Explain the principles of effective personal money management.

Money management starts with income, gets organized with a budget, grows with savings, and gets risky with debt, know the difference before high school econ.

Name: _____ Date: _____

OBJECTIVE

Explain the principles of effective personal money management.

What this standard covers	Your notes
Explain that income is the starting point for personal financial management.	
Describe the reasons for and the benefits of a household budget.	
Describe the reasons for and the benefits of savings.	
Describe the uses of debt and associated risks.	

IN PLAIN WORDS

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If you earned $100 this month…	Planned amount
Saving	
Spending	
Sharing / giving	

Why might borrowing money (using credit) end up costing more than the price tag on the item? Use the word "interest" in your answer.