

CDFS 600 – Module 1 Lesson Plan

Values Auction

Amy (Hodgins) Kram

Contact Information

Amy.L.Kram@sendit.nodak.edu

701-283-5312

Time Allotment: 2 class periods

Grade Level or Target Audience: High School Grade 10-12

ND Standards Competencies:

ND Family and Consumer Science Standard 2.0 Consumer and Family Resources – Evaluate management practices related to the human, economic, and environmental resources.

2.1 Demonstrate management of individual and family resources.

Key Economic Concepts: Needs vs. Wants and Values

Brief Description:

- Students determine if items are a need or a want. Then, the class compares the answers to show how people have different interpretations of needs and wants based upon values and how this affects personal finances.
- Students budget play money on items they value the most in life at a class auction. During the auction, students see the differences and/or similarities of their classmate's values.

Learner Objectives:

- Identify the difference between a want and a need.
- Understand how personal financial decisions are influenced by a person's interpretation of needs and wants.
- Budget for item (s) that student's value.
- Recognize different values held by classmates.

Introduction:

This lesson will focus on values and needs and wants as well as how they affect financial decisions.

Financial decisions begin with understanding the differences between needs and wants. A need is something thought to be essential for life (water, food, clothing, shelter). A want is something unnecessary, but desirable (designer clothes, CD's, leisure activities). Being able to distinguish between needs and wants is essential to making decisions.

Values are beliefs or ideas that individuals consider important, desirable, worthwhile. Values are influenced by family, friends, religious affiliations, experiences, career, education, and the media. Individuals have different values which guide their decisions and influence financial decisions.

Materials Needed:

Teacher generated list of examples for needs/wants activity

Teacher generated list of values that will be included in the auction. Provide students with a photocopied list or write on chalkboard/whiteboard/overhead/etc.

Values listed individually on note cards (to draw randomly)

Play money

Audio/Visual Equipment Needed: None

Lesson Outline:

Discuss the difference between a NEED and a WANT. Create a list of examples (water, going out to eat, house, car, computer, jacket, vacation home, etc.) to be used during the activity.

Discuss each example as a class by completing the following activity.

- Arrange the room into two sides, labeling one side “wants” and the other side “needs”.
- As you read an item from the list, students must choose whether the item is a want or a need – once they have made their decision, they walk to the side of the room designated as their choice.
- If students are undecided or have a reason to include it both as a need and a want, they may choose to stand in the center of the room.
- After students have chosen which side of the room they feel identifies the item, hold a discussion and ask the student to explain why they chose to categorize the item as a need or want. Discuss how the item could affect a person’s finances.

Stress the relationship between needs and wants and how a person’s interpretation can affect their decisions (EX: vehicle as a need and want in certain circumstances). Also, how needs and wants are related to financial decisions.

Define VALUE and give examples. Ask students the following questions:

- What influences a person’s values? (family, friends, teachers, religious affiliations, career, media, and experiences they have had, etc.)
- What do values affect? (personal life, financial decisions, etc.)

Introduce and complete the Values Auction activity. Following the auction, discuss the following items with the students:

- How hard was it to determine where to budget money before the auction?
- Did everyone receive what they wanted? Were items purchased which had not been budgeted for? Why?
- What financial aspects could affect the decision-making process when bidding on items?
- Ask students to provide examples of what they feel each individual item means to them (EX: comfortable life – could include basic needs or could mean living in fancy home, eating out often)
- Do they feel the amount they budgeted to each item will change as they grow older? Why or Why not?

Assign Values Auction Essay.

Resources:

Family Economics & Financial Education <http://www.familyfinance.montana.edu/>
NEFE High School Financial Planning Program <http://nefe.org/hspfportal/index.html>

Activities:

Values Auction –

- Each student receives \$1000 in play money.
- Provide students with a list of values that will be auctioned off (a comfortable life, equality, an exciting life, family security, freedom, happiness, inner harmony, mature love, national security, pleasure/leisurely life, salvation, self respect, sense of accomplishment, social recognition, true friendship, wisdom, etc.).
- Provide students with about five minutes to budget their \$1000. Each student must identify and budget for at least three items of personal value from the list. Students must determine how highly

they value each item to determine how much of their \$1000 they are willing to spend on each value. Each student must budget all of their money. Encourage students to set a goal to earn at least one of items budgeted for during the auction.

- Randomly select values and begin auctioning the items off.
- During the auction, have students keep track of what items they bid on (and the maximum amount they bid) and what items they bought during the auction (can give students note cards to signify that they have bought that item).

Evaluation Plan:

Values Auction Essay – each student writes a one page essay about the top three items that they value and what they learned from the activity.