

Connecticut Personal Finance Model Curriculum

Unit of Study: Budgeting	Lesson Title: Preparing a Budget	Anticipated Time Frame: 8-10 Hours
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Standard(s) (Content Standard #3) Organize personal finances and use a budget to manage cash flow.

<p>Learning Objective(s) – Students will:</p> <ul style="list-style-type: none"> ○ Construct and use a personal budget plan and evaluate it according to short- and long-term goals. ○ Define fixed and variable expenses. ○ Categorize and classify expenses as fixed or variable. ○ Determine discretionary income in a budget plan. 	<p>Diversity: Enrichment for all students</p> <ul style="list-style-type: none"> ○ Have students brainstorm ways that living expenses are different in other countries.
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Assessment and Feedback to Learners	
<p>Informal/Formative:</p> <ul style="list-style-type: none"> ○ Case Study “Erica Gets a Job” 	<p>Formal/Summative:</p> <ul style="list-style-type: none"> ○ Budget Project

<p>Teacher Actions –</p> <p>Initiation:</p> <ul style="list-style-type: none"> ○ Describe how income and spending patterns change throughout the lifecycle for the typical person and/or family. ○ Have students share their current income and spending experiences. <p>Instructional Input and Differentiation:</p> <ul style="list-style-type: none"> ○ Show a sample budget with income and expenses (variable and fixed). ○ Have students discuss their spending habits and distinguish between fixed and variable costs. ○ Discuss the importance of saving as part of your budget (Pay Yourself First concept). ○ Prepare a sample budget together. ○ Have students complete “Erica Gets a Job” case study. <p>Closure:</p> <ul style="list-style-type: none"> ○ Exit slip—write one concept you learned today about budgeting

Key Terms/Vocabulary -

Budget
Cash flow
Discretionary income
Expenses
Fixed expense
Income
Pay yourself first
Short- and long-term goals
Standard of living
Taxes
Variable expense

Materials (M) / Resources(R)

(M)

- o Sample budget
- o Budget worksheet
- o Case study "Erica Gets a Job"
- o Budget project assignment

(R)

- o Web site http://www.sde.ct.gov/sde/lib/sde/PDF/DEPS/Career/Business/Personal_Finance_RG.pdf (Personal Finance Project Resource Book)
- o Web site <http://efe.arizona.edu/lessonplans/income-and-expense-statement> (link to PowerPoint for Income and Expense Statement)
- o Web site <http://financialplan.about.com/cs/budgeting/1/b/budget.htm> (financial planning & budgeting)