

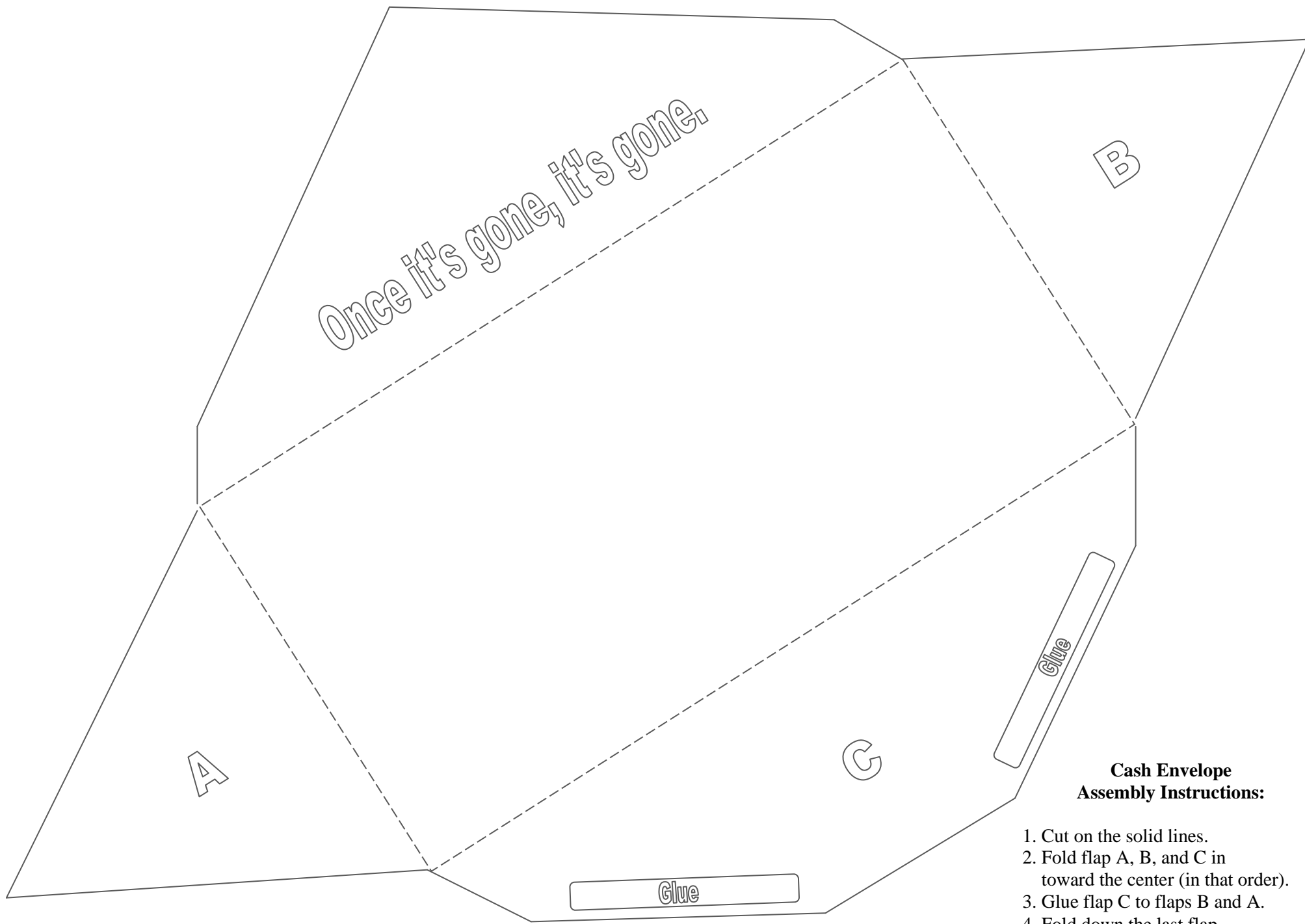
CASH ENVELOPE PROJECT

Budgeting your spending money can be easy using the cash envelope system developed by Dave Ramsey at <http://www.daveramsey.com>. Dave Ramsey is an expert in the field of money management and helping people get out of, and stay out of, debt. The solution is simple. Other than bills that must be paid by check (or are automatically withdrawn from a checking account), you carry only cash. Here are the rules:

1. Create envelopes to categorize your spending. There are many ways to do this. Some wallets have multiple compartments that can be used to categorize your cash.
2. When you get paid, get allowance, receive money as a gift, deposit some money into a savings account (or a piggy bank).
3. Divide up the remaining amount into *spending* categories. Some examples include: gas, food, entertainment, clothing, misc, etc. If you want to spend \$50 on food, place \$50 cash in your envelope. Once it's gone, it's gone. You cannot spend any more money in that category until you get paid, get allowance, receive money as a gift, etc. You cannot go to the bank to get more money.
4. Do not be tempted to use your debit card. It hurts more to spend cash than to use a debit card. Once you get in the habit of spending cash, you will be less likely to over-spend.
5. Give the cash envelope system time. It may take a few months to get the system to work for you.

Your assignment is to create one of the following and present it to the class on _____:

- ☐ Make your own wallet out of Duct Tape® <https://www.youtube.com/watch?v=IAAicTg2tjo> with pockets for each of your spending categories. Each pocket must be labeled.
- ☐ Sew fabric wallets for each of your spending categories <http://www.reasonstoskipthehousework.com/fabric-budgeting-cash-envelopes/>.
- ☐ Use the attached template to create envelopes for each spending category and bind them together. You could bind them with ribbon, tape, etc. Optional: Print the envelope template on scrapbook paper or cardstock. <http://kelleighratzlaff.com/featured/free-envelope-template-and-a-tutorial/>
- ☐ Buy or modify an existing wallet with multiple pockets that are labeled with each of your spending categories.
- ☐ Use a coupon organizer and label each of your spending categories.
- ☐ Come up with your own idea and get it approved by your teacher.



**Cash Envelope
Assembly Instructions:**

1. Cut on the solid lines.
2. Fold flap A, B, and C in toward the center (in that order).
3. Glue flap C to flaps B and A.
4. Fold down the last flap.