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| **TEXAS CTE LESSON PLAN**  [www.txcte.org](http://www.txcte.org) | |
| **Lesson Identification and TEKS Addressed** | |
| **Career Cluster** | Human Services |
| **Course Name** | Dollars and Sense |
| **Lesson/Unit Title** | Managing Your Finances |
| **TEKS Student Expectations** | **130.273. (c) Knowledge and Skills**  (3) The student demonstrates management of financial resources to meet the goals of individuals and families across the life span. The student is expected to:  (A) evaluate the need for personal and family financial planning, including maintaining a budget, expense records, and economic self-sufficiency  (F) investigate the benefits of charitable giving |
| **Basic Direct Teach Lesson**  (Includes Special Education Modifications/Accommodations and  one English Language Proficiency Standards (ELPS) Strategy) | |
| **Instructional Objectives** | **Students will:**   * Understand importance of a financial plan * Recognize key components of a financial plan * Create a budget for an assigned family income * Figure percentages on a pie graph using the budget and compare their graph to national averages. * Understand how charitable giving not only benefits the receiver, but also themselves through reduced taxes * Identify self-reflection activities that help them examine their priorities |
| **Rationale** | Everyone wants to have the resources to provide for all of their needs and some of their wants. In this lesson, you will identify and understand the seven components of a secure financial future. You will learn about budgeting and practice the skills necessary to create a working budget. |
| **Duration of Lesson** | Seven 45-minute class periods |
| **Word Wall/Key Vocabulary**  *(ELPS c1a, c, f; c2b; c3a, b, d; c4c; c5b) PDAS II (5)* | **Assets:** Anything such as cars, our home, collections, or savings that are of monetary value  **Budget:** A plan for spending  **Cash Flow:** The cycle of money available in the form of income and then spent on expenditures  **Equity:** Ownership  **Finance:** To borrow or take out a loan  **Fixed Expense:** An expense that remains the same from month to month  **Flexible Expense:** An experience that changes from month to month  **Income:** Money received from wages, allowance, child support, interest, or monetary gifts  **Liability:** Money we owe or debt  **Liquidity:** Readily available cash that you have on hand  **Need:** Basic for survival such as shelter, food, and clothes  **Net Worth:** Assets – liabilities  **Wants:** Those things that make our life more comfortable |
| **Materials/Specialized Equipment Needed** | **Equipment**   * Computer with projector for multimedia presentations * Computers with internet access   **Materials**   * Calculators * Enough dice for each group of students * File cards * Journals * Markers * Notebook to organize copies of the handouts * Paper for 3d graphic organizer * Pens * Copies of handouts   **Technology access**   * GlogsterEdu * PowerPoint   **PowerPoint:**   * Managing Your Finances Part I PPT * Managing Your Finances Part II PPT   **Technology:**   * Free iPad Apps   + Budgets for iPad free<https://itunes.apple.com/us/app/budgets-for-ipad-free/id400848995?mt=8>   + Don’t Break the Bank<https://itunes.apple.com/us/app/dont-break-the-bank/id537450041?mt=8>   + goalGetter – Financial goal planner<https://itunes.apple.com/us/app/goalgetter-financial-goal/id465208727?mt=8> * Infographic:   + How to Teach Your Child About Money With today’s economy it is important to teach our children how to handle money wisely. I know that growing up I never really had a good understanding of money except for the fact that my parents always said we didn’t have any. Now as a young adult I find myself struggling to organize my money. This infographic is a great resource for parents to help teach their children about money.<http://www.bestinfographics.co/how-to-teach-your-child-about-money-infographic/>   **Graphic Organizers:**   * Components of a Financial Plan   **Handouts:**   * Budget Scenarios * Budget Worksheet * Financial Math Challenge * Financial Math Challenge Key * How Do We Compare? * Managing Your Finances Notes * Managing Your Finances Notes Key * Managing Your Finances Quiz * Managing Your Finances Quiz Key * Microsoft Word Trifold Brochure Template |
| **Anticipatory Set**  (May include pre-assessment for prior knowledge) | **Before class begins:**  Teacher should familiarize themselves with PowerPoints, handouts, and activities.  **Anticipatory Set Activity One**  As students enter the classroom, instruct them to take out a clean sheet of paper (or their journals) and make a list of ten wants/needs. Examples: house, food, microwave, make up, etcetera.  Once the task is completed, collect lists, and have all students stand. Read one item off of a list, example: a house. Ask students if they think this is a need or a want. If they think it is a need, have them move to the right side of the room. If it is a want, the left side of the room.  Allow student discussion. Yes, shelter is a need, so a house would be considered a need, but what about a three-story mansion? Stress the importance of being specific when describing wants/needs.  Continue the activity with five or six additional items, each time allowing students to move to the right side of room if they think it is a need or to the right side of the room if they think it is a want. Discuss each item.  After activity, return lists for revisions and have students label their items as wants or needs.  Ask the following questions:   * What areas did all or most students agree upon? * How are you unique and how do your priorities differ from your classmates? * How might your priorities affect your spending habits?   **Anticipatory Set Activity Two**  Ask students to list in their journal at least ten things they value or are important to them. After they complete their lists, ask them to identify the items as monetary or relational. Have them count the items that cost money and the items that are relational.  Ask them to answer the following questions:   * What is most important to you? Wealth or Relationships? * What might this exercise tell you about what kind of a lifestyle that would make you happiest? * What careers might you consider that would support this lifestyle? |
| **Direct Instruction \*** | Financial stability does not happen by accident, it happens by careful planning. Careful planning helps you maximize your income. We will learn seven components of establishing a stable financial plan. Most people do not start with all the components in place. This is something you must work towards in order to achieve your financial goals.  **Direct Instruction Activity One:**  Introduce lesson objectives, terms and definitions and ask students to write terms on file cards or in their journals for study.  Show PowerPoint Financial Planning and ask students to complete Managing Your Finances Diagram with the seven components of a secure financial plan. Allow time for class discussion.  See Guided Practice Activity One  **Direct Instruction Activity Two:**  Introduce additional terms and definitions to add to their file cards or journal.  Present PowerPoint Managing Your Finances Part II which focuses on budgeting. Allow time for questions, demonstrations, and class discussion.  See Guided Practice Activity Two  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, are not limited to:*   * encouraging participation * praising student * provide the student with a copy of the slide presentations |
| **Guided Practice \*** | **Guided Practice Activity One:**  Distribute handout Financial Planning Notes. Review slide presentation contents by having them complete Managing Your Finances Notes handout with a partner. These notes can later be used for taking the Managing Your Finances Quiz during Summative/End of Lesson Assessment.  Challenge your students’ logical thinking skills with the Financial Math Challenge.  **Guided Practice Activity Two:**  Distribute the Budget Scenarios. Have each student roll a dice to determine which scenario they will budget for.  Using the Budget Worksheet handout have students create a budget for the scenario. Remind them to use pencil on the budget so they can erase and adjust as needed. We are looking for a balanced budget so their expenditures should not exceed their income.  Distribute the How Do We Compare handout. Using calculators or the calculator on their phones and their budget sheets, have students figure out what percentages they spent on each area of their budget and compare it to the national averages.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, are not limited to:*   * encouraging participation * praising student * provide the student with a copy of the slide presentations * provide peer tutoring * allow extra time |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | **Before class begins:**  Create a few examples of the 3D graphic organizer described below  Provide students with a blank sheet of paper and instruct them to fold it “hot dog style” (lengthwise). Starting from the lengthwise open end, have them cut six evenly spaced slits, creating seven segments. This will become the front of their organizer. The entire back half is left intact. Instruct students to write the seven components of a secure financial planning on the outside of the seven segments. Underneath each segment, have them write an example of how they would implement that component in their personal financial plan. See photo below.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, are not limited to:*   * encouraging participation * allowing student to complete assignments at home * provide the student with a copy of the slide presentations * check for understanding |
| **Lesson Closure** | Review lesson objectives, terms, and definitions.  Follow-up questions at the end of each class period may include answer and discussion to the following:   * Briefly compare and contrast the difference between needs and wants. * Why is it important to create a budget? * What are the seven components of planning a secure financial future? * Why is it important for your budget to balance? |
| **Summative/End of Lesson Assessment \*** | Assessments during lesson:   * Budget Worksheet * How do I Compare? * Financial Math Challenge   At the end of the lesson, students will review for and take Managing Your Finances Quiz and write a one-page reflection of what they have learned from this lesson and how they will apply it to their lives, now and in the future. Content of reflection may include how financial management is a journey and requires continual evaluation and readjustment.  *Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*   * providing students with guiding questions * check for understanding * extended time * shortened assignments * used of positive reinforcement |
| **References/Resources/**  **Teacher Preparation** | **Textbooks:**   * Lowe, Ross. *Consumer Education and Economics.* 6th ed. N.p.: Glencoe/McGraw Hill, 2006. Print. * Madura, Jeff, Mike Casey, and Sherry J. Roberts. *“The Financial Plan.” Personal Financial Literacy.* Boston: Pearson, 2010. 23-29. Print   **Websites:**   * Clip Art, Photos, and Animations Images. N.p., n.d. Web. 13 Oct. 2012. <http://office.microsoft.com/en-us/images> * Determining Your Budget TheMint.org. N.p., n.d. Web. 13 Oct. 2012. <http://www.themint.org/> * Free Online Learning at GCFLearnFree.org Creating a Budget. N.p., n.d. Web. 13 Oct. 2012. <http://www.learnfree.org/> * U.S. Bureau of Labor Statistics U.S. Bureau of Labor Statistics. U.S. Bureau of Labor Statistics, n.d. Web. 09 Oct. 2012. <http://www.bls.gov/> * What Is Financial Planning What Is Financial Planning? N.p., n.d. Web. 13 Oct. 2012. <http://www.fpanet.org/WhatisFinancialPlanning> |
| **Additional Required Components** | |
| **English Language Proficiency Standards (ELPS) Strategies** | * Word wall * Peer to read materials * Shortened modified test * Extra time for responses |
| **College and Career Readiness Connection[[1]](#footnote-1)** |  |
| **Recommended Strategies** | |
| **Reading Strategies** | Current Events: Assign students to read more about financial management. Information can be found in newspaper articles, magazines, journals, and online print.  Suggestions:   * Prepaid Debit Cards: Are They Right for You?<http://www.saveandinvest.org/FinancialBasics/Spending/P196997> * Teaching Your Teens to Manage Money<http://fatherhood.about.com/cs/myteensdad/a/teen_money.htm>   Encourage students to use the internet to read more about financial management and put what they learn into practice by budget their own income, whether it be allowance or earned money. |
| **Quotes** | The mint makes it first, it is up to you to make it last. **-Evan Esar (1800-1995)**  One must be poor to know the luxury of giving **-George Eliot (1829-1880)**  Academic qualifications are important and so is financial education. They’re both important and schools are forgetting one of them.  **-Robert Kiyosaki**  If you want to rear financial blessings, you have to sow financially.  **-Joel Osteen**  A big part of financial freedom is having your heart and mind free from worry about the what-ifs of life.  **-Suze Orman**  Money is better than poverty, if only for financial reasons.  **-Woody Allen**  College is part of the American dream. It shouldn’t be part of a financial nightmare for families.  **-Barbara Mikulski** |
| **Writing Strategies**  **Journal Entries + 1 Additional Writing Strategy** | **Journal Entries**   * What do you value? * Ask students to make a list of ten items they value. Then discuss: Are these material values or relationship values? * How might your values affect your lifestyle? * Will your career choice support your values? * What did you spend money on this week? * What income did you have this week? Allowance? Earnings from job? Gifts? * Did the money you spent this week match your income? * Did you save any of your income?   **Writing Strategies:**   * RAFT Writing Strategy   + Role – student   + Audience – friend   + Format – instructional guide   + Topic – how to create and balance a budget |
| **Communication**  **90 Second Speech Topics** | * How Managing My Finances Will Help Secure My Future * Key Components of a Financial Plan * The most challenging component of a financial plan is… |
| **Other Essential Lesson Components** | |
| **Enrichment Activity**  (e.g., homework assignment) | * Use a search engine to locate reliable financial websites and create a data base for your Dollars and Sense course. * Electronically create a trifold brochure describing how to apply the seven components of managing finances You may use Microsoft Word Trifold Brochure Template. * Scenario: You are a financial adviser for a newspaper column. Write questions and answers giving financial advice.  Allow students to use <http://www.fodey.com/generators/newspaper/snippet.asp> to create a realistic looking newspaper column.   Dollars and Sense Math Assessment Problems  Question 3. Aaron takes out a small business loan at the bank to help start a barbershop. He takes out $5,000.00 at an interest rate of 6% and doesn’t have to make a payment on the principle for 18 months. If he makes no payments during the 18 months, how much does he owe the bank if the 6% interest for the first 18 months is added? a. $ 5,400 b. $ 7,200 c. $10,400 d. $30,000  Answer: C  **Math Connections:**   * File: <http://www.showme.com/sma/embed/?S=Z4Eru1g&w=580&h=434> * File: http://www.showme.com/sma/embed/?S=tiiv2ki&w=580&h=434 * Linked video file: http://www.showme.com/sma/embed/?s=Vc1Iv8i&w=580&h=434 |
| **Family/Community Connection** | **Family Project**  Students take their allowance and create a budget. Budget should balance their income with their expenses.   * Students could set up a savings account at a local bank or credit union. |
| **CTSO connection(s)** | **Family, Career, Community Leaders of America (FCCLA)**  <http://texasfccla.org/>  **STAR Events**  Job Interview – An individual event that recognizes participants who use Family and Consumer Sciences and/or related occupations skills to develop a portfolio, participate in an interview, and communicate a personal understanding of job requirements.  **National Programs**  The FCCLA Financial Fitness national peer education program involves youth teaching one another how to make, save, and spend money wisely. Through FCCLA’s Financial Fitness program, youth plan and carry out projects that help them and their peers learn to become wise financial managers and smart consumers. |
| **Service Learning Projects** | **Service Learning**  Successful service learning project ideas originate from student concerns and needs. Allow students to brainstorm about service projects pertaining to lesson. For additional information on service learning see:<http://www.nylc.org>  Example:  Develop a “Relay for Life” team and create a strategy to fundraise for the cause. |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)