

Just Mercy		Date:
Lesson Objective(s): Budgeting	Students will: 1. Identify misconceptions that prohibit people from saving money and budgeting.	
Topic: Budgeting	Our financial system can often be a confusing and even threatening place for people who do not have experience or exposure to it. The most important and personal tool in your financial arsenal is going to be a budget. Once you establish a budget you can work towards your goals and dreams. The ability to budget can keep you on the right track and out of debt and out of trouble, and help prepare you for any unforeseen emergencies.	
Relevance: (Why is this lesson important in the real world?)	This lesson will expose students to the importance of planning their monthly budget, set expectations for bills, and discuss what it means to live within their means to avoid debt.	
Formative assessment for success: (How will your students know if they have met the outcome? What specific criteria will be met in a successful product? What does success on this lesson's outcome look like?)	Students will create a budget to meet their needs and wants without giving consideration to a salary. Students will then modify their budget to fit the state's monthly average, and provide justification for their modifications on an expository essay. Justifications for modifications will reflect a student's ability to discern between wants and needs. The student's essay will demonstrate their ability to synthesize and create an argument that accurately reflects their understanding of budgets.	
Procedures: (What learning experience will students engage in? How will you use these learning experiences or these learning products as formative assessment opportunities?)	<ol style="list-style-type: none"> 1. Teacher leads the class in brainstorming what money is spent on throughout the month. Teacher should create the class-generated list to provide students with what should be included in their budget. 2. Students will create a budget based on what they have determined they need/want. 3. Students will be given the \$2,200 monthly budget of the average New Mexican (according to the Bureau of Labor and Statistics, the annual mean wage for individuals in NM is \$43,170. Monthly income after deducting 25% for federal tax and 5% state tax is approximately \$2,200). 4. Students will modify their budgets to reflect that income. 5. Students will write an essay that provides arguments and explanations for their modified budgets. 	
Resources/Material/Time Required: (What texts, digital resources, and materials will be used in this lesson?)	<ul style="list-style-type: none"> • Just Mercy • White Board • Dry erase markers • Paper • Pen or pencil 	

Income	Budget	Actual	Variance
Salary 1 (take home pay)			
Salary 2 (take home pay)			
Other Income			
Other Income			
Total Income			
EXPENSES			
Housing - 35% of Budget			
Mortgage/Rent			
Repairs			
Property Taxes			
Utilities			
House Insurance			
Total Housing Expenses			
Transportation - 15% of Budget			
Car Payments			
Fuel and Maintenance			
Insurance			
Repairs			
Total Transportation Expenses			
Other Living Expenses - 25% of Budget			
Healthcare			
Personal Care Products and Services			
Food			
Cell Phone			
Entertainment			
Vacations			
Life and personal insurance			
Retirement			
Total Living Expenses			
Debt - 15% of Budget			
Student Loans			
Credit Cards			
Personal Loans			
Total Debt			
Savings - 10% of Budget			
Savings			
Total Savings			
Total Expenses			
Total Income - Total Expenses			

Write a well-organized essay that addresses the following:

- Discuss original budget;
- Identify three changes made based upon the new budget constraints (New Mexico monthly income);
- Justify why you made these changes;
- Elaborate why these changes were necessary based upon the average New Mexico monthly income.

Simple Rubric:

- High (10-8 points) – this essay will address all the bullet points above, in addition to following standard conventions of English and have multiple paragraphs
- Medium (7-5 points) – this essay will address all of the bullet points above, but contains a few grammatical errors and missed one or more of the bulleted items listed above.
- Low (5-2 points) – this essay will address most of the bullet points above and lacks detail; essay may also have several grammatical errors.