PASSPORTS: ADVENTURES IN LEARNING
MONEY 101: PERSONAL FINANCE
Curriculum Guide grades 9-12

OBJECTIVES:

- **Solve word problems**
- **Determine and perform appropriate operations**
- **Display numerical data in different graphical representations**
- **Apply math to everyday experiences**
- **Apply addition and subtraction to decimals**
- **Estimate and find solutions to application problems**

VOCABULARY:

Budget – a plan that lists and compares sources of income and expenses
Savings – preserving money for future use
Earning – payment gained over a certain period of time
Spending – the purchase of goods or services
Investing – purchasing of an asset in hopes of getting a future return

SOLVING PERSONAL FINANCE SCENARIO
Using the budget organizer provided by Matt (below), figure out the following real-life scenario.

FACTS:

- You have $100 saved.
- If you successfully complete your three chores (take garbage out, wash dishes 2 nights, baby sit your little brother one night, and keep your room clean) you get $30 per week as allowance.
- You mow and trim the neighbor's lawn twice per month and make $20 each time
- You also make $11.00 per hour working at a local restaurant. After taxes, you receive about 80% of your earnings
- You must pay your cell phone bill each month, and the total bill is $40.
- You budget $30 for entertainment each week.
- Your car insurance is $80 per month.

Your neighbor is selling a used convertible for $1500, and you want to purchase it to drive to school on the first day of school. School starts in 3 months.

Income/Earnings	Expenses/Spending
	Savings/Investments

1. Plot the income, expenses information provided on the budget organizer, and determine the savings information.
2. Write a short paragraph <u>or</u> label your budget organizer to explain how you calculated your earnings vs. your costs. Include an explanation of the mathematical operations you used.
3. According to the information above, can you have the money to purchase your car by the first day of school?
    a. If so, how much money will you have left over?
    b. If not, what could you change or do to make up the difference?

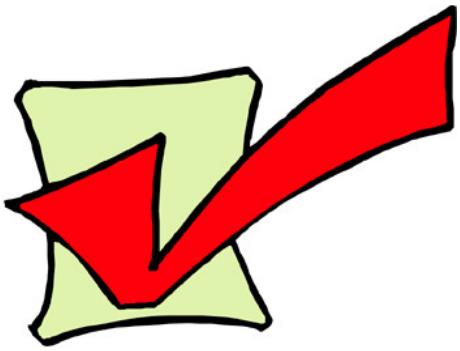
(ANSWERS on final page)

EXTENDED PRACTICE:
Write a similar scenario for your classmates to solve. Your scenario <u>must</u> include the following elements:

1. Require solver to use a budget sheet or organizer
2. Require solver to explain his/her solving process in writing.
3. <u>Include</u> the mathematical as well as possible written <u>answers</u> on a separate sheet.
4. Be prepared to walk the class through your problem/scenario.

ANSWER SHEET

1. Answer: Calculated for one month

Income/ Earnings	Expenses (Spending)
$120 allowance $352 restaurant job $40 lawn work $512	$30 cell phone $120 entertainment $80 car insurance $230
	Savings/Investments
	Available this month: $282 Already saved: $100

2. a. Budget will be approximately $372 short.
b. Answers will vary and may included adding chores, adding hours at restaurant or skipping some entertainment.