

Grade Level: High School
Time Span: 3 days

Frameworks: **Guiding Principle 4: Equity**

All students should have a high quality mathematics program that prepares them for college and a career.

Lesson Description: In this lesson students will use their math skills, and research to set a budget for three different families of four (2 parents and 2 children) in three very different financial situations. One family lives below the poverty line, with an annual income of less than \$22,350 (Department of Health and Human Services), the other family is an average Massachusetts household with 2 parents and one kid, with an annual income of \$64,509 (2006-2010 Census data). The last family is a member of the top 1% with an income of \$506,553 (New York Times). Students will each have a laptop that they can use to research, and create their budget.

Learning Objectives:

Students will learn:

- How to create a budget, and develop strategies for sticking to it
- How to calculate percentages for purposes of taxes, savings, social security etc.
- Real world implications of the need for good math skills
- How to use spreadsheet software to create a budget, or perform simple calculations

Day 1:

1. Present the lesson to the students
 - a. Use PowerPoint
2. Show students the various resources that they may need to determine various costs
 - a. Loan (auto/home) calculators
 - b. IRS Tax rate calculator
 - c. Car and home buying sites to determine the cost of some items
3. Students will then research and begin to put together their budgets in a spreadsheet for each of the three families

Day 2:

1. Students will continue to work on developing the budgets for the families
2. Students will take the Quia quiz (<http://www.quia.com/quiz/3511317.html>) to explain some of their choices before they present to the class.

Day 3:

1. Each student will have the opportunity to present their budgets to the class and field questions about why they made the various financial decisions that they made