



LifeSmarts U Personal Finance Lesson Budgeting: Lesson Plan

Lesson Description:

Students will learn how Americans spend their money and discuss the differences between perceptions and financial reality.

Lesson Objectives:

- Identify variable and fixed expenses.
- Formulate methods to reduce both variable and fixed expenses.

Time:

2-3 class periods

Background:

There are numerous influences on the perceptions about the “average” American’s financial status. Media often portray a lifestyle that is not affordable on median wages and ignore the need to establish the discipline of saving as sound financial practice. The “sticker shock” of the real cost of living can be a real jolt for young adults when they first begin living on their own.

Materials:

- PowerPoint Presentation—*Way or No Way*
- PowerPoint Worksheet—*Way or No Way*
- Activity Cards—*Save On*
- Teacher Instructions—*Save On*

Procedures

Day 1:

1. Distribute *Way or No Way* worksheet.
2. View PowerPoint Presentation *Way or No Way*. During the presentation students will mark their answer for each slide on the student worksheet and tally the number of their correct responses at the bottom of each page. Remind students to mark their sheets before they see the answers and that there is no penalty for a wrong answer.
3. Stop the presentation periodically for students to discuss and write their responses to the questions on the student worksheet. The questions are grouped on the worksheet to encourage students to think about the data presented.

Day 2:

1. Distribute the *Save On* cards to groups of two or three students.
2. Complete the *Save On* activity as outlined on the teacher instruction sheet.



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Discussion Questions:

1. How does our culture emphasize the acquisition of “stuff?” Explain.
2. Can you think of something you “had to have,” yet when you acquired it you did not use or really want it? Why does this happen sometimes?
3. What percentage of possessions in your room do you need? What percentage do you want? Why do you keep the remaining items?
4. Do the media promote spending or saving? Explain your perspective.
5. Saving at an early age is an important discipline. Explain this concept.

Differentiating Instruction Tips:

1. Assign thought questions in the PowerPoint presentation to small groups. Each group can discuss and present their thoughts to the whole group. To allow for additional time you may assign students to complete the questions after the presentations.
2. Present the PowerPoint presentation *Way or No Way* with oral instead of written responses.
3. Have students write their savings tips on the *Save On* cards. Collect as a scored assignment.
4. Share and extend the *Save On* activity by having students make posters for display outside the classroom or refine and edit student saving tips and share with the local radio station for a “Savings Spot.”

