

Section 2--Budgets**Title of the Lesson:** *Teens and Spending***Prepared by:** Jocelyn Kraemer**Contact Information****E-Mail:** Kraemer@sevotech.org **Phone:** 701-742-3248**Time Allotment:** 2-50 minute sessions**Grade Level or Target Audience:** 10-12th Grade Students**ND Standards Competencies:** Making Financial Decisions – 2.1, 2.3, 2.4, 2.5Standard #2 – Consumer and Family Resources –
Evaluate management practices related to the
human, economic, and environmental resources.**Key Economic Concepts:**
-Apply decision making skills regarding money and
spending.
-Recording values and goals.
-Planning a budget.**Brief Description:** The students will examine the reasons and methods
behind effective money management.**Learner Objectives:** Students will:

- Compare the advantages and disadvantages of spending now and spending later.
- Develop improved spending techniques and practices
- Determine if you should buy an item.

Introduction: **TEEN SPENDING SOARS**

Teenagers earn, save, spend and borrow billions of dollars each year in the marketplace. They have more money to spend than previous generations and develop spending patterns at a younger age. Teens' attitudes about money are influenced by their parents, the media, their peers, and their own successes and failures in spending money. The buying habits of teenagers are learning experiences.

Teenagers in the U.S. spend over \$84 billion a year. The money, which averages to about \$3,200 per teen comes primarily from parents and jobs; and covered spending on clothing, food, entertainment, personal-appearance products, recorded music, and transportation.

Are you a Good Spender?

Money management skills develop from the ideas, attitudes, and spending habits learned at home, school, and in the marketplace. Those who learn good money management skills are more likely to become adults who can make sound financial decisions, avoid excessive debt, and manage income and expenses to reach their financial goals.

Materials Needed: Worksheets and Charts

Audio /Visual Equipment Needed: Computers and Printers

Lesson Outline: Students will:

- Discuss spending techniques.
- Create a budget.
- Chart where the money goes.

Resources: Internet – Teen Spending
Succeeding In A World of Work.
Glencoe/McGraw-Hill

Activities:

Try This Young Spender's Profile

The following 19 statements pertain to spending techniques. There are five responses to select from which indicate the degree of your likeness to each statement. Just mark the number in the space provided. Should a statement not apply to your situation, skip it and adjust the scoring accordingly. The scoring section follows.

Responses:

1. Totally like me	4. A little like me
2. A lot like me	5. Not like me at all
3. Equally like and unlike me	

Spending Techniques:

	1. Each time I receive money, I usually put a small amount of cash aside as savings.
	2. Each time I receive any money, I usually deposit it into a checking or savings account.
	3. I keep track of the money I receive from all sources.
	4. I set aside a pre-determined portion of my money for regular weekly expenses.
	5. I set aside ten percent of the money I receive for savings.
	6. My money is managed (both spending & savings) according to a written spending plan or budget.
	7. My food and grocery spending is planned in advance and done with a list.
	8. I rarely make less than two trips a week to the grocery or convenience store.
	9. Grocery and other coupons are utilized whenever possible.
	10. Comparison shopping for quality, value, price, etc. is something I do for practically every purchase, large or small.
	11. I have comparison shopped for food and clothing in the last year.
	12. I don't dine out (breakfast, lunch or dinner) more than two times a week.
	13. I account for all my cash spending by collecting receipts.
	14. I am saving money towards my college education.
	15. I have given food/money to needy persons in the last two weeks.
	TOTAL OF ALL RESPONSES

Scoring

After totaling all your responses, how did you do? Check your results with this scoring chart:

17-27	VERY PERCEPTIVE. Time to teach others how to do it.
28-42	PRETTY GOOD Concentrate on improving a few weaker spots.
43-58	AVERAGE An hour-a-week on improving spending = Savings.
59-75	LOUSY Immediate change required to avoid financial disaster.
75+	IT STINKS! You need to re-evaluate all your spending habits.

Application/Assignment:

Students will create a budget.
Students will also chart where their money goes for a month.

Evaluation Plan:

Assessment will be on a “Budget Rubric” designed by the students and instructor.