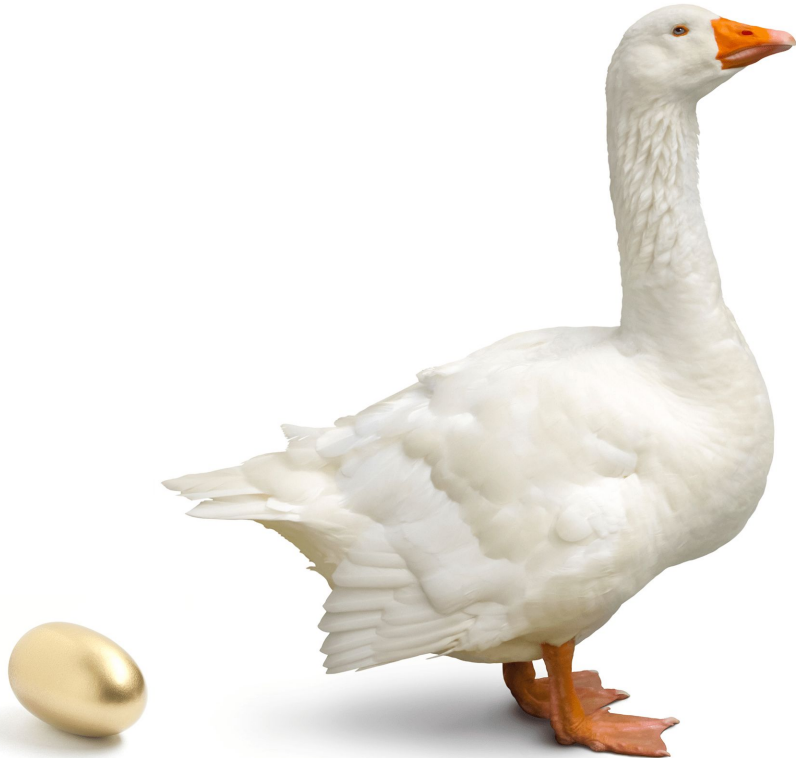




# UNIT 4: PAPERWORK – HOME BUDGETING



1. Separate Business & Personal Money.
2. Pay Yourself a Salary or Commission.
3. Don't Steal from Your Business.
4. Save Regularly.
5. Make & Follow a Personal Budget.

## REPORT

Last Week's Promises:

**Business Plan:** Complete your Quality of Life Wheel and plan a Community Service Project.

**Home Quality of Life Plan:** Choose to improve a specific area from your Home Plan.

**Savings:** Save money, even just a coin or two.

ACT:

Business Spotlight presentation

REPORT:

<b>COMMITMENTS CHART</b>			
<i>Name</i>	<i>Business</i>	<i>Home</i>	<i>Savings</i>
John C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your promises?
- What problems did you have as you tried to keep your commitments?
- What can we do to help everyone keep weekly promises?

**ACT:**

Today we will discuss important principles so that you won't kill your business. That way it keeps laying golden eggs (making a profit).

**DISCUSS:**

- What happened when the farmer wanted more than the goose could give?
- If your business is the goose, what are some of the things you could do to kill your business?

## Principle 1

## SEPARATE BUSINESS &amp; PERSONAL MONEY

## DON'T KILL THE CHICKENS: PART I

## VIDEO SUMMARY



MATEO: Maria. Look at all the eggs. Your business is doing well.

MARIA: Yes, all the hard work is starting to pay off.



MATEO: I finally found an apartment for my family. But it costs 1000 to move in. I don't quite have enough money right now. Will you help me?



MARIA: I want to help, Mateo. But I'd have to butcher and sell all my chickens...

What should Maria do?

## Principle 1

## SEPARATE BUSINESS &amp; PERSONAL MONEY

## DISCUSS:

- What would you do?
- Have friends or family ever asked for money from your business?
- Maria's brother wants some money, but if she gives it to him it will hurt her business. What should Maria do?

## Principle 1

# SEPARATE BUSINESS & PERSONAL MONEY

### DON'T KILL THE CHICKENS: PART II

### VIDEO SUMMARY



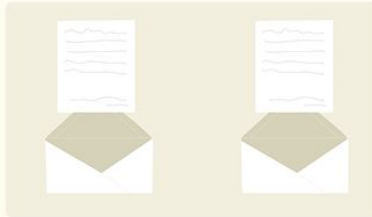
If you work at a hotel, can you take money from it any time you want? Could your brother take money when he needs it?



Someone might end up in jail, because that's not right. So, don't do this in your own business.



Here is the key. You and your business are different. There must be separate places to keep business money and personal money.



Separate places and separate records. But how do you get money out of your business for your family?



Pay yourself a wage or a commission, just as if you worked for someone else. This becomes your personal income.



This simple step will protect both you and your business. Separate your business and personal money.



## Principle 1

## SEPARATE BUSINESS &amp; PERSONAL MONEY

## DISCUSS:

- When friends or family need money, like Maria's brother, what should we do?
- Why is it important to separate your business and personal money?
- How are you going to separate your business and personal finances?

Principle 1

SEPARATE BUSINESS & PERSONAL MONEY

ACT:

- Decide what you will do to separate your business and personal money.

## Principle 2

## PAY YOURSELF A SALARY OR COMMISSION

## DON'T KILL THE CHICKENS: PART III

## VIDEO SUMMARY



MARIA: Mateo, if I butcher and sell my chickens, then I won't have eggs to sell. My business will go under and I won't be able to feed my family.



MARIA: I do have 200 in my personal savings I could give you. Would that help?  
MATEO: Actually, that would help a lot.



MATEO: Thank you so much, Maria.  
MARIA: You're welcome. I'm glad I could help you a little.

## Principle 2

## PAY YOURSELF A SALARY OR COMMISSION

## DISCUSS:

- Why is sharing from her personal savings better for Maria than taking from the business?

## ACT:

- Write or draw in your workbook on page 14 or another notebook how you will pay yourself a salary or commission. Share with the group what you wrote.

Principle 3  
DON'T STEAL FROM YOUR BUSINESS



## Principle 3

## DON'T STEAL FROM YOUR BUSINESS

## DISCUSS:

- Why is it so important not to give away your product even to family?
- What can the owner do if they let their child have some candy?

## ACT:

- In your workbook on page 14 or another notebook write or draw how you will avoid stealing from your business.

Principle 4  
**SAVE REGULARLY**





## Principle 4

## SAVE REGULARLY

## DISCUSS:

- What have you done so far to save?
- How can you make it a habit to save?

## ACT:

- In your workbook on page 14 or another notebook write or draw the things you will do to make a habit to save. Decide where you will keep your savings.



## Principle 5

## MAKE &amp; FOLLOW A PERSONAL BUDGET

## CODE:

- Turn to page 15 in your workbook and follow along as you read aloud about Maria's budget or look on the next slide.

Principle 5

MAKE & FOLLOW A PERSONAL BUDGET

<i>Maria's Budget</i>	<i>PLAN</i>	<i>ACTUAL</i>
<i>Income</i>	<i>2000</i>	<i>2000</i>
<i>Expenses</i>		
<i>Donations</i>	<i>200</i>	<i>200</i>
<i>Savings</i>	<i>200</i>	<i>200</i>
<i>Rent</i>	<i>500</i>	<i>500</i>
<i>Utilities</i>	<i>80</i>	<i>80</i>
<i>Food</i>	<i>450</i>	<i>420</i>
<i>Clothing</i>	<i>50</i>	<i>0</i>
<i>School</i>	<i>200</i>	<i>200</i>
<i>Transportation</i>	<i>50</i>	<i>50</i>
<i>Medical</i>	<i>100</i>	<i>250</i>
<i>Insurance</i>	<i>100</i>	<i>100</i>
<i>Entertainment</i>	<i>70</i>	<i>0</i>
<i>Other:</i>		
<i>Other:</i>		
<i>Total Expenses</i>	<i>2000</i>	<i>2000</i>
<i>Total Income</i>	<i>2000</i>	<i>2000</i>

<i>Your Budget</i>	<i>PLAN</i>	<i>ACTUAL</i>
<i>Income</i>		
<i>Expenses</i>		
<i>Donations</i>		
<i>Savings</i>		
<i>Rent</i>		
<i>Utilities</i>		
<i>Food</i>		
<i>Clothing</i>		
<i>School</i>		
<i>Transportation</i>		
<i>Medical</i>		
<i>Insurance</i>		
<i>Entertainment</i>		
<i>Other:</i>		
<i>Other:</i>		
<i>Total Expenses</i>		
<i>Total Income</i>		

## Principle 5

## MAKE &amp; FOLLOW A PERSONAL BUDGET

## DISCUSS:

- How did Maria do in the month of January?
- How did she adjust her plan?
- Why is it important to have a personal budget?

## Principle 5

## MAKE &amp; FOLLOW A PERSONAL BUDGET

## ACT:

- Write your planned budget for next month. Turn to page 46 in your workbook or the next slide and take time now to write down what you plan to spend next month.
- Then, during the month, keep track of what you earn and spend, and see how well you did.

Principle 5

**MAKE & FOLLOW A PERSONAL BUDGET**

Personal Budget ( )month		
	<i>Plan</i>	<i>Actual</i>
<b>Income</b>		
<b>Expenses</b>		
Donations		
Savings		
Rent		
Utilities		
Food		
Clothing		
School		
Transportation		
Medical		
Insurance		
Entertainment		
Other:		
Other:		
<b>Total Expenses</b>		
<b>Total Income</b>		

## PAPERWORK – HOME BUDGETING PRINCIPLES SUMMARY

1. Separate Business & Personal Money.
2. Pay Yourself a Salary or Commission.
3. Don't Steal from Your Business.
4. Save Regularly.
5. Make & Follow a Personal Budget.

## COMMITMENT

Business Plan Commitment:

- I will separate my personal and business money.
- I will create a personal budget and follow it.

## COMMITMENT

## Home Quality of Life Commitment:

- I will thoughtfully choose one or two areas of my Quality of Life Wheel and write down goals to improve this week.
- I will be specific with my written goals and follow through.

## Savings Commitment:

- I will add to my savings—even if it's just a coin or two.



## COMMITMENT

## DISCUSS:

- How will you keep your personal records?
- Will anyone share their quality of life commitment?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

## COMMITMENT

## ACT:

- Meet now with your Action Partner for this week. Discuss your business ideas and decide how you will contact and encourage each other during the week to keep your commitments.

