

Week 6

FINANCIAL WELLNESS

Building Healthy Money Habits

WHY SHOULD I CARE?

Money can't buy happiness, but it can give you more choices and fewer financial worries. Whether you're saving for your first car, college, a vacation, or something else entirely, the habits you build today can shape your future. Understanding how to budget, save, and spend wisely can help you reach your goals without relying on luck or living paycheck to paycheck. Financial wellness isn't about how much money you have... it's about making the most of the money you earn.



BIG IDEAS

EVERY DOLLAR HAS A JOB

A spending plan helps you decide where your money should go instead of wondering where it went. Giving every dollar a purpose can help you save, spend, and reach your financial goals.

SMALL HABITS ADD UP

Financial wellness isn't built overnight. Saving consistently, maintaining a healthy savings rate, and setting aside a cash reserve can make a big difference over time.

SPEND WITH PURPOSE

Your money should reflect what matters most to you. Value-based spending helps you focus on your priorities instead of spending simply because everyone else is.

BUILD WEALTH, NOT JUST INCOME

Earning more money doesn't automatically improve your finances. Avoiding lifestyle inflation and understanding concepts like cash flow and net worth can help you build long-term financial stability.



KEY VOCABULARY

Cash Flow: The movement of money coming into and going out of your finances over time.

Cash Reserve: Money set aside to cover unexpected expenses or financial emergencies.

Financial Literacy: The knowledge and skills needed to make informed financial decisions.

Financial Wellness: A state of having healthy money habits that support long-term financial stability and well-being.

Lifestyle Inflation: The tendency to increase spending as income increases instead of saving or investing more.

Money Mindset: The beliefs and attitudes that influence how a person earns, spends, saves, and manages money.

Net Worth: The value of what you own minus what you owe.

Savings Rate: The percentage of your income that you regularly save.

Spending Plan: A plan for how income will be used to cover expenses, savings, and financial goals.

Value-Based Spending: Spending money on the people, activities, and goals that matter most to you.



Learn it. Live it.

Good financial habits are built through everyday decisions. This challenge will help you become more aware of where your money goes.

Challenge: Track every dollar you spend for one week, even small purchases. At the end of the week, sort each expense into one of two categories: **Need** or **Want**. Were there any purchases that were difficult to categorize?

Reflection: Looking at your spending for the week, is there one purchase you could make less often to help you save for something that's important to you? What goal would you be working toward?

DID YOU KNOW?

Starting at age 20, saving \$1,000 a year for just 11 years could grow to about \$168,500 by age 65. Waiting until age 30 means saving for 35 years and still ending up with less.

Source: U.S. Department of Labor



EXPLORE AND EXPLAIN

- Why is creating a budget an important first step toward achieving financial goals?
- How can an emergency fund help protect you from unexpected financial challenges?
- What is the difference between a "need" and a "want," and why is it important to understand the difference when making spending decisions?
- How can developing good financial habits today help you achieve your long-term goals?



WANT TO KNOW MORE?

VIDEO



Should Schools Teach More About Money?

Discover why financial literacy takes more than one lesson and how these skills can help you make better financial decisions.

VIDEO



Your Brain on Shopping

Discover how deals, FOMO, and the thrill of something new can influence what you buy and the choices you make.

WEBSITE



MoneyLion Learn

Explore articles, tips, and tools to help you understand credit, build savings, manage debt, and make smarter money decisions.

"Money affects your choices."