



Building financial literacy: Career independence

Volume 46 | Gr. 9-12

Time required: 1-2 class periods



Standards

National Standards for Personal Finance Education: Spending 12-9

Having an organized system for keeping track of spending, saving, and investing makes it easier to make financial decisions.

Materials list

- Internet
- Overhead or projection and student copies of “Sample class budget” (p. 3)
- Overhead or projection of “Sample class budget answer key” (p. 4)
- Overhead or projection and student copies of “Class budget treasury” (p. 5)
- Student copies of “Personal budget” (p. 6)
- Student copies of “Career choice summary” (p. 6)
- Spiral notebooks (to be used as academic vocabulary notebooks)

Objectives

Students will...

- Understand the difference between income/credits and expenses/debits
- Develop a list of auxiliary expenses to expect upon reaching career independence
- Learn how to create and manage a budget for independent living

Lesson prep

1. Create a display copy of “Sample class budget” (p. 3) and reproduce a copy for each student.
2. Create a display copy of the “Class budget treasury” (p. 5) and reproduce a copy for each student.
3. Reproduce the “Personal budget” (p. 6) worksheet and the “Career choice summary” worksheet for each student.

Financial literacy vocabulary

- | | | |
|-------------------------|--------------------|--|
| • Monthly expense | • Gas | • Books |
| • Rent/housing/dorm | • Parking | • Moving expenses |
| • Housecleaning | • Auto maintenance | • Taxes |
| • Yard work | • Toiletries | • Expenses/expenditures |
| • Utilities | • Pharmacy | • Income |
| • Phone | • Memberships | • Credit |
| • Cable | • Haircuts | • Debit |
| • Internet/Wi-Fi | • Clothes | • Insurance (auto, health, dental, vision) |
| • Food | • Laundry | |
| • Auto payment | • Hobbies | |
| • Public transportation | • Tuition | |

Directions

1. Tell students to define the academic vocabulary words in their academic vocabulary notebook.
2. Have them do the following next to each academic vocabulary word:
 - Define the word
 - Sketch the concept
 - Use the concept in a sentence that makes it personal to them
 - Leave space to list the expected cost for each
3. Lead a review of a sample class budget and their own class budget and talk about income and expenditures with the following activities.



Activity 1

1. Tell students you are going to review an example of a class budget.
2. Project the “Sample class budget” on **p. 3** without the far right two columns completed and provide each student with their own copy.
3. Tell students to independently classify the descriptions as either an income/credit or an expense/debit on their own copies of the worksheet.
4. Have students put down their writing utensils when completed with their independent column work.
5. When they notice that a peer near them has also completed their independent work have them work together to review each description in the example as an income/credit or expense/debit and come to an agreement on them.
6. Project the correct responses one by one and tell students to make any individual corrections. Then, have students write the difference between income and expenditure in their academic vocabulary notebook.

Activity 2

1. Tell students you are going to either review or create a class budget utilizing the “Class budget treasury” sheet on **p. 5**.
2. Project “Class budget treasury” sheet on **p. 5**. In the creation of your class budget, list the income and expenses month by month. Have students work independently to complete their copies and include a description of the income or expense as well as the total amount of the credit or debit.
3. Tell students to put their writing utensils down when they’ve completed this column and look for a peer near them who has completed their sheet as well.
4. Have students partner up and work collaboratively to review and agree upon the income/credit and expense/debit column on the far-right side of the worksheet.
5. On the projected copy, review the correct responses for the income/credit and expense/debit column with the class. Tell students to make any necessary corrections on their copies of the worksheet.

Activity 3

1. Have students research and list the expected cost of each of the vocabulary words on the “Personal budget” worksheet on **p. 6** for their graduation year.
2. Then have them research and list moving expenses for their graduation year and complete the worksheet.
3. Next, hand out the “Career choice summary” sheets and have students complete them.

Extension

Recommend to students that they talk with their parents or guardians and ask them to accompany them to set up their own checking and savings accounts at least a year prior to graduation.

Tell students they are welcome to copy their “Personal budget” worksheets to share with their parents or guardians to show what they’ve learned about their expected expenses upon graduation.

Sample class budget

Answer key

Name: _____ Date: _____

Date	Description	Amount	Do you think it is an income or an expense? Income/credit = 1 Expense/debit = 2	Write the correct response here (Income/credit or Expense/debit)
Sept. 1, 20__	Yearly dues	\$20.00	1	Income/credit
Sept. 1, 20__	Homecoming decorations	\$100.00	2	Expense/debit
March 1, 20__	Class carwash fundraiser	\$200.00	1	Income/credit
March 1, 20__	Class carnival and silent auction	\$400.00	1	Income/credit
April 1, 20__	Class trip to the state capital	\$500.00	2	Expense/debit
May 1, 20__	Class prom decorations	\$100.00	2	Expense/debit
May 1, 20__	Yearbook sales	\$700.00	1	Income/credit
May 1, 20__	Senior yearbook, colored page	\$200.00	2	Expense/debit
Total		\$		

Personal budget (one month)

Worksheet

Name: _____ Date: _____

Date	Description	Amount
August 1, 20__	Rent/housing/dorm (circle one)	
	Housecleaning	
	Yardwork	
	Utilities (lights, water, heat, A/C)	
	Phone	
	Cable	
	Internet/Wi-Fi	
	Food	
	Automobile payment	
	Public transportation	
	Insurance (health, vision, dental)	
	Insurance (auto)	
	Gas	
	Parking	
	Automobile maintenance	
	Toiletries	
	Pharmacy	
	Memberships	
	Haircuts	
	Clothes	
	Laundry	
	Hobbies	
	Tuition	
	Books	
	One-time moving expenses (deposit, rental)	
Total		\$

Career choice summary

Expected career: _____

Expected income per year: _____

Expected net income per month

(Totaled by dividing expected income per year by total number of months (12) minus 1/3 for taxes: _____)

Total monthly expenses

(Totaled from the "Personal budget" worksheet): _____

Expected monthly savings

(Totaled by expected net monthly income minus total monthly expenses): _____