



## BUDGETING IN THE REAL WORLD

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**Subject Matter: Careers**

**Grade Levels: 9-10**

**Time Allotment: Three 60-minute class sessions plus one hour of time on own for parent interview**

**Master Teacher: Joy LeaMaster**

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### Overview

Students will interview family members to get accurate information for use in developing a Family Budget Chart. Students will use a Web-generated word search puzzle to review economic vocabulary. They will also read about common misconceptions that teens have about budgeting and spending. The lesson will culminate with a look at the career of data analyst as a means to explore post-high school options.

### Learning Objectives

Students will be able to:

- Understand basic concepts related to family budgets and economics.
- Use mathematical principles to compute and average raw data and place into tables.
- Learn about a career as a data analyst and other budget-related jobs.

### Oregon Standards Available at:

<http://www.ode.state.or.us/cifs>

### Career-Related Learning

- Demonstrate career development skills in planning for post-high school experiences.

### Media Components

#### Video

Check the link at <http://www.opb.org/edmedia/trs/> to find access to the video(s) from unitedstreaming™ referenced in this lesson plan.

- “Careers for the 21st Century: Financial Occupations” (52:00)
  - **Clip:** “Budget Analysts” (05:47)

## Web

- **The Mint: It Makes Cents**  
Have the feeling that you never have enough money or want to know how to make your money grow? Got anything saved up? You've come to the right place.  
<http://www.themint.org/>
- **Discovery School's Puzzlemaker**  
Make your own puzzle using economy-related words.  
<http://school.discovery.com/puzzlemaker/wordlists/vwtadcslp/economics.html>

## Materials

### Per Student:

- Discovery School's Puzzlemaker available at  
<http://school.discovery.com/puzzlemaker/wordlists/vwtadcslp/economics.html>  
(A sample puzzle is located at the end of this lesson plan.)
- Family Budget Chart Handout (located at end of lesson plan)

### Per Class and/or Group

- Large chart for teacher to record/display each group's average

## Prep for Teachers

Acquire materials and equipment.

Make enough copies of the Family Budget Chart handout for students.

Create a version of the Family Budget Chart handout that is large enough to be easily read by the class on an overhead projector or paper chart to record each group's average numbers.

Download and preview the video clip, "Budget Analyst" (05:47), from the video, "Careers for the 21<sup>st</sup> Century: Financial Occupations" (52:00), discovering helpful points to highlight for students during discussion and activities. Acquire the free Window's Media Player to view clips if necessary.

Print the word search puzzle from Discovery School's Puzzlemaker. (Sample is located at end of lesson plan.) Make enough copies for each student.

Bookmark the Web page, "About the Mint, What Kids Don't Know," from The Mint: It Makes Sense at <http://www.themint.org/> on each computer to be used.

When using media, provide students with a **Focus for Media Interaction**, a specific task to complete and/or information to identify during or after viewing of video segments, Web sites or other multimedia elements.

## Introductory Activity

### Session 1

**Step 1:** Explain to students that this unit will cover three sessions and that required homework will be interviewing a parent/guardian to gather information to complete a Family Budget Chart.

**Note to Teachers:** Family budgets are most often confidential information within a family. It may be good to frame this whole exercise within a set income bracket so the amount of money a family actually makes does not become an issue or enter into the classroom dynamic. We suggest that you chose a median income number based on the actual median income of households in your area and that you share this number with students as the “average” amount a family in their region makes. Students would have to interview their family members based on this income number and determine their family’s ideals about how to allocate the budget based on this amount of money. Another option would be to have students randomly draw an income with which they would create a budget. Students would then interview their family members based on this income number and determine their family’s ideals about how to allocate the budget based on this amount of money. Students could also use local resources to determine average housing/rental costs, utility costs and general cost-of-living expenses.

**Step 2:** As an introduction to economic and budget terminology, students may work in pairs to complete the word search puzzle (a sample is located at the end of this lesson plan). When completed, discuss the meanings of these words with the class.

**Step 3:** Explain to the students that the next class period will be used to discuss their homework assignment: an interview with a parent/guardian to complete a Family Budget Chart.

## Learning Activities

### Session 1 (continued):

**Step 1:** Explain the need to interview an adult family member who has experience in paying for family expenses.

**Step 2:** Distribute the Family Budget Chart handout. Assign each student a group number of one through five. Tell the students they are to interview their parents/guardians and write expenses that their family incurs each month for each of the categories on the handout. (Please see “Note to Teachers” in Step 1 of the Introductory Activity for suggested ways to frame this exercise that maintain the confidentiality of a family’s financial information.) Tell them to return the next day with interview data written in their Family Budget Chart.

## Session 2

**Step 1:** Students should return with their completed Family Budget Charts. Let students sit together according to their assigned group numbers. Review with students how to calculate average values. Students should use the expenses from each person in their group to compute an average value for each of the categories. This amount should be entered in their corresponding “Group Average” box of the Family Budget Chart.

**Step 2:** Record each group’s average value on the chart/overhead version of the Family Budget Chart. Discuss as a class the similarities and differences noticed by each group.

**Step 3:** After filling in each category, ask each group to compute a total class average for each of the categories. Further discussion of how average values are computed may be included if necessary. Discuss with students that not all typical family costs (such as vacations, income taxes and car maintenance) have been included.

## Session 3:

**Step 1:** Finish class chart from previous session if necessary.

**Step 2:** **Play** the video clip, “Budget Analysts” (05:47), from the video, “Careers for the 21st Century: Financial Occupations” (52:00), using a video projector or PC Viewer.

**Step 3:** As a **Focus for Media Interaction**, check student comprehension by asking students what they have learned from this video clip. Write a data analyst’s main job responsibilities on the overhead or board. Write a (+) or (-) next to each responsibility if students have a strong opinion about whether or not they would enjoy that part of the job.

## Culminating Activity

**Step 1:** Ask students to log on to the Web site, The Mint: It Makes Sense, and find the section “About the Mint, What Kids Don’t Know” at <http://www.themint.org/>. (This section can be found by typing in “What Kids Don’t Know” in the search window). If possible, students should work in pairs on the computers. As a **Focus for Media Interaction**, ask each pair of students to generate a list of three concepts they learned from this Web site.

**Step 2:** Taking turns, ask students to share their concepts while you record them on the board (or overhead).

**Step 3:** Discuss these points and the information learned with the class.

## Cross-Curricular Extensions

### Business

- Ask each student to develop their own personal budget by keeping track of their income and expenses for one month.

### Language Arts

- Using the budget developed above, write a letter to a creditor explaining how you will pay a debt owed in the coming months.

## Community Connections

- Ask a financial planner to visit the class and describe his/her occupation. They might also discuss typical family financial problems and how to prevent them.

Student Name: \_\_\_\_\_

Date: \_\_\_\_\_

## Budgeting in the Real World

### Word Search Puzzle

O	W	T	U	X	N	U	Y	Z	C	Z	N	R	W	T
L	E	R	S	P	B	J	N	O	U	O	D	H	D	T
X	C	V	Q	E	K	A	M	C	I	M	T	X	I	E
X	A	B	W	C	R	M	R	T	F	E	S	S	E	N
F	W	C	C	I	O	E	A	T	N	Q	O	C	N	O
P	V	P	C	D	T	N	T	L	E	P	H	S	T	I
J	S	G	I	Q	I	H	M	N	E	R	Y	E	E	T
M	J	T	J	M	Y	D	D	D	I	R	Z	L	R	C
P	Y	C	O	U	N	T	E	R	F	E	I	T	P	U
O	Q	N	E	Y	J	B	J	X	A	Z	X	G	R	A
D	E	T	R	O	P	M	I	K	B	W	C	P	I	V
D	R	E	S	E	R	V	E	T	H	I	A	U	S	P
A	U	A	G	S	R	Q	H	Z	R	G	W	L	E	I
N	G	L	H	E	C	R	L	H	F	L	D	O	S	O
U	Y	R	R	I	Z	A	R	S	Z	Y	S	P	U	H

Find the words listed below and circle them in the puzzle.

AUCTION  
BARTER  
COMMODITY  
COUNTERFEIT  
DENOMINATION  
DEPOSIT  
ENTERPRISE  
IMPORTED  
INTEREST  
RESERVE  
WITHDRAWALS

Student Name: \_\_\_\_\_

Date: \_\_\_\_\_

## Family Budget Chart

Use this chart to record interview data for each of the budget items. Enter your amounts in the circle. (The table will be used later to record the average costs of each group in the class.)

Item 1: Monthly Payments for Family Car:

	Group Average	Class Average
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		

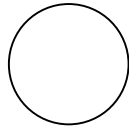
Item 2: Monthly Clothing Costs:

	Group Average	Class Average
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		

Item 3: Monthly Health Insurance Costs:

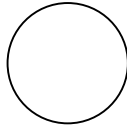
	Group Average	Class Average
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		

Item 4: New House Monthly Payments:



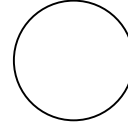
	Group Average	Class Average
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		

Item 5: Monthly Home Heating Cost:



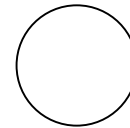
	Group Average	Class Average
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		

Item 6: Monthly Electricity, Sewer, Telephone, Water, Garbage Fees:



	Group Average	Class Average
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		

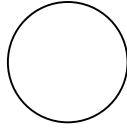
Item 7: Monthly Food/Groceries (include amount spent at restaurants):



	Group Average	Class Average
Group 1		
Group 2		
Group 3		

Group 4		
Group 5		

Item 8: Property Taxes:



	Taxes Family A	Taxes Family B
Group 1		
Group 2		
Group 3		
Group 4		
Group 5		