

# Fundamentals of Budgeting Workshop



**Accredited Course**

**Educator Guide**



# Accredited Lesson Plans

In this section, you'll find two sample interactive lesson plans for each of the workshop sessions. Each lesson is divided into four sections:

- a hook, to engage students in the lesson content;
- guided practice to introduce students to the core concepts and skills of the lesson;
- independent practice, for students to deepen their understanding of the core concepts and skills; and
- a short assessment, to help instructors and students monitor what students have learned and what needs further work.

# Sample Lesson Plan 1 for Workshop Sessions 1 & 2:

**Audience:** Adults, or people who pay for most of their expenses.



## Chapter Plan

# of total lessons for the chapter = 2

### Chapter Learning Objectives:

- Students will:
  - Demonstrate the knowledge of what budgeting is and why one budgets
  - Demonstrate knowledge of how to identify and reduce expenses
  - Demonstrate a knowledge of how to create a budget and automate that budget

The lesson plans are organized around a backward system, in which the instructor starts with a plan of learning objectives for the whole chapter and breaks the chapter into the available class time.

## Lesson #1 topic: Budgeting

Time: 90 minutes

### Learning objectives:

- Students will be able to identify the knowledge of what budgeting is and why one budgets.

# Lesson Plan

## 1. Hook: KWR Chart (15 min)

**Materials:** Student Guide pages 1-7, 18-20;  
Whiteboard or Flip chart, markers

**Ask:** Instructor should share with students a little about themselves and their passion for teaching this topic. Also ask students: "What are you looking to get from this workshop?" "What would you like to leave with?" and similar questions. Then have students complete their KWR chart in their Student Guides.

Lead students in the KWR activity from the Student Guide, Fundamentals of Budgeting Workshop.

In a follow-up discussion to the KWR activity, use pages 18-20 of the Student Guide and attempt to reach a consensus agreement on a definition for the term "budget."



The hook engages students and activates their prior knowledge.

## 2. Case Studies (20 min)



In this section of the lesson, students will engage with preeducation case studies. Case studies help them to get familiar with and to gain confidence with their knowledge of the topic.

### Materials:

- Pre-Education Case Study: Level -Financial Challenges & Recovery
- Pre-Education Case Study: Level -Financial Foundation & Growth



### Instruct:

Instruct, Instruct class to select one of the two cases studies to work on. Students should read their chosen case study and answer the questions that follow the case study. Ask them to put their pencils down and look up when they finish.

Once students are finished, ask them to share some of their thoughts about each case study. Some questions to ask in addition to those that follow the case studies in the task might be:

- What was surprising or interesting?
- What do you have questions about?
- What do people need to know about this topic, and why?

### 3. Introducing the Content of the Lesson/Guided Practice (25 min)



In this section of the lesson, new content is introduced. To the extent possible, introduce content in an engaging, active and interactive way.

#### Materials:

- Student Guide pgs. 18-26, to use as a reading
- PowerPoint Slides 2-10

#### Lecture

In order to enjoy life now while you plan for the future, it's important to know how your money is spent. The first step is to understand the difference between a "need" and a "want."

A "need" is something you must have for survival like food, shelter, basic utilities, and affordable clothing. Things that help you generate income are also considered needs.

A "want," on the other hand, is something you would like to have – something not absolutely necessary for your survival, but that you would enjoy. Some common examples of wants include new phones, designer clothes, vacations, or jewelry.

#### Factors that Encourage Your Desire to Purchase 'Wants'



Needs and wants vary greatly between individuals. For example, a realtor may need suits to wear to work and a large, reliable mobile-data package from his cell phone service provider in order to earn income. But a construction worker's needs would be very different – instead of a suit, someone in the construction industry probably would need high-quality tools to stay employed. Each individual's situation must be considered to differentiate between needs and wants.

Prioritizing Expenses & Opportunity Cost  
Savings, Expenses & Budgeting

Briefly describe for students what a budget is and connect it to the discussion of the case studies. Then, either give students an opportunity to read the materials or present the materials to them using the PowerPoint slides and have them follow along in the text. Ask students to read it and take notes in the following way:

- Put a star next to anything they think is important for people to know or that can help them in their lives.
- Put an exclamation point next to any ideas that are new or interesting.
- Put a question mark next to anything about which they have questions or want to know more.

After students do the reading or you present the materials to the class, have students share their ideas by asking the following questions:

- What was surprising or interesting?
- What do you have questions about?
- What do people need to know about this topic, and why?

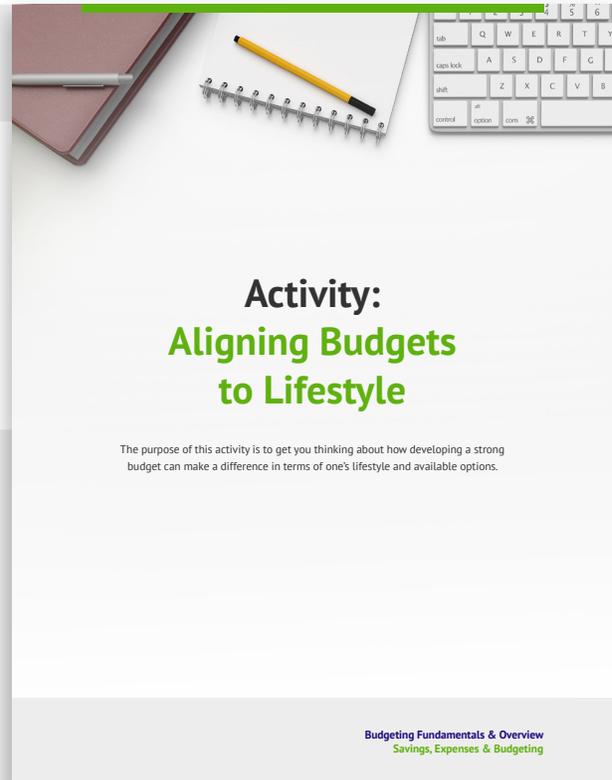
## 4. Activity (20 min)



Students should use the information presented in the lesson in small groups to apply what they are learning and they will engage with a scenario to determine and demonstrate what they understand.

### Materials:

- Activity: Aligning Budgets to Lifestyle



Instruct students that they will be taking what they have learned and applying it to real life scenarios where people are in financial difficulties. It is their job to help these people figure out how to get out of those financial difficulties. Then, as the instructor, select the scenario that most matches the class demographically. If there is time, select another scenario to go over as well.

Have the students break into small groups of 3 or 4 students and read through the scenario and then answer the questions that follow. Provide each group with a flip chart and markers to record their thoughts. Then, come back together as a class and discuss the scenario together as a large group. Encourage students to refer back to their reading if they become stuck when they are trying to come up with suggestions for the actors in the scenarios.

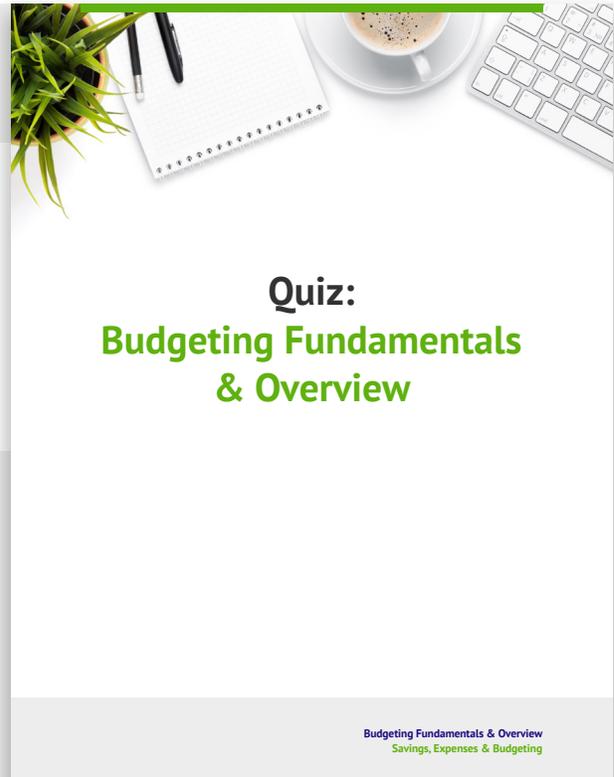
## 5. Assessment (10 min)



Each lesson should contain a formative assessment to help you and the students understand what they have learned and what still needs work.

### Materials:

- Quiz: Budgeting Fundamentals and Overview



Instruct students that they will be taking a quiz to assess what they have learned and what they still need to work on. This is only a formative assessment, but it gives you as the instructor a good idea whether you need to cover anything again in the next session, or if there is anything lacking in the information you have provided. Tell students they can take the assessment in the Student Guide or on the online learning platform.

## 6. Exit Instructions (5 minutes)

Before leaving, tell students to complete at home: **Identifying and Reducing Expenses, Student Guide pages 35-62**. They should complete the entire section from the beginning through the quiz at the end. They can complete the section and the quiz either in the Student Guide or on the online learning platform.



Students are able to complete this entire activity either in the Student Guide or on the online platform.

As the instructor, you should briefly go over the content with students and instruct them to take notes like they did in class, do the activity, and take the quiz before the next session of the workshop.

# Sample Lesson Plan 2 for Fundamentals of Budgeting Workshop Sessions 1 and 2

**Audience:** Adults, or people who pay for most of their expenses

## Chapter Plan

# of total lessons for the chapter = 2

### Chapter Learning Objectives:

- Students will:
  - Students will demonstrate knowledge of what budgeting is and why one budgets.
  - Students will demonstrate how to identify and reduce expenses.
  - Students will demonstrate how to create a budget and automate that budget.



The lesson plans are organized around a backward system, in which the instructor starts with a plan of learning objectives for the whole chapter and breaks the chapter into the available class time.

## Lesson #1 Topic: Cutting Those Expenses

Time: 90 minutes

### Learning objectives:

- Students will be able to demonstrate how to create a budget and automate that budget.

## Lesson plan

### 1. Hook (5 min)

**Materials:** Student Guide pages 63-64



The hook engages students and activates their prior knowledge.

Using the Student Guide pp. 63-64, lead the students in a group discussion to reach consensus on the steps to create a budget, activating their knowledge from the previous workshop lessons.

## 2. Introducing the Content of the Lesson/Guided Practice: Reading on Creating Your Budget (15 minutes)



In this section of the lesson, new content is introduced. To the extent possible, introduce content in an engaging, active, and interactive way.

### Materials:

- Student guide pgs. 65-74 to use as a reading
- PowerPoint Slides 11-16

### Budgeting Steps

Your first step in creating a budget is to enter your take-home income. If you receive a paycheck, use the net pay – that is, the amount you receive after all the taxes and other fees are deducted. If you receive tips or any other compensation from additional sources, be sure to add that into your income as well.

Your next step is to plan out your savings. Remember that the key goal of creating a budget is to save money. It's important to build a budget where you put aside at least 10% of your money for long-term savings. This money should be set aside before you purchase any wants – items you don't absolutely need for survival – or pay for items that generate additional income.

Once you complete the income and savings sections of your budget, next move on to listing your fixed expenses. Fixed expenses are the bills toward which you pay the same amount each month like rent, car payment, and insurance. Next, account for the fixed expenses you pay annually: car registration, gym membership dues, or anything else you pay every year. Enter these expenses into your monthly budget by taking the annual payment and dividing it by 12. For example, if your gym membership costs \$240 a year, you should be saving \$20 a month toward that bill.

The next step is to calculate your variable expenses. Some variable expenses are obvious. Utilities are a prime example: the more water you use, the higher your water bill will be. The amount varies from month to month.

However, some expenses are harder to pin down. Most of us have cash that vanishes each month into unknown voids, like stops for coffee, movies, events, or extra groceries. These are small, possibly infrequent purchases that may not register in your memory when you sit down to do your budget review.



Create Your Budget & Automate Savings, Expenses & Budgeting

Briefly introduce the idea of how to create a budget and connect to the steps that students formulated in the previous discussion. Either give students an opportunity to read the materials, or present the materials to them using the PowerPoint slides and have them follow along in the text. Ask students to read and take notes in the following way:

- Put a star next to anything they think is important for people to know or that can help them in their lives.
- Put an exclamation point next to any ideas that are new or interesting.
- Put a question mark next to anything about which they have questions or want to know more.

After students do the reading or you present the materials to the class, have students share their ideas by asking the following questions:

- What was surprising or interesting?
- What do you have questions about?
- What do people need to know about this topic, and why?

### 3. Activity: Completing Your Budget (30 minutes)



Students should use the information presented in the lesson – individually. During this section of the class, they will practice and apply what they are learning.

#### Materials:

- Completing Your Budget activity from Create Your Budget & Automate

**Activity:**  
**Completing Your Budget**

This activity involves completing your initial budget plan. You are provided with a link to an Excel spreadsheet that lays out each component of your budget including income, savings, fixed and variable expenses. You can use this spreadsheet tool to create your initial budget, and return to review, evaluate, and adjust it over time.

Create Your Budget & Automate  
Savings, Expenses & Budgeting

Tell participants that in this portion of the workshop, they will apply what they have learned about creating a budget and create their own individual budgets.

Have students turn to page 75 in their Student Guides. Go through the budget with the students section-by-section. Give them time to input their budgets, providing them with tips along the way.

If students finish quickly, have them take out their work from Identifying and Reducing Your Expenses. Have them implement one of the expenses they identified as being able to reduce.

If there is time, have students share with the class what they discovered and learned from this activity.

## 4. Activity: Automating Your Financial Tracking (25 minutes)



Students should use the information presented in the lesson – individually. During this section of the class, they will practice and apply what they are learning.

### Materials:

- Automating Your Financial Tracking activity from Create Your Budget & Automate

**Activity:**  
**Automating Your Financial Tracking**

This activity guides you to automate your financial accounts using a third-party online system. Online money management accounts pull together various financial accounts, so you can get an overall picture of all your finances in one place. The instructions provided here are for using the Mint.com system to organize all your accounts into a single dashboard.

Create Your Budget & Automate  
Savings, Expenses & Budgeting

Tell participants that in this portion of the workshop, they will automate their budgets and pull all of their accounts together in one place to keep better track of their budgets.

Have students turn to page 86 in their Student Guides. Go through the automation process with the students section-by-section. Give them time to input their budgets.

If there is time, have students share with the class what they discovered and learned from this activity.

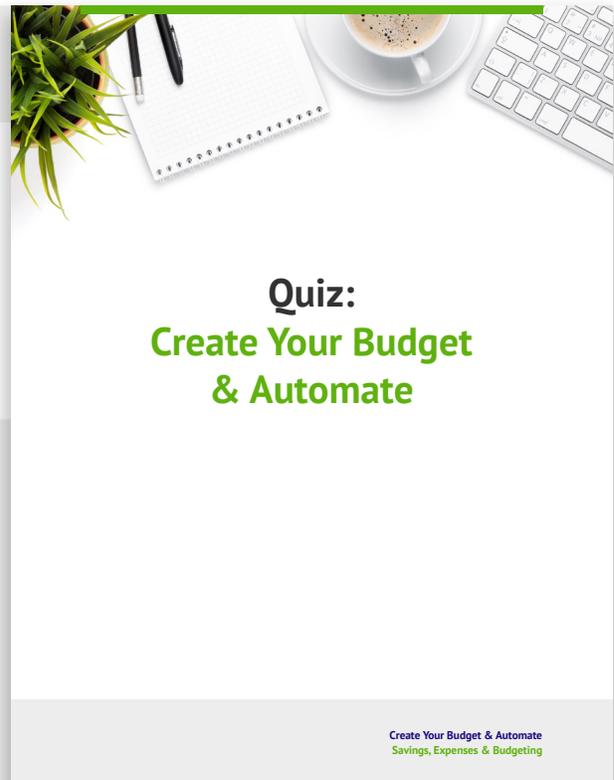
## 5. Assessment (15 minutes)



Each lesson should contain a formative assessment to help you and the students understand what they have learned and what still needs work.

### Materials:

- Quiz: Create Your Budget & Automate



Instruct students that they will be taking a quiz to assess what they have learned and what they still need to work on. This is only a formative assessment, but it gives you as the instructor a good idea what you need to cover better in the next workshop. Tell them they can take the assessment in the Student Guide or on the online learning platform.

Before leaving, have students verbally discuss or fill out and turn in a notecard answering the following questions:

- What are 3 steps you can take after this workshop to make sure you stay on budget?
- On a scale of 1-10, how important is it to you to keep a budget?
- On a scale of 1-10, how likely are you to maintain a budget?
- Is there anything else you can do – or support that you need – to maintain your budget?

If you had students fill out a notecard or write down their answers, lead a short discussion where they share their plans and ideas.