get her there. She wants to buy something reliable, so she is deciding between a new car that will cost \$17,000 with zero miles and a navigation system and a three-year-old car with 7,000 miles and no navigation system for \$12,000. She has \$10,000 in savings that she will use for the purchase and she'll take out a loan for the remaining amount.

What are the wants?

What are the needs?

What decision would you make and why?

Case Study 2:

Tom has been saving for a new laptop for the past six months. He's done his research and found a model that experts say will more than meet his needs. But new, it costs \$3,000. He also found a refurbished version of the same computer with all of the same features online for \$1,500. The refurbished laptop comes with a warranty and Tom bought a refurbished portable music player from the same company with no problems. Tom's third option is a brand new laptop that costs \$1,800 and has all of the features he needs but not all of the ones he wants.

What are the wants?

What are the needs?

What decision would you make and why?

Continued on the next page.



Wishful Wants or Necessary Needs?

LESSON 11: STUDENT ACTIVITY SHEET

Case Study 3:

Stephanie received \$500 from her grandparents for her high school graduation. She's been longing to buy a new watch and update her wardrobe because she's starting a new job in two weeks, but next month she's moving out on her own and will need to pay three months rent in advance, which totals \$1,500. If she uses the money to buy the watch and clothes, she thinks she can save enough money from her new job to pay for rent, but she's not sure.

What are the wants?

What are the needs?

What decision would you make and why?

Case Study 4:

Michelle's been invited to go to a three-day concert with her friends. The only catch is that it's a 9-hour drive, and traveling for an entire weekend means she'll need lots of cash. She estimates that gas, food, tickets and camping will cost around \$400. She has a car payment of \$250 coming up and her \$89 cell phone bill is due at the end of the month. She also needs to buy her mom a birthday gift, which she thinks will cost \$50. She has \$700 in savings.

What are the wants?

What are the needs?

What decision would you make and why?
