

**Lesson Title/Description:**

Planning for Surprises

**Time Allotted for this Lesson:** 55 minutes**Goals (i.e. Oregon financial literacy standards):**

HS.45 Explain how to prepare a budget that allows for “living within one’s means.”

**Objectives (What do they need to learn and how will you know if they learned it?):**

After an activity that simulates the process of budgeting, students will be able to explain why it is important to budget for emergencies, as measured by a worksheet and reflection they complete during and following the activity.

**Materials/Equipment/Supplies/Technology/Preparation:**

- Episode clip - “Wheel of Misfortune” episode clip (302)
- Budgeting Worksheet
- Teacher guide
- Dice
- Calculators for students (or they could use their phones)
- The teacher should decide on the various costs associated with the occupations, etc. It would be most beneficial to students if the income and expenses were similar to those found in your area.
- The template, expenses, and consequences can always be altered to suit the needs and personality of the class you are working with.

Procedures: Step-by-step process explaining what will occur during the lesson (i.e. hook/attention-getter, student activities, etc.)

1. Begin lesson with a viewing of the video clip. (“Wheel of Misfortune” clip, episode 302. Clip can be found on the Biz Kids website - <http://bizkids.com/episode/wheel-of-misfortune>) Discuss planning for surprises. Brainstorm possible financial surprises that could occur.
2. Walk students through filling out their worksheets. Students should choose a job, a living situation, a form of transportation, and at least two of the additional expenses. Discuss the various consequences of the choices they are making. For example, discuss with students that while they can choose a job that has a lower income, that might mean that they do not have the money for a nice car, or to live on their own.
3. Walk students through how to figure out how much money they have left each month. Factor in the fixed amounts provided for food and utilities. If students need to make changes to their initial decisions, they can do so at this point. Then, they can decide how much (if any) money they want to put into savings. Discuss this as well.
4. Once students are ready to move on to the next step, the teacher will roll a dice and choose consequences on the included “Consequences” chart. As the teacher calls out the consequences, students who have made the choices called out that are affected should deduct that amount from their monthly money, keeping track as they go. Discuss the unpredictable nature of financial surprises.
5. As students accumulate expenses, the teacher (or “bank”) may loan them money. However, that money has to be paid off over the following months.
6. As the teacher wraps up the activity, they should guide the class in some reflection. Discuss the importance of having a savings fund, and the number of ways financial emergencies can present themselves unexpectedly to all types of people.

**Assessment/determining proficiency:**

Students will be informally assessed based on their participation during the activity. Their worksheet can be assessed to determine if they made any adjustments to their practices. The reflection at the end of the activity (can also be homework or conducted the next day) should be the formative assessment to determine the lessons students learned and how they might apply their discoveries to their own lives and practices.

**Planning For Surprises**

Name: \_\_\_\_\_

Job: \_\_\_\_\_ Income: \_\_\_\_\_

Living Scenario: \_\_\_\_\_ Expense: \_\_\_\_\_

Transportation: \_\_\_\_\_ Expense: \_\_\_\_\_

Extra Expense #1: \_\_\_\_\_ Expense: \_\_\_\_\_

Extra Expense #2: \_\_\_\_\_ Expense: \_\_\_\_\_

Food: \_\_\_\_\_

Utilities: \_\_\_\_\_

Amount in Savings: \_\_\_\_\_

Amount Left at the End of the Month: \_\_\_\_\_

**Month #1:**

Any unexpected expenses? How much did they cost you?

\_\_\_\_\_  
\_\_\_\_\_

How much do you have left at the end of the month?

\_\_\_\_\_

**Month #2:**

How much money did you start the month with?

\_\_\_\_\_

Any unexpected expenses? How much did they cost you?

\_\_\_\_\_  
\_\_\_\_\_

How much do you have left at the end of the month?

\_\_\_\_\_

**Month #3:**

How much money did you start the month with?

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Any unexpected expenses? How much did they cost you?

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How much do you have left at the end of the month?

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## Teacher Worksheet

### Possible Jobs

Mechanic \$ \_\_\_\_\_

Insurance Agent \$ \_\_\_\_\_

Hairstylist \$ \_\_\_\_\_

Chef \$ \_\_\_\_\_

Retail Manager \$ \_\_\_\_\_

### Possible Living Scenarios

Nice Apartment \$ \_\_\_\_\_

Studio Apartment \$ \_\_\_\_\_

Buy a Starter Home \$ \_\_\_\_\_

Live in a House with Roommates \$ \_\_\_\_\_

Move Home with Parents \$ \_\_\_\_\_

### Transportation

Bike \$ \_\_\_\_\_

Nice Car \$ \_\_\_\_\_

Junky Car \$ \_\_\_\_\_

Bus \$ \_\_\_\_\_

Walking \$ \_\_\_\_\_

### Extra Expenses

Internet \$ \_\_\_\_\_

Eating Out \$ \_\_\_\_\_

Gym Membership \$ \_\_\_\_\_

Television \$ \_\_\_\_\_

Cell Phone \$ \_\_\_\_\_

Food \$ \_\_\_\_\_

Utilities \$ \_\_\_\_\_

### Loans

Monthly payment \_\_\_\_\_

| # Rolled | Consequences   | # Rolled | Consequences  |
|----------|--|----------|---|
| 1        | <ul style="list-style-type: none"> <li>- Nice Apartment: HOA Fees go up, extra money</li> <li>- Junky Car: Breaks down, fee to fix.</li> <li>- Gym membership fees go up</li> </ul>  | 1        | <ul style="list-style-type: none"> <li>- Home with Parents: One of your parents gets hurt, you're going to need to help with the bills.</li> <li>- Walking: You fall down the stairs and break your ankle. Your friend will need you to chip in \$40 for the next 2 months to drive you.</li> <li>- Television: Your TV breaks, you're going to need a new one. \$300.</li> </ul> |
| 2        | <ul style="list-style-type: none"> <li>- Live with parents: Your parents decide you need to contribute.</li> <li>- Bike: Someone backs into your bike, fee to fix</li> <li>- Cell Phone: Data fees go up</li> </ul>        | 2        | <ul style="list-style-type: none"> <li>- Roommates: One of your roommates</li> <li>- Bike: You ride over glass on your way to work. Buy new tires.</li> <li>- Gym Membership: Your gym closes. The best option left costs \$20 more a month.</li> </ul>   |
| 3        | <ul style="list-style-type: none"> <li>- Roommates: One of your roommates lost their job. Help pick up the slack.</li> <li>- Bus pass: fee goes up</li> <li>- Television: The price of your TV package goes up.</li> </ul> | 3        | <ul style="list-style-type: none"> <li>Starter Home: The wiring in your house has a problem. \$300.</li> <li>Junky Car:</li> <li>Cell Phone: You drop your cell phone and shatter the screen. Buy a new one.</li> </ul>   |
| 4        | <ul style="list-style-type: none"> <li>- Buy a starter home: The pipes cracked.</li> <li>- Nice car: Needs new tires.</li> <li>- Eating out: Your friends find a new restaurant they love.</li> </ul>                      | 4        | <ul style="list-style-type: none"> <li>Studio Apartment:</li> <li>Nice Car: Your car breaks down and only specific dealers can work on it.</li> <li>Eating Out: Your friend had a birthday, everyone chipped in to treat them. Add an additional \$70 to your monthly total.</li> </ul>   |
| 5        | <ul style="list-style-type: none"> <li>- Studio Apartment: Your neighbor complains about you walking across the floor. Buy rugs.</li> <li>- Walking: It's the worst</li> </ul>   | 5        | <ul style="list-style-type: none"> <li>Nice Apartment: Your upstairs neighbor leaves their bathtub running. Pay for repairs.</li> <li>Bus: Bus service to</li> </ul>  |

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|  | <p>winter on record. You are going to need a bus pass.</p> <p>- Internet: Your internet is not fast enough, you're going to have to upgrade.</p> |  | <p>your block has stopped temporarily due to construction. You're going to need to carpool to make it to work on time.</p> <p>Internet: Your router quits. Buy a new one \$80.</p> |
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