

SAVING AND PREPARING FOR FUTURE COSTS

Planning for Irregular Expenses

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT 12-month savings calendar
YOUR CHALLENGE Some costs do not happen every month, but they are still predictable. Turn six upcoming costs into small monthly savings amounts and build a calendar that prevents a surprise shortage.			

Known Costs Can Still Cause Trouble

An irregular expense is a cost that does not happen every month. Examples include school supplies, yearly fees, gifts, and seasonal clothing. If the cost and date are known, you can divide the total into smaller deposits before it is due.

Term	Student-friendly meaning
Irregular expense	A cost that happens sometimes, not every month.
Due date	The date the money is needed.
Set-aside	Money saved now for a later cost.
Monthly share	Total cost divided by the number of months available.
Shortfall	The amount still missing.
Carryover	Money kept for the next month instead of spent.

Part 1 - Find the Monthly Amounts

Expense	Yearly amount	Months to save	Monthly set-aside	Check: monthly x months
School supplies	\$120	12		
Club/activity fee	\$72	12		
Gifts	\$180	12		
Device repair reserve	\$144	12		
Annual app fee	\$60	12		
Seasonal clothing	\$180	12		

Find the total yearly cost and the total amount that should be saved each month. Show at least two division calculations.

Part 2 - Build a 12-Month Calendar

Use these due months: annual app fee in January; device reserve check in March; seasonal clothing in May and November; school supplies in August; club fee in September; gifts spread across the year.

Month	Deposit to irregular-expense fund	Cost paid this month	Fund balance after payment	Next cost to prepare for
Jan	\$63			
Feb	\$63			
Mar	\$63			
Apr	\$63			
May	\$63			
Jun	\$63			
Jul	\$63			
Aug	\$63			
Sep	\$63			
Oct	\$63			
Nov	\$63			
Dec	\$63			

Assume the fund begins at \$0. A balance may carry into the next month. Explain why a positive balance is not “extra spending money.”

Part 3 - A Cost Changes

In June, the expected school-supply cost rises from \$120 to \$168. The money is needed in August. By the end of May, \$50 had already been saved for school supplies.

Question	Calculation	Answer
New amount still needed		
Months remaining (June, July, August)		
New monthly amount for school supplies		
Increase above the old \$10 monthly amount		
New total monthly set-aside for all six categories		

Name two ways to handle the higher cost without pretending the increase did not happen.

Part 4 - Avoid Double Counting

Statement	Correct or incorrect?	Explain or correct it
The \$63 deposit is available for entertainment until a bill is due.		
Money already saved lowers the amount still needed.		
A yearly cost should be divided by 12 even when only 3 months remain.		
A carryover balance belongs to the future costs it was saved for.		
If a cost drops, the plan can be updated.		
The same \$20 can be counted for two different goals.		

Create one additional “double counting” mistake and explain how to fix it.

Part 5 - My Annual Savings Map

Future cost	Amount	Due month	Saved now	Months left	Amount per month

Write a 150-200 word plan. Explain which cost is due first, the total monthly set-aside, one change you could make if a cost rises, and the rule you will use to keep this money separate from everyday spending.