



Freshman Academy Virtual Learning

Personal Finance

May 14, 2020



Lesson: May 14, 2020

Objective/Learning Target:

- How to define wealth and differentiate it from “having lots of fancy stuff”
- The importance of creating a budget and paying yourself first
- Key aspects of three popular budgeting strategies -- 50/30/20, Zero-based, and Cash Envelope

Warm up (think out loud, or write your answer down)

1. Pretend you won \$900 in a contest. Explain how you would spend, save, and/or share that money.

Lesson

Many people think that being wealthy means you own “a lot of stuff”. However, it turns out that the number of things you have does not determine your wealth. Watch this video to learn more about what wealth means. Then, answer the questions.

https://drive.google.com/file/d/0Bwiv_vu1yOHcal9URIA3TDh4eIU/view?usp=sharing

Your friends and you notice a classmate who always has brand new clothes, shoes, and electronics.

1. What would you need to know in order to tell if this classmate’s family is actually wealthy?
2. How do you think keeping a budget can impact your overall wealth?

Lesson

If you want to build real wealth, you need to be in control of your finances. Budgeting can be a powerful tool. Skim this article and answer the questions.

<https://www.thebalance.com/reasons-to-budget-money-2385699>

1. Out of the six reasons provided, which is the most important to you? Why?
2. Despite these six reasons for keeping a budget, many people do not have a budget. Why do you think this is?

Lesson

There are quite a few approaches one can take toward budgeting, but let's first become acquainted with some common budget categories. Follow your teacher's directions to do this MOVE activity.

https://docs.google.com/document/d/1JCzCnMp4WHdJMNYFYKZLT1SdrAe_H55wzBJDEpkNDbk/edit?usp=sharing

Exit Ticket

1. What are some of the budget expenses people have?