

**Section 2--Budgets****Title of Lesson/Subject:** *Wants vs. Needs Budget***Prepared by:****Contact Information****E-mail address:****Phone:****Time Allotment:** 55 minutes**Grade Level:** 9th Grade Business Math Class**ND Standards Competencies:****Key Economic Concepts:****Brief Description:****Learner Objectives:**

1. Students will calculate the cost of getting ready to go out with friends to a movie.
2. Students will develop and demonstrate budgeting.
3. Students will analyze a budget and learn how to make cutbacks.

**Introduction:****Materials Needed:**

Pencil, paper, calculator, handouts

**Audio/Visual Equipment Needed:****Lesson Outline:**

1. Tell students that they will be developing a list of things that they use to get ready to go to a movie with friends. (List must include everything they might possibly use, including toothpaste, comb, jeans, shirt, shoes, makeup, etc.). Have them add to the list items they will need after they are ready (money for the movies, car, gas, etc.). **Handout Sheet 1** (10 minutes).
2. Have the students categorize the list into two groups: WANTS or NEEDS (5 minutes).
3. Have the students put an estimated price on each good (3 minutes).
4. Have them calculate the two totals (2 minutes).
5. Have students develop a budget that they would need to go out on the bottom or back of Handout 1 (5 minutes).
6. Have students share their budget with the class (15 minutes).
7. Now give the students a budget of \$100 or an amount depending on their budgets. Have them make cuts to their budget to meet the goal. **Give Handout 2** (5 minutes).
8. Have a class or small group discussion on what items they cut and why. Then discuss the importance of items that are wants and needs. Example: A student needs to wear a pair of jeans, but does it have to be a \$70.00 pair or can it be a \$20.00 pair? (10 minutes).

9. Ask the students about where they get the money to do this type of activity. Do they work? Do they get it from their parents or guardian? (15 minutes).

10. Ask the students about saving. Do they save money to go out with friends? Do they have a budget for these types of activities? (10 minutes).

11. Have students write paper (see topic below). Give Handout 3 (do outside of class).

12. Have students hand in Handout 1, 2, and 3 (next class period).

**Resources:**

**Activities:**

Do I Need It or Want It? (Handouts 1, 2, 3 attached)

**Application/Assignment:**

**Evaluation Plan:**

After the class discussion, have the students write a paper about their budget.

Discuss the budget that is needed to go out. Tell about the items that are needed and the price. List the items that are Needed and the items that are wanted. Compare this budget to the restricted budget. What items did you cut out and why?

Handout 1

## Do I NEED It or Do I WANT It!

List all of the things and their prices that are needed to go out to a movie.  
With No Budget!

NEEDS                      PRICE

WANTS                      PRICE

Handout 2

## Do I NEED It or Do I WANT It!

List all of the things and their prices that are needed to go out to a movie.  
With a Budget of \$100.00!

NEEDS                      PRICE

WANTS                      PRICE

Handout 3

NAME \_\_\_\_\_  
CLASS \_\_\_\_\_

## Do I NEED It or Do I WANT It!

Discuss the budget on handout 1. Tell about the items that are needed and wanted and the price. Discuss the budget that is needed for handout 2. Explain the difference in any items or price. Compare the budgets on handout 1 versus handout 2. Explain any major differences. Tell what you made cuts on and why.