

Area/Skill - Math	Cognitive Skill Level - Application	Correlation to Math Framework - 05.01/05.16	Lesson Number - 24
<p>Activity Title - Budget Mania</p> <p>Goal/Objective</p> <p>To develop a budget for living expenses and apply that budget to real life.</p> <p>Lesson Outline</p> <p>Introduction</p> <p>It is difficult to live on a set budget for living expenses. To begin the lesson, show students sample budgets and discuss the terms that are often used: budget, income, expenses, expenditures, fiscal year, etc.</p> <p>Activity</p> <p>Divide the students into small groups of four to six. Provide each group with an envelope. Inside each envelope have a slip of paper on which a set amount is written, such as \$1,298.00 or \$1,890.00 etc. Have the students create a budget for all of their living expenses for the month. The students will use newspaper ads to determine the cost for renting an apartment. Other expenses such as electricity, food, car expenses, insurance, telephone, water, and incidentals will need to be estimated.</p> <p>Debriefing/Evaluation Activity</p> <p>Have students share their budgets with the class. Discuss whether or not the estimates were reasonable based on what individuals pay per month for specific expenses. Ask students why income is so important when planning a budget.</p>		<p>Materials/Texts/Realia/Handouts</p> <ul style="list-style-type: none"> • Sample monthly budgets of living expenses • Newspaper Ads • Paper, pencils, highlighters • Calculators 	
<p>Real-Life Connection</p> <p>Budgeting is an important part of everyday life. Have students locate different types of budgets in the newspaper, workplace, community, or on the Internet. The federal and state governments all develop budgets that are based on income versus expenditures. Demonstrate how these budgets are similar to those that individuals develop for their daily life.</p>		<p>Extension Activity</p> <p>Have the students use the information from their budget to create a circle graph where the entire amount of the budget equals 100% Each of the different parts of the budget will equate to a fraction or portion of 100%. Students may wish to use a calculator to figure percentages.</p> <p>ESE/ESOL Accommodations</p> <ul style="list-style-type: none"> • Allow students to work in groups with others who can assist them. • Allow additional time. • Use pictures or diagrams to provide alternate ways of learning about budgets. • Provide written definitions of new vocabulary words. • Allow students to use calculators to figure percentages. 	

GED 2002 Teachers' Handbook of Lesson Plans - Script

Area/Skill - Math	Cognitive Skill Level - Application	Correlation to Science Framework - 05.01/05.16	Lesson Number - 24
-------------------	-------------------------------------	------------------------------------------------	--------------------

Activity Title - Budget Mania

Introduction

Ask: How do you develop your monthly budget? Why do you even need a budget? *Say:* It is often difficult to live on a budget. However, it is also necessary to live within one's income. Discussion should center on the different terms that are often used in budgeting (budget, income, expenses, expenditures, fiscal year). Show students a sample of a monthly budget that includes the basics—rent, utilities, food, transportation. *Ask:* What kinds of expenses are missing? Sample answers could include such things as insurance, clothing, and medical care.

Main Activity

Say: Today, you are going to develop a budget based on a specific income. You will need to identify all of the different things that are needed to run a household. To help you, newspapers are on each table. Use these resources when you are determining such things as rent or food costs.

Divide the class into small groups of four to six students. Give each group an envelope. Inside of the envelope provide a monthly income from which the group will develop a budget. You may wish to give some groups a very limited monthly income and other groups a middle class type of wage. Sample incomes for a month could range from \$1,000 to \$3,000.

Say: You may display your budget in any form that you wish as long as you stay within your monthly income.

Closure/Conclusion

Ask: How did you display your budget? What are some of the difficulties that you had when budgeting within the income provided? Was it easier/harder to develop a budget on a higher monthly income? Why or why not?

Follow-Up Lessons/Activities

Have students research different types of budgets. You may wish to bring to class copies of different governmental budgets that are found on the World Wide Web. Students may also locate different types of budgets in the local newspapers. Discuss how these budgets are similar to those that individuals use in their daily lives.

Most students will display their budgets in written form. Have the students put the information into a chart or table format. Next have them display their budgets as a circle graph. Remind students that circle graphs have a whole that equals 100% and that each item is part of that whole. Have students figure the proportion each item is to the whole before they develop the graph.