

# Developing a Positive Moneytude

Does your moneytude allow you to prioritize needs and wants?

As consumers, we purchase products that represent our wants and needs. Understanding your relationship with money can help you discover a system of prioritizing wants and needs. Using the 50-30-20 Rule can help you develop your spending plan.

## 50/30/20 Rule

50% on necessities

30% on discretionary expenses

20% on savings

CONSIDER THIS: A commercial coffee drink at a fast food restaurant costs \$4.00 a day. What does this habit cost over time?

If you buy a cup of coffee each day, calculate:

\$4.00 a day x 7 days a week = \$28.00 a

week \$4.00 a day x 365 days = \$1,460.00 a

year \$1,460.00 a year x 5 years = \$7,300.00

Double \$7,300.00 and you have the cost for one purchased coffee a day for 10 years = \$14,600.00

If your savings goal is to buy a car or make a down payment on a house, you just put your hard earned money into a cup of coffee.

Over time, spending \$4.00 less a day will really add up. Just think, after only one year, you could save \$1,460.00. (\$4.00 x 365 days = \$1,460.00)



What item do you spend money on daily?

\$ \_\_\_\_\_ x 7 days a week = \_\_\_\_\_/week  
(cost of item)

\$ \_\_\_\_\_ x 365 days = \$ \_\_\_\_\_/year

\$ \_\_\_\_\_ /year x 5 years = \$ \_\_\_\_\_ for 5 years

\$ \_\_\_\_\_ /year x 10 years = \$ \_\_\_\_\_ for 10 years

Check what you are spending now! Consider other items that you purchase regularly. Use your cell phone or calculator to identify the weekly, monthly and yearly costs. What's the total over 5 years? Ten years? You might be surprised.

Item Name	1 Day	1 Week	1 Month	1 Year	5 Years	10 Years
	\$	\$	\$	\$	\$	\$

Building positive spending habits is possible! Carry cash or debit cards with you when you shop, and leave credit cards at home. This will help you reduce spending by limiting the amount you have available to spend. Develop a budget and stick to it!

Broadview Financial Well-Being learning content and activities are aligned to the applicable K-12 educational learning standards: The New York State Learning Standards: Career Development and Occupational Studies; The National Standards in K-12 Personal Finance Education; and The Common Core Learning Standards; or the applicable adult learning standards: Institute for Financial Literacy: National Standards for Adult Financial Literacy Education.

Broadview Financial Well-Being's mission is to guide and encourage individuals to focus on achieving economic stability — using innovative tools, making informed decisions, and encouraging positive habits.