NO PREP

Valentine Budget Challenge

Wants, Needs, and Smart Spending

Includes: Student reading, case study, differentiated questions, teacher key

Name: Period: Date:

Valentine Budget Challenge: Wants, Needs, and Smart Spending

Valentine's Day Isn't Free: The Real Cost of "Cute" Choices

Valentine's Day spending can sneak up fast. A $6 drink, a $12 stuffed animal, and a $9 box of candy suddenly becomes "How did I spend $30?" Financial literacy is about noticing that money disappears in small choices. The goal isn't to cancel fun—it's to make a plan so you're not stressed later. This is the perfect holiday for practicing budgeting because it comes with emotions: people want to impress, avoid embarrassment, and keep

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The Budget Formula That Actually Works for Teens

Most teens don't have a steady salary. They have allowance, occasional jobs, or small income streams. That makes budgeting even more important because money comes in chunks and goes out quickly. A simple student-friendly approach is: Write your total money available for the week (income + cash on hand). Subtract non-negotiables (lunch money, bus fare, club dues). Decide what you're saving (even a small amount).

Spend what's left with intention. This is where people get stuck: they forget "hidden" costs like tax, delivery fees, or buying two of something ("I'll get one for my friend too"). Students also underestimate how quickly small purchases add up. That's why tracking matters. Even a basic list (item + price) can stop a budget from collapsing. Another helpful tool is setting a spending cap before shopping. If your Valentine budget is $15, then every item has to fit that limit. If you want a $12 item, you only have $3 left. That forces trade-offs, which is how real financial decisions work. Budgeting also includes the idea of value. Value isn't always "cheapest." Sometimes it means "best use of money." A $6 snack that disappears in five minutes might feel less valuable than a $6 craft gift you make with supplies you already have. A budget pushes you to compare value, not just price.

Discounts, Sales Tax, and the Trap of "Buy More to Save"

Sales can help, but they can also trick you into spending more than planned. If something is "Buy 2 Get 1 Free," you might end up buying three items you never needed. That's not saving—that's overspending with a coupon. A better rule is: only use a deal if you were already going to buy the item. Sales tax matters too. Students often plan to spend exactly $10 and then get surprised at checkout. If your area has sales tax, your total is higher than the sticker price. This matters most when your budget is tight. A good budgeting habit is leaving a small buffer, like $1–$2, so you don't break the plan at the register. Another common trap is trying to impress people with money you don't really have. Valentine's Day can create social pressure: "Everyone is buying something." But "everyone" is not paying your bills. A financially mature move is to match spending to your actual resources and goals. If you want to be extra smart, think in opportunity cost again. If you spend your last $20 on Valentine stuff, what can't you do later? That question is the difference between impulse and planning.

Key Information: Price List Table: Build a Valentine Plan Under a Limit

Item Option	Price
Candy hearts	$2.00
Small chocolate box	$6.50
Single rose	$5.00

Item Option	Price
Mini stuffed animal	$9.00
Valentine card	$3.00
Craft supplies (paper, markers)	$4.00
Coffee/tea drink	$5.75
Movie rental night	$4.50
Bake-at-home cookies	$6.00
"Free but thoughtful" note	$0.00

Case Study: The $20 Valentine Plan That Didn't Embarrass Anyone

Before the excerpt, notice the skill: planning protects you from panic spending. Riley had $20 total to spend for the week. Riley wanted to do something kind for a friend and also bring a small treat for a class Valentine exchange. At the store, Riley saw a $9 stuffed animal and immediately reached for it, but then remembered lunch money was needed for two days ($6 total). That would leave only $5 for everything else—plus tax. Riley stepped back and made a list. Riley chose a $6.50 chocolate box for the friend and wrote a personal card using supplies already at home. For the class exchange, Riley picked candy hearts for $2. Riley also decided to skip a $5.75 drink that day and brought a drink from home instead. At checkout, Riley's total was under budget, so Riley still had a small buffer. The friend loved the note more than the chocolate and said the message felt personal. Riley realized the plan worked because it matched real money limits and didn't create stress later in the week.

1. Identify one example of opportunity cost Riley considered in the excerpt.

_____

_____

2. What strategy helped Riley avoid impulse spending, and why did it work?

_____

_____

Multiple Choice

1. Opportunity cost is best defined as:
    a) the total money you earn from a job in a year
    b) what you give up when you choose one option over another
    c) the cost and interest of borrowing money from a bank or lender
    d) the amount of sales tax added to a purchase

2. Which choice best shows a need rather than a want?
    a) lunch money for school days
    b) an expensive fancy Valentine drink
    c) a cute mini stuffed animal toy
    d) a movie rental night for entertainment

3. A "Buy 2 Get 1 Free" deal is only a real savings when:
    a) you buy extra unneeded items to feel generous
    b) you already planned to buy those items anyway
    c) the items are the most expensive products in the store
    d) you spend your whole remaining budget to qualify

Matching

Write the letter of the correct definition on the line next to each term.

Term	Definition
1. ___ Budget	A) Essentials required for daily life/school
2. ___ Needs	B) Purchases made quickly without a plan
3. ___ Wants	C) A plan for how to use limited money
4. ___ Buffer	D) Extras that are nice but not essential
5. ___ Impulse spending	E) Extra money left to handle tax or surprises

Fill-in-the-Blank

1. Money you must spend on essentials is a _____ cost.

2. A good budget includes a small _____ so you don't go over at checkout.

3. Choosing a $0 note instead of a $5 drink shows an _____ cost trade-off.

Short Answer

Answer each question in 2-4 complete sentences.

1. Using the price table, design a Valentine plan under $15 and explain why it fits your budget.

_____

_____

_____

2. Explain why social pressure can lead to impulse spending on Valentine's Day.

_____

_____

_____

3. Describe one way to make a gift meaningful without spending a lot of money.