



Business Finance Virtual Learning

**11th and 12th/ Lesson: How
to Create a Budget**



Lesson: 4/24/2020

Students will be able to:

- Explain the difference between gross income and net income
- Understand the importance of using net income when budgeting
- Discuss the 50-20-30 rule and other budgeting strategies to use when creating a budget and to save money
- Create a salary-based budget

Question Starter:

What is one of the first steps you must take before creating a budget?

Instructions: Click on the How to Create a Budget link and complete questions and activities on sections 1-4

[How to Create a Budget](#)

Exit Ticket and answer to Starter Question:

Figure how much income you take home monthly (net income).

- 1. Why is important to use *net pay* instead of gross pay when budgeting?**
- 2. Identify two budgeting strategies that can help someone start or adjust their budget.**
- 3. Out of the following options, which is a good first step when creating a budget?**
 - a. Collect all of your receipts and calculate your total expenses for the month**
 - b. Determine your total income**
 - c. Figure out how much you can spend on different categories in your budget**