Full Year Course
6.1 Budgeting for Teens
Lesson Guide
UNIT: BUDGETING

Learning Objectives
Students will be able to
- Differentiate between income and expenses
- Classify expenses into needs or wants
- Think critically about how daily choices impact a young person's budget now and in the future

Approximate Time
- Lesson length: 75 mins

Jump$tart Standards
Spending
- 1a: Identify their short-term and long-term financial goals
- 1b: Develop a budget to allocate current income to necessary and desired spending, including estimates for both fixed and variable expenses

Saving
- 9b: Identify strategies to manage psychological and emotional obstacles to saving

Earning Income
- 7c: Differentiate between gross, net and taxable income

Distribute to Students
- Student Activity Packet FY-6.1

Plan Your Unit
- Unit Plan for Budgeting
- Budgeting on www.ngpf.org
- Customizable Parent Newsletter: Budgeting

LESSON PLAN

	Resources	Questions	Est. Time
1	DISCUSSION PROMPTS	**Discussion Prompts** Write your responses to the questions. Then, share what you wrote with your classmates or a partner. 1. What items do you spend money on currently? 2. Now, imagine yourself as a recent college graduate who has just secured a full time job. How do you think your spending as a college grad will compare with your current spending as a teen?	5 mins
2	ARTICLE • What Is a Budget? • Publisher: Consumer.gov	**What Is a Budget?** Explore this page, either by reading the text or watching the video, and use your learning to answer the questions. 1. What is a budget? 2. As a teenager, why might creating a budget be important?	6 mins
3	VIDEO (1:18) • Needs vs. Wants • Publisher: Columbia College	**Needs vs. Wants** A key part of creating a budget that works for you is distinguishing your *needs* from your *wants*. Watch this video to learn more about the two. Then, answer the questions.	4 mins

		1. When deciding if you should buy something, what can you ask yourself to determine if the item is a *need* or *want*? 2. Why do you think people spend so much money on their *wants* despite the financial costs?	
4	ACTIVITY • COMPARE: Needs vs. Wants • Publisher: NGPF ❖ **Teacher Tip:** We only tell students to complete Part I in this lesson, but you can have them do more. The scenario in Part III often generates really rich discussion.	**COMPARE: Needs vs. Wants** Think critically about your own Needs vs Wants by completing Part I, only, of this worksheet. Then, answer these additional questions. 1. Currently, who pays for your wants -- you? Your parents? A mix? 2. How does who is paying for your wants impact purchasing decisions?	10 mins
5	CASE STUDY • CASE STUDY: How Do I Budget? • Publisher: NGPF	**CASE STUDY: How Do I Budget?** Now that you've learned a bit about budgeting, dive into this case study to help Alana budget and reach her financial goals!	35 mins
6	ARTICLE • Eight Questions to Answer Before Picking a College • Publisher: Wall Street Journal	**Eight Questions to Answer Before Picking a College** In the case study, Alana is worried about saving to cover her extra living expenses at college, but tuition and room & board will be far greater costs for most students. **Answer questions 1-6** on this online quiz and be sure to skim the answers as they appear. Then, complete the following sentence: 1. The college you choose can impact your future adult finances in the following ways:	10 mins
7	EXIT TICKET ❖ **Teacher Tip:** To access this Exit Ticket, please see the Sample Completed Student Activity Packet (SSAP). You can find this on the Unit Page this resource is in.	**Exit Ticket** Follow your teacher's directions to complete the Exit Ticket.	5 mins

EXTEND THE LEARNING

DO MORE...	LEARN MORE...
ACTIVITY • PROJECT: Rein in Your Wants • Publisher: NGPF	ARTICLES • 'Buy Now, Pay Later' Sends TikTok Generation Spiraling Into Debt

- MATH: Graphing a Budget Equation
- Publisher: NGPF

DATA CRUNCH
- How Have Prices For Consumer Goods Changed Over the Past 20 Years?
- Publisher: NGPF

FINCAP FRIDAY
- Nike Eyes Growing Feet
- Publisher: NGPF

INTERACTIVES
- INTERACTIVE: Money Magic
- Publisher: NGPF

- Quizlet Vocabulary | Budgeting
- Publisher: NGPF

- Publisher: SF Gate

- Need a Budget?
- Publisher: Napkin Finance

- Are You Aware of the Pink Tax? The Cost of Being Female ✴CRE and Equity
- Publisher: Clever Girl Finance

QUESTION OF THE DAY
- What are the top 3 types of products/services Gen Z is most likely to splurge on?
- Publisher: NGPF

VIDEO
- Budgeting for Teens
- Publisher: Finance Education

FAST FACTS...
- The average allowance an American child now receives is about $30 per week, or $120 per month (MarketWatch, 2019)
- 55% of Americans say they budget somewhat regularly; on the flip side, that means 45% of Americans do not (Interest.com, 2020).
- The word 'budget' is derived from the Middle English word 'bowgette', which came from 'bougette' which means a leather bag in French. (Business Standard, 2017)