

## Overview

In this lesson students will be learning about both budgets and spending plans. They will be able to tell what the different parts of each are and when to use either. They will be looking at other peoples' budgets and saving plans to evaluate how to create one. They will leave with the tools and the skills to create their own personal budget and spending plan.

## Objectives

By the end of the lesson, students will:

- Define Budget and Spending Plan
- Identify parts of a budget and spending plan
- Create a personal and Family Budget
- Allocate funds into different sub categories

## Standards

### Spending and Saving

**Standard 1.** Develop a plan for spending and saving.

**Standard 2.** Develop a system for keeping and using financial records.

**Standard 4.** Apply consumer skills to spending and saving decisions

### Financial Decision Making

**Standard 1:** Recognize the responsibilities associated with personal financial decisions.

**Standard 2:** Use reliable resources when making financial decisions.











**Standard 4:** Make criterion-based financial decisions by systematically considering alternatives and consequences.

This listing is based on the Jump\$tart National Standards for Personal Finance.






































## Vocabulary

- Budget- **an estimate of income and expenditure for a set period of time.**
- Spending Plan- **a plan of what you will be spending each month**

## Lesson Plan Includes

- |   |   |
|---|---|
|  Direct Instruction     |  Technology-Based Activities |
|  Accompanying           |  Assessments                 |
|  Class Discussion       |  External Resources          |
|  Full Class             |  In Class or Homework        |
|  Small Group Activities |   |
|  Individual             |   |

## Activity Summary

- Introduction  
  **Time: 5 Minutes**
- StockTrak Budgeting Lesson  
     **Time: 15 Minutes**  
**Requires:** StockTrak Curriculum, Computer Access
- StockTrak Spending Plan Lesson  
     **Time: 15 Minutes**  
**Requires:** StockTrak Curriculum, Computer Access
- StockTrak Family Planning Lesson  
     **Time: 15 Minutes**  
**Requires:** StockTrak Curriculum, Computer Access
- StockTrak Budgeting and Spending Strategies Lesson  
     **Time: 15 Minutes**  
**Requires:** StockTrak Curriculum, Computer Access
- StockTrak Family Planning Lesson  
     **Time: 15 Minutes**  
**Requires:** StockTrak Curriculum , Computer Access
- StockTrak Home Budge Calculator Lesson  
     **Time: 15 Minutes**  
**Requires:** StockTrak Curriculum, Computer Access
- Bean Game  
  **Time: 10 Minutes**
- Family Budget Breakdown  
   **Time: 20 Minutes**  
**Requires:** Worksheet

# Instructor's Guide

## Introduction

Explain to students that today they will be learning about Budgets and Spending Plans.

Tell them that

- Budget- an estimate of income and expenditure for a set period of time.
- Spending Plan- a plan of what you will be spending each month

Explain to them that there are many different types of budgets and spending plans but today you will be focusing more specifically on personal and family budgets/ spending plans.

Ask any of them if they currently have a budget or spending plan?

**Time:**

5 Minutes

**Type:**



**Required Resources:**



# Instructor's Guide

## StockTrak Budgeting Lesson

Assign your students the "Budgeting" lesson on StockTrak.com. This lesson introduces budget to students and then breaks budgeting into different categories.

They will be required to complete the quiz at the end as an assessment. If used as homework, follow up the next day with discussion questions.

Discussion Questions:

- When is a good time to make a budget?
- Why is it important to make a budget?
- What are some long term effects of having a budget?

### Resource Links:

Lesson Content

<https://learn.stocktrak.com/finance-knowledge/personal-finance/budgeting/>

### Accompanying Presentation:

[https://docs.google.com/presentation/d/1acfF2BJtCYQo7Dw\\_Q35KGNQtRcFtVldGxmFtVf8vFE/copy](https://docs.google.com/presentation/d/1acfF2BJtCYQo7Dw_Q35KGNQtRcFtVldGxmFtVf8vFE/copy)

**Time:**

15 Minutes

**Type:**



**Required Resources:**

- StockTrak Curriculum
- Computer Access

## StockTrak Spending Plan Lesson

Assign your students the "Spending Plans" lesson on StockTrak.com. This lesson continues to show how to plan out personal spending. The lesson explains the difference between a budget and a spending plan. The lesson then goes into detail about the importance of having a spending plan.

Students will be required to complete the quiz at the end as an assessment. If used as homework, follow up with discussion questions the next day .

Discussion Questions:

- **How is a spending plan different from a budget?**
- **What is included in a spending plan?**
- **What are some ways to save more money?**

### Resource Links:

Lesson Content

<https://learn.stocktrak.com/glossary/spending-plan-2/>

### Accompanying Presentation:

<https://docs.google.com/presentation/d/1RfDNofrLzxFNrr75vrEQpVQ-94oMP0lwO5S7Ge1yI0g/copy>

**Time:**

15 Minutes

**Type:**



**Required Resources:**

- StockTrak Curriculum
- Computer Access

# Instructor's Guide

## StockTrak Family Planning Lesson

Assign your students the "Family Planning" lesson on StockTrak.com. This lesson talks about the importance of having a budget as a family and the costs that comes with different ages and events. This article does a good job at breaking down a big task.

They will be required to complete the quiz at the end as an assessment. If used as homework, follow up with discussion questions the next day.

Discussion Questions:

- Do you agree or disagree with the age breakdown? Why?
- What are some ways that families can cut back on their budget?
- Can you think of any costs that were not accounted for?

### Resource Links:

Lesson Content

<https://learn.stocktrak.com/finance-knowledge/personal-finance/family-planning/>

### Accompanying Presentation:

<https://docs.google.com/presentation/d/1mX5GdIBBuNvF1jlfqcsbhwleqtHBoNJ00DiIAFDMSek/copy>

### Time:

15 Minutes

### Type:



### Required Resources:

- StockTrak Curriculum
- Computer Access

## StockTrak Budgeting and Spending Strategies Lesson

Assign your students the "Budgeting and Spending Strategies" lesson on StockTrak.com. This lesson talks about hits and tips on how to budget and how to spend money wisely. They will be required to complete the quiz at the end as an assessment.

### Resource Links:

Lesson Content

<https://learn.stocktrak.com/finance-knowledge/personal-finance/budgeting-spending-strategies/>

### Accompanying Presentation:

<https://docs.google.com/presentation/d/1xjBeqaKfWSg55QgJn3-wa295itXSMFof-6f6c9I9RcU/copy>

### Time:

15 Minutes

### Type:



### Required Resources:

- StockTrak Curriculum
- Computer Access

# Instructor's Guide

## StockTrak Home Budget Calculator Lesson

Assign your students the "Home Budget Calculator" lesson on StockTrak.com. This lesson has a customizable calculator that helps students figure out how to create a budget for a family. It helps students learn terms in real life situations.

**They will be required to complete the quiz at the end as an assessment.**

### Resource Links:

Lesson Content

<https://learn.stocktrak.com/tools/personal-finance-calculators/home-budget-calculator/>

### Time:

15 Minutes

### Type:



### Required Resources:

- StockTrak Curriculum
- Computer Access

## Small Group Activity

Activities designed for small groups of students. These resources are best used after full-class direct instruction and activities.

### Bean Game

In this activity students will be working in groups, using beans, to see how they can spread out their income into a budget. Students will have to decide what level of comfort they want with certain things and what they are willing to give up.

### Resource Link:

[https://financeintheclassroom.org/passport/downloads/bean\\_game.pdf](https://financeintheclassroom.org/passport/downloads/bean_game.pdf)

### Time:

15 Minutes

### Type:



### Required Resources:

# Instructor's Guide

## Full Class Activity

Activities designed for whole-class participation. These are best used along with the direct instruction portion of the lesson.

### Family Budget Breakdown

In this class activity students will be estimating the average spending and budget breakdown of various household cost by putting a post it on a line. After this activity there will be a teacher led discussion.

Tell students that today they will be breaking down the average family spending. Tell them that these numbers are an average so, it could be a little higher or lower depending on where your school is.

- To start, as a class compile a list of things that might be part of a household budget and write it on the board.
- Once you have a list, have students, individually or with a partner, write down the percentage of income they think should be allocated toward each amount (ex. 15% toward food)
- Draw 5 Lines on the board. At one end write \$0 and the \$10,000.
- Next to each line write the 1st 5 categories in the chart found in the resource section.
- Explain to students that they are going to receive 5 post it notes and that they are going to write a number on each post it note with a dollar amount that they think the average household spends on each category (ex. \$7,578 on food). Have students write their initials on the back of the post it note.
- They will then place their post it note on the line where it fits.

Teacher Note: The link below explains what is part of each category. If you want you can read what is involved in each category to the class.

- After the students have placed their post it notes on the board, tell them the actual average and read off the initials of the student who was the closest. (Do this for all 5)
- Show the chart of the other categories or repeat this process.

#### Discussion Questions:

- What strategy did you use to make your estimation?
- Did you think monthly first then multiple?
- Why do you think is important to know this information?
- How can you use these numbers when creating your own budget?
- Did any of these numbers surprise you? Why?
- How can you relate this to a personal budget?

Link:

<https://www.valuepenguin.com/average-household-budget#nogo>

#### Time:

25 Minutes

#### Type:



#### Required Resources:

- Worksheet

## Conclusion

Remind students that:

- Budget- an estimate of income and expenditure for a set period of time.
- Spending Plan- a plan of what you will be spending each month

Ask them some things that are part of a budget or spending plan

Remind them that these things are important in order to be financially responsible

# Instructor's Guide

## Resource Page

Expenditure Category	Annual Average Cost	% of Budget
Housing	\$10,080	16%
Transportation	9,004	14%
Taxes	7,432	12%
Utilities and Other Household Operational Costs	7,068	11%
Food	6,602	10%
Social Security Contributions, Personal Insurance and Pensions	5,528	9%
Debt Payments or Savings	5,252	8%
Healthcare	3,631	6%
Entertainment	2,564	4%
Cash Contributions	1,834	3%
Apparel and Services	1,604	3%
Education	1,138	2%
Vices	775	1%
Miscellaneous	664	1%
Personal Care	608	1%
<b>TOTAL</b>	<b>63,784</b>	<b>100%</b>