

# I'm In College: \$20 In My Coat Pocket (C1)

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**Course/Grade(s)**

Personal Finance/9-12

**Module:**

I'm In College!

**Lesson Title:**

\$20 In My Coat Pocket

**Duration:**

4 - 45 minute classes

**Materials/Resources/Technology:**

Student Activity Sheet C1-A

Student Activity Sheet C1-B

Outline Map of the United States by U.S. Census Bureau Regions

[http://commons.wikimedia.org/wiki/File:US\\_Census\\_geographical\\_region\\_map.png](http://commons.wikimedia.org/wiki/File:US_Census_geographical_region_map.png)

Paper

Computer/Internet Access

Microsoft Excel®

Budget Spreadsheet Template

**Classroom Arrangement:**

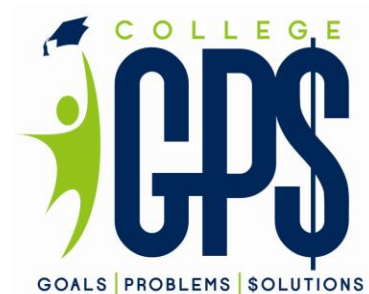
No special classroom arrangement will be needed for this lesson.

**Content Background:**

Financial goals are an important way for a student to begin thinking about a future career and the post-secondary education necessary to achieve those goals. A financial plan is a set of goals for spending, saving, and investing your money.

Budgeting is essential to help people achieve their financial plans. A budget is the plan for the way individuals or families manage their income and expenses to meet their financial plan. To create a budget there are several steps you need to take. You need to identify all sources of income, identify all of your expenses by tracking daily expenses, identify how much money you need to cover expenses, and set savings goals to help you meet financial goals and unexpected expenses.

When tracking expenses, an important part of budgeting is to understand the difference between fixed expenses and variable expenses. Fixed expenses are those that stay the same every month (e.g. rent/mortgage, car payment, etc.). Variable expenses are those that change from month to month (e.g. utilities, food, entertainment, etc.).



## College GP\$: Goals, Problems, and Solutions

### Standards:

National Jump\$tart: Planning and Money Management: Standard 1 – Develop a plan for spending and saving.

Tennessee Personal Finance: Standard 13 – ...formulate a plan to eliminate debt and determine the impact on a personal budget.

### Day 1

#### Learning Targets/Objectives:

Students will categorize realized expenses by essential-needs, near-needs, and wants.

Students will identify sources of anticipated income while in college.

Students will differentiate between fixed and variable expenses.

#### Activating Strategy:

Write the following scenario on the board: “You received \$50 for your birthday, explain in a paragraph what would you do with it.”

#### Instruction:

After completing the activating strategy, ask students if their plan for their \$50 birthday money involved purchasing an essential-need, a near-need, or a want, or none of those. Did they plan to save the money? This will set the stage for discussing needs and wants in light of budgeting.

Tell the students to recall the past three days of their spending and record the items they purchased on Student Activity Sheet C1-A. Have the students classify their purchases in terms of essential-needs, near-needs, or wants. Instigate a conversation about the way they determined “essential-need” and “near-need.” For example, if a student says that they purchased food from a restaurant, or even the school cafeteria, and classified it as an essential-need because it was “food” the question to consider when discussing spending is whether or not it is actually a near-need because it could have possibly been prepared less expensively at home.

Ask students to make a list of income sources that they anticipate having while pursuing post-secondary education and record those income sources on Student Activity Sheet C1-A. Next, explain the difference between a fixed expense and a variable expense. Then instruct students to begin a list of categories for each type of expense on the bottom of Student Activity Sheet C1-A. Tell students that they will use these categories during the next class to begin researching their anticipated college expenditures.

Provide students with Student Activity Sheet C1-B. Instruct student to keep a log of their daily expenses for the next three weeks beginning today. Tell students that they will evaluate these daily expenses as part of the final summative project for the I’m In College learning module.

#### Modifications/Grouping:

Students with learning disabilities or cultural differences may need to be provided with more cues and prompts to complete the assignment. A daily review of their anticipated expense log is recommended.

## College GP\$: Goals, Problems, and Solutions

Advanced students could be encouraged to match their categories of expenses to the Bureau of Labor Statistic's Consumer Price Index categories. Instructor will determine additional modifications/grouping required for each class.

### **Assessment/Evaluation/Closure:**

Working in teams of four students, refer to each team members' list of expenses and determine what items they could continue to purchase or activities they could continue to engage in – but at a lower cost. Tell students that during the next lesson, they will begin researching the cost for living in the community where they are anticipating attending school. Remind students to log daily their expenses on the Student Activity Sheet C1-B for the next three weeks. Students will submit Student Activity Sheet C1-A for a formative grade.

Reflect on the students' questions/feedback, activating strategy, and instruction and make notes for future instruction. Did students attain the learning targets at an acceptable level? Were special needs students adequately accommodated?

### **Day 2**

#### **Learning Targets/Objectives:**

Students will anticipate expenses at one of the post-secondary institutions that they selected in the Considering My Future learning module.

#### **Activating Strategy:**

Show the picture of the dorm on the beach at Florida Gulf Coast University (<https://sports.yahoo.com/news/ncaab--life-s-literally-a-beach-at-fgcu-225749535.html>). Ask students if this is how they envision their college living situation. Have them make a list on the board of pros and cons for living in a dorm on the beach.

#### **Instruction:**

Tell students to refer to their categories of fixed and variable expenses on Student Activity Sheet C1-A and begin researching the cost of each expenditure in those categories (e.g. transportation, housing, food, gas, automobile maintenance, insurance, etc.). Have students create a budget spreadsheet using Microsoft Excel to keep track of their anticipated expenses while pursuing post-secondary education. The instructor will need to prepare the budget spreadsheet template in advance or instruct students on how to set one up and enter the required formulas. Tell students that they need to enter their information on the spreadsheet in a manner which will allow them to create charts and graphs during a future lesson. Prompt students that information regarding tuition, books, and on campus housing, may be found on their post-secondary institution's website.

Additionally, remind students to continue to log their daily expenses on Student Activity Sheet C1-B for the next three weeks (additional expense trackers should be made available).

#### **Modifications/Grouping:**

Students with learning disabilities or cultural differences may need to be provided with more cues and prompts to complete the assignment. They may also need assistance with preparing the budget spreadsheet.

## College GP\$: Goals, Problems, and Solutions

Advanced students could be encouraged to research in greater depths, the cost of alternatives such as public transportation, off-campus housing, and campus meal plans versus preparing their own meals. Instructor will determine additional modifications/ grouping required for each class.

### **Assessment/Evaluation/Closure:**

Ask the students if they encountered any surprises, pleasant or unpleasant, with regard to the cost of housing in the area where they want to attend school. You might provide the local housing cost as a means of comparison. Tell students that during the next lesson they will continue to work on collecting their anticipated expense data. Remind students to log their daily expenses on the Student Activity Sheet C1-B.

Reflect on the students' questions/feedback, activating strategy, and instruction and make notes for future instruction. Did students attain the learning targets at an acceptable level? Were special needs students adequately accommodated?

### **Day 3**

#### **Learning Targets/Objectives:**

Students will finish gathering anticipated expenses for the chosen post-secondary institution.

#### **Activating Strategy:**

As part of your college budget, you estimated spending \$40 per month on car maintenance but two months into the semester, your transmission breaks and the cost to repair it is \$1,700. In groups of three, share your plan for coping with this unforeseen budget challenge.

#### **Instruction:**

Instruct students to continue their search for all anticipated costs of living in the city where their chosen post-secondary institution is located. Tell them that they will need to complete their list by the end of this class. This information should be entered on the budget template.

Additionally, remind students to continue to log their daily expenses on Student Activity Sheet C1-B.

#### **Modifications/Grouping:**

Students with learning disabilities or cultural differences may need to be provided with more cues and prompts to complete the assignment. They may also need assistance with the spreadsheet application. Advanced students could be encouraged to complete a budget for a different post-secondary institution location if they complete their initial assignment early. Instructor will determine additional modifications/ grouping required for each class.

### **Assessment/Evaluation/Closure:**

Poll the students about the gasoline cost per gallon in the city where their chosen post-secondary institution is located. Using the U.S. map outline write the gasoline cost per gallon on the map to show the variable cost of gasoline across the country. Discuss other costs that might vary geographically (e.g. housing, food, insurance, etc.).

Reflect on the students' questions/feedback, activating strategy, and instruction and make notes for future instruction. Did students attain the learning targets at an acceptable level? Were special needs students adequately accommodated?

### **I'm In College: \$20 In My Coat Pocket**

C1-4

### Day 4

#### Learning Targets/Objectives:

Students will analyze anticipated expenses by creating a Microsoft Excel pie chart from the budget spreadsheet.

Students will determine beneficial changes that could be beneficial to their ability to meet their financial goals.

#### Activating Strategy:

Tuition was unexpectedly raised 7% for next semester. Make a list of three places you could change your budget to be able to cover the increase in your tuition.

#### Instruction:

Students will create a Microsoft Excel pie chart summarizing their anticipated college expenses that they have entered onto the budget spreadsheet. After creating the pie chart, have students compose a three to four paragraph summary stating their largest category of expenses, their smallest category of expenses, the category in which they have the greatest ability to control the expenses, and their thoughts on their ability to cover all of their expenses while pursuing post-secondary education.

Additionally, remind students to continue to log their daily expenses on Student Activity Sheet C1-B. They will need to continue to log their expenses until they begin preparing the presentation for the summative project at the end of the I'm In College learning module.

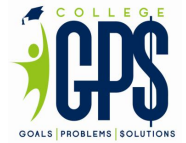
#### Modifications/Grouping:

Students with learning disabilities or cultural differences may need to be provided with more cues and prompts to complete the assignment. They may also need assistance with the spreadsheet application. Advanced students could be encouraged to continue working on a budget for a different post-secondary institution location. Instructor will determine additional modifications/ grouping required for each class.

#### Assessment/Evaluation/Closure:

On an exit ticket, have students share their expense category where they could reduce expenses so they would be better able to meet their financial goals while pursuing post-secondary education.

Reflect on the students' questions/feedback, activating strategy, and instruction and make notes for future instruction. Did students attain the learning targets at an acceptable level? Were special needs students adequately accommodated?



I'm In College: \$20 In My Coat Pocket  
Student Activity Sheet C1-A

Student Name: \_\_\_\_\_ Period \_\_\_\_\_

During the last three days (including today), record a list of purchases you have made on the table below. Recalling the lesson on essential-needs, near-needs, and wants, classify each of your purchases into one of the three categories by placing a check mark in the appropriate column.

| Item Purchased | Essential-Need | Near-Need | Wants |
|----------------|----------------|-----------|-------|
| Candy Bar      |                |           | ✓     |
|                |                |           |       |
|                |                |           |       |
|                |                |           |       |
|                |                |           |       |
|                |                |           |       |

When planning a budget for the time you are pursuing post-secondary education, you need to identify all of your sources of income. Make a list of income sources that you expect to have while you are in school (include scholarships, grants, and federal work study if you have received notification that you will be receiving any of those awards).

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

The next step in creating a budget is to identify all of your anticipated expenses – fixed and variable. Make a list of fixed expenses that you expect to have when you are in school.

- |          |           |
|----------|-----------|
| 1. _____ | 6. _____  |
| 2. _____ | 7. _____  |
| 3. _____ | 8. _____  |
| 4. _____ | 9. _____  |
| 5. _____ | 10. _____ |

Make a list of variable expenses that you anticipate while you are pursuing post-secondary education.

- |          |           |
|----------|-----------|
| 1. _____ | 6. _____  |
| 2. _____ | 7. _____  |
| 3. _____ | 8. _____  |
| 4. _____ | 9. _____  |
| 5. _____ | 10. _____ |

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I'm In College: \$20 In My Coat Pocket  
 Student Activity Sheet C1-B

Student Name: \_\_\_\_\_ Period: \_\_\_\_\_

**Expense Tracker**

| Date    | Item      | Cost   | Essential-Need | Near-Need | Want | Fixed (F) or Variable (V) Expense |
|---------|-----------|--------|----------------|-----------|------|-----------------------------------|
| 8/22/14 | Candy Bar | \$1.00 |                |           | ✓    | V                                 |
|         |           |        |                |           |      |                                   |
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