



# Lessons & Links

## Budgeting for Baby

	<p><b>Objective</b> Establish financial goals, investigate how to earn and budget money to support self and family and analyze how furthering education/training will impact students' quality of life.</p>
	<p><b>Visuals</b></p>
	<p><b>Materials</b> Colored paper, scissors, markers,</p>
	<p><b>Books</b> Occupational Outlook Handbook (or use online link below)</p>
	<p><b>Website</b> <a href="#">We Teach FACS</a></p>
	<p><b>PowerPoint</b> Budgeting for Baby and Study Guide (weteachfacs)</p>
	<p><b>Videos</b></p>
	<p><b>Handouts</b> <a href="#">Education Pays</a> <a href="#">Income Guidelines for Government Benefits</a> <a href="#">Dual &amp; Single Parent Family Expenses: optional</a></p>
	<p><b>Worksheets</b> <a href="#">Financial Matters Wordsort</a>, <a href="#">How do you Feel About Money</a>, <a href="#">Making Money</a>, <a href="#">Personal Income Calculations</a>, <a href="#">Career Timeline</a>, <a href="#">Types of Expenses</a>, <a href="#">Expenses Calculations</a>, <a href="#">Financial Adjustments</a>, <a href="#">Budget Busters</a></p>

## Instructional Procedure

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	<p><b>Activate Prior Knowledge</b></p> <p>To begin the Financial Literacy Unit activate prior knowledge with the handout: <a href="#">Word Sort Financial Matters</a>. Students can work in pairs or alone. Cut apart the words, sort them into groups of their choice. (ideas: banking, budgeting, credit, checking, wages). Then glue groups of words on paper. Label each group. Students share. Discuss unknown terms but don't give the definitions or make corrections to their categories.</p>
	<p><b>Discussion</b></p> <p>Complete the worksheet <a href="#">How Do You feel About Money?</a> Discuss partner's responses.</p> <p>PQ's</p> <ul style="list-style-type: none"> <li>• How would you describe your spending patterns?</li> <li>• Are there any spending habits that you would like to change?</li> </ul>
	<p><b>Lesson</b></p> <p><a href="#">Making Money</a> Students will brainstorm options they currently have to make money. How will these choices change as the students' graduation from high school or go to post-secondary?</p> <p>Share the handout <a href="#">Education Pays</a>. Besides the earnings and unemployment rates, brainstorm other advantages and disadvantages of going to college vs. having a high school diploma.</p> <p><a href="#">Personal Income Calculations</a> This activity will calculate the possible income of students working a job with a high school diploma. Students will follow each step on worksheet and must be realistic. They will compare the income with their potential salary after college. They can also consider when they would be starting a family. Discuss and share results.</p> <p>Note: Number 14 will require access to <a href="#">income guidelines for</a></p>



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[government benefits](#) such as Food Assistance, Healthy Start and subsidized housing. Benefits are provided through each State's Job & Family Services. Students will have strong reactions to the implications of this activity but the reality may be that they would qualify. Also, be sensitive to students whose families are receiving benefits...

Optional: Create a [Time Line](#) to visualize how to reach that career goal. What will it take for students to reach their career goals? Ask students to break it down into logical steps.

Optional: handout [Dual and Single Parent Family Expenses](#). Ask students to look at the information and find the differences between dual and single parents. Why is the single parent cost for each category of expenses less than the dual parents? Why do people seem to spend more when they make more?

### [Types of Expenses](#)

Distinguish between needs and wants. Discuss the differences between needs/wants and Fixed/flexible expenses. Why did you classify particular items as wants or needs? When might your answer be different? Why?

### [Expenses Calculations](#)

Students will calculate the taxes withdrawn from gross pay and the percentages used for living expenses based on the job they chose on the previous Personal Income handout. (In my pregnant and parenting class I give the students \$200 child support ). When students check their work at the bottom on Part II the answer will be off by 1 to 5 pennies because of the percentages being rounded up or down.

Discuss the results. Do the students think this budget is realistic? Why or why not. Discuss what the calculations would be if students used the salary listed on the Personal Income Calculations worksheet after they finish college or training.



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Remind the students that 100% of their take home pay has been spent and nothing is left over for miscellaneous expenses. . How do they feel about that? Ask students to look at the expenses and think of additional items they want or need when living on their own. (phone, laundry, grooming, pets) Discuss how they will get the money for those items.

### Financial Adjustments

Part I - Students will follow directions by circling the expenses they would like to include in their budget and estimate the approximate amount each item will cost per month.

Part II - in the first column students will transfer and fill in the figures from the Budget Calculations on previous worksheet. Then they will look at each expense and decide how much they are willing to reduce in order to gain money to spend on miscellaneous items. Example, Rent if is \$425.00 it could be \$400.00 and you save \$25.00. They must be realistic in the amount they are reducing. They cannot eliminate any of the expenses in Part II.

When they add the Total Saved column the amount should be equal to or greater than the Miscellaneous Total. If it is not then they will go back and make adjustments.

### Budget Busters

Discuss the concept of “Budget Busters” as events that affects the family budget. Ask if they or their families have experienced a budget buster recently. Some budget busters are caused by a crisis within the family, such as a job loss, death or divorce.

On the worksheet, students will list six expenses on the lines and a budget buster in the circles. Example: the Car Care expense will increase the insurance or create a deductible payment because of a fender bender.

Discuss whether the following methods are healthy or unhealthy

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	<p>ways to deal with Budget Busters: Borrow money from relative, use savings, use credit card, take out a loan, skip paying bills, or get a part-time job.</p> <p>Summarize the unit by discussing:</p> <ul style="list-style-type: none"> <li>• What are the consequences of having a spending plan? Not having a spending plan?</li> <li>• Why do you think people do not bother to develop a spending plan?</li> <li>• What skills do you need to develop a spending plan that supports your personal and family goals?</li> </ul>
	<p><b>Hands-on Activities or Project</b></p>
	<p><b>Writing Prompt</b> My financial goals, needs/wants and values are....</p>
	<p><b>Apps</b> Search for apps designed to help with budgeting</p>
	<p><b>Pinterest</b> Search and evaluate pins designed to help with budgeting.</p>
	<p><b>Assessment</b> Test</p>