

Section 2--Budgets

Title of Lesson/Subject: *What is a Budget?*

Prepared by:

Contact Information

E-mail address:

Phone:

Time Allotment:

One—50 Minute Period

Grade Level:

9th Grade Life Skills

ND Standards Competencies:

Key Economic Concepts:

Brief Description:

Learner Objectives:

1. Be able to identify values that will influence their spending.
2. Be able to interpret a pay stub.
3. Be able to apply the percentages of breaking down a dollar to net income for seven categories.

Introduction:

Materials Needed:

P 153, 15, 157 in Teacher Manual on Values—copy worksheet for each student
 Visual 3-A—Page 175, make transparency-TM
 Visual 3-F—Page 185, make transparency-TM
 Overhead projector and screen
 Extra blank transparencies
 Acetate pen
 Calculators for each student

Audio/Visual Equipment Needed:

Lesson Outline:

1. Ask how much money students think they spend in a week. Write number on the board.
2. Ask how many follow some kind of budget. Show of hands.
3. Ask how many had trouble making their money last the week. Show of hands.
4. Today we are going to discuss Budgets and Paychecks and how our values fit into the whole scheme of things.
5. First we need to define some terms. Put these on a transparency and go over the terms with the students:
 - Budget
 - Gross Income
 - Payroll Deductions
 - Taxes
 - Expenses—Fixed and Variable
 - PYF—Pay Yourself First
6. Now we are going to do a Value Spending Inventory—(P 153-157 TM). There are no right or wrong answers. Yours will be different from your friends.
7. Now that you know your values, you will be better able to set up a budget.

8. How do you know how much money you have to budget with from your pay stub?
9. Explain a pay stub V3-A, P 175 TM.
10. Explain how to budget using the percentage formula on V3-F, P 185 TM.
11. Putting the visual V3-A, P 175 TM back up on the overhead, have the students use the Percentage Formula to figure out how much money should go to each category. Have students turn the paper in for a grade.

Resources:

NEFE High School-Financial Planning Program—Unit 3,
Pages 133-198
NEFE High School-Financial Planning Program, Student
Guide, Unit 3, Pages 27-42

Activities:**Application/Assignment:****Evaluation Plan:**

Grade on paper using the Percentage Formula.
Test questions at the end of the unit.