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| **Title: Budget Basics – The Fundamentals of Budgeting** | | | |
| Teacher Name: Kurt Allen | | | Duration (in minutes): 84  (2 class periods) |
| Grade Level(s): 7-12 | Subject/Course: Careers & Financial Management | | |
| Resources needed: | * Lesson Slides * I Think, We Think (handout) * The Basics of Budgets reading (handout) * Five-Day Student Budget Template (handout) * Scenarios – Student Handout * Scenarios – Teacher Answer Key * Card Sort – Student Handout (one per group) * Card Sort – Teacher Answer Key | | |
| Learning Standards: | **New York State Learning Standards for Career and Financial Management:**  Standard 3b: Financial Literacy   * Key Idea 1: Financial Responsibility and Decision Making * Key Idea 2: Income and Careers * Key Idea 3: Planning and Money Management * Key Idea 4: Risk Management and Insurance * Key idea 5: Financial Research, Problem Solving, and Decision Making | | |
| Big Idea & Authentic Purpose:  Why does this matter to your students?  How will this be helpful to your students? | **Big Idea:**  The “Budget Basics” lesson focuses on teaching students the fundamental principles of budgeting. The big idea is to help students understand how to manage their money effectively, prioritize their spending, and prepare for financial stability in the future.  **Authentic Purpose:**  This lesson matters to students because financial literacy is a crucial life skill. By learning to budget, students can make informed financial decisions, avoid debt, and achieve their financial goals. This knowledge is helpful in real-life scenarios, such as managing allowances, part-time job earnings, and future salaries, ensuring they are prepared for financial independence. | | |
| Type of Career Content   * Career Development/Awareness * Integrated Learning * Universal Foundational Skills * Career Specific | Integrated Learning  Universal Foundational Skills | | |
| Relevancy:  How does it connect to students' lives? | Learning budget basics is highly relevant to students as it directly connects to their everyday lives and future financial well-being. By learning how to create and manage a budget, students can better handle their current financial situations, such as allowances or part-time job earnings. Additionally, the skills acquired through this lesson help prepare students for future financial responsibilities such as managing college expenses, paying bills, and saving for significant life events, ultimately fostering financial independence and stability. | | |
| Objective(s):   * Students will learn the essential principles of budgeting, including income, expenses, and saving. * Students will develop their own budgets based on hypothetical or real financial scenarios. * Students will practice decision-making skills related to financial planning and management. * Students will evaluate different financial situations and adjust their budgets accordingly. | | Assessment(s):  Formative Assessments:   * Class Discussions: Participation in discussions about financial dilemmas and solutions. * Group Activities: Engagement in group work to create and adjust budgets.   Summative Assessments:   * Budget Creation: Development of a personal budget as a final project. * Scenario Analysis: Written reflections on budgeting scenarios and decision-making | |
| Knowledge Construction: How are students going to construct content knowledge and practice it?  **Day 1**  Beginning of lesson  Engage (5 minutes): Students read a short story that demonstrates a financial dilemma. With a partner, they then brainstorm various solutions to the dilemma. | | | |
| Middle of lesson  Explore (15 minutes):  Students collectively brainstorm what teens might save money for. They also categorize their list items as short, medium, or long-term goals.  Explain (20 minutes):  Students read about budgeting and annotate what they read. They discuss their reading and share out important information. Individually, students also create their own budgets.  Exit Ticket (2 minutes):  **Day 2**  Review highlights of Day 1 (5 minutes)  Extend (20-30 minutes):  Students understand how budgets change with lifestyle changes. Students examine different scenarios that exemplify different life circumstances and write suggestions for budgeting to accommodate these different life events. | | | |
| End of lesson  Evaluate (10 minutes):  Students reflect on the challenges and benefits of maintaining a budget by completing a Two-Minute Paper or reflection with the following questions:   * What was useful about completing a budget? * What was challenging about completing this budget? * How likely are you to use a budget to track expenses or save for a future goal? Explain. | | | |