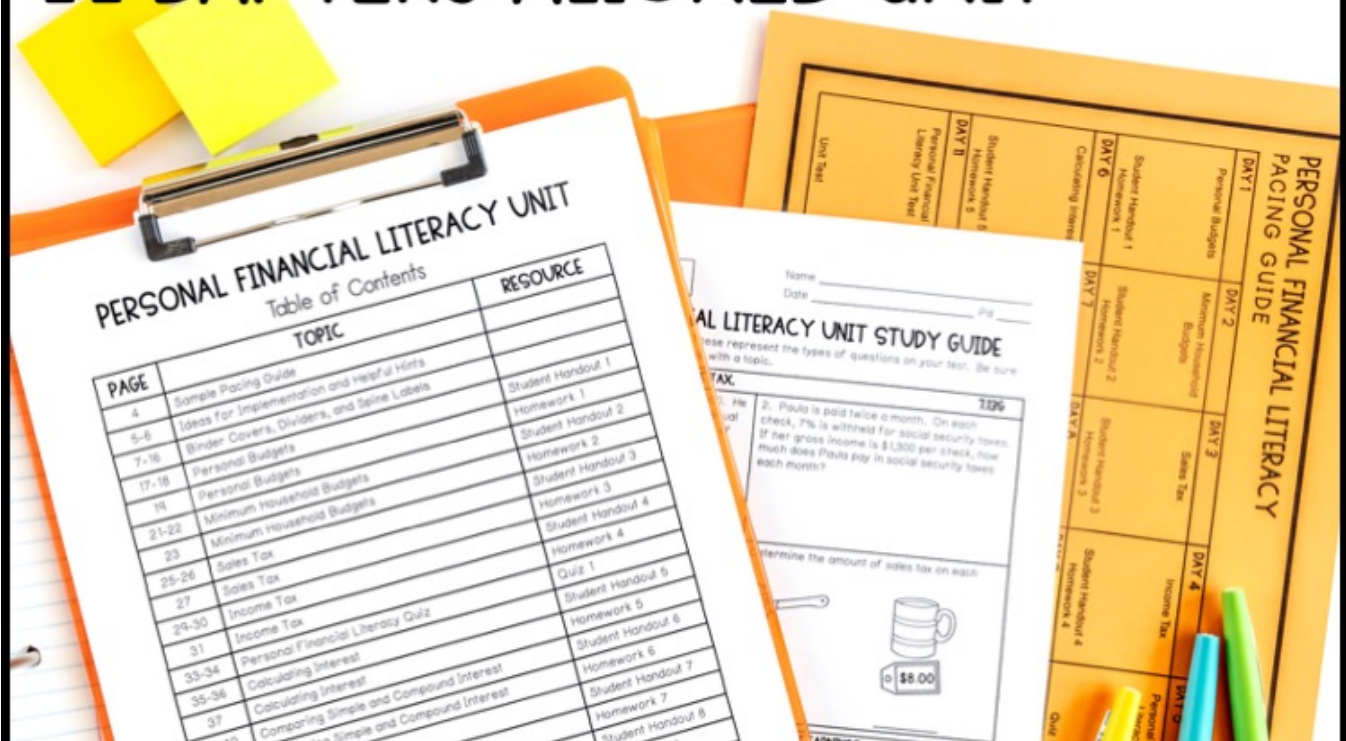


learning focus:

- ✓ solve real-world problems involving personal and family budgets and net worth
- ✓ calculate simple and compound interest
- ✓ solve real-world problems involving income tax, sales tax, and monetary incentives

PERSONAL FINANCIAL LITERACY UNIT

11 DAY TEKS-ALIGNED UNIT



A MANEUVERING THE MIDDLE® RESOURCE

PERSONAL FINANCIAL LITERACY



an 11 day TEKS-aligned unit
TEKS: 7.13A-7.13F

ready-to-go, scaffolded student materials

PERSONAL FINANCIAL LITERACY UNIT

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PERSONAL FINANCIAL LITERACY



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TEKS: 7.13A-7.13F

student friendly + real-world application

Unit: Personal Financial Literacy
Student Handout 2

Name _____
Date _____ Pd _____

MINIMUM HOUSEHOLD BUDGETS

TASK 1
Mr. Richardson is trying to teach his son, Micah, about the importance of taking care of family. Below are some common pieces of advice that Mr. Richardson has shared with his son. In the space given, elaborate on what each piece of advice means and/or how you could practically follow the advice.

"You gotta keep the lights on."

"Have a rainy day fund."

MINIMUM HOUSEHOLD BUDGET

- A minimum household budget to meet your needs.
- This minimum household budget should cover your family and their needs.

[cell phone, eating out, rent, water bill, etc.]

BASIC NEED

TASK 3
Read each scenario below. Based on the information, determine the annual salary each person would need to make in order to fulfill their family's budget.

**FAMILY OF FOUR
DALLAS, TX**

ITEM	EXPENSE
Rent	\$1,200
Food	\$800
Transportation	\$300
Utilities	\$250
Insurance	\$600
Taxes	\$500
MONTHLY TOTAL	
ANNUAL SALARY	

**MARRIED COUPLE
TYLER, TX**

ITEM	EXPENSE
Rent	\$800
Food	\$350
Transportation	
Utilities	
Insurance	
Taxes	
MONTHLY TOTAL	
ANNUAL SALARY	

**SINGLE WITH ROOMMATES
HOUSTON, TX**

ITEM	EXPENSE
Rent	\$300
Food	\$300
Transportation	
Utilities	
Insurance	
Taxes	
MONTHLY TOTAL	
ANNUAL SALARY	

1. Describe why the transportation cost is important for the family of four in Dallas, TX.

2. What is the advantage of having roommates in Houston, TX?

3. The single person in Houston, TX, determines that if he can find a job earning \$15,000 per year, his budget will be the same. Determine if he is financially responsible.

4. Write an equation to represent how much the couple in Tyler, TX, needs to earn.

5. In Austin, TX, the cost of housing for a family of four needs to bring housing?

Summarize today's lesson:

Unit: Personal Financial Literacy
Homework 2

Name _____
Date _____ Pd _____

MINIMUM HOUSEHOLD BUDGETS

Paul is considering two different job offers. Use the clues to help him determine which is the best fit financially in order to meet his basic needs.

He will spend \$350 on a car in either city.

His housing in Lubbock will be \$950. In Austin it will cost \$250 more.

His health insurance is not dependent on his location. It is \$300 per month.

To eat out more in Austin, he budgets \$600 for food. In Lubbock, he budgets \$400.

He will spend \$150 on utilities in either city.

**AUSTIN, TX
\$44,000 PER YEAR**

ITEM	EXPENSE	PERCENT OF BUDGET
Rent		
Food		
Transportation		
Utilities		
Insurance		
Taxes	\$400	
MONTHLY TOTAL		
ANNUAL EXPENSES		

**LUBBOCK, TX
\$39,000 PER YEAR**

ITEM	EXPENSE	PERCENT OF BUDGET
Rent		
Food		
Transportation		
Utilities		
Insurance		
Taxes	\$350	
MONTHLY TOTAL		
ANNUAL EXPENSES		

1. Which job allows Paul to set aside the most amount of money for savings? Explain why.

2. Explain why it is not always best to take a job that offers the most amount of money.

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skill application

PERSONAL FINANCIAL LITERACY



an 11 day TEKS-aligned unit
TEKS: 7.13A-7.13F

streamline your planning process with unit overviews

PERSONAL FINANCIAL LITERACY OVERVIEW



SUPPORTING STANDARDS

- 7.13A Calculate the sales tax for a given purchase and calculate income tax for earned wages.
- 7.13B Identify the components of a personal budget, including income; planned savings for college, retirement, and emergencies; taxes; and fixed and variable expenses, and calculate what percentage each category comprises of the total budget.
- 7.13C Create and organize a financial assets and liabilities record and construct a net worth statement.
- 7.13D Use a family budget estimator to determine the minimum household budget and average hourly wage needed for a family to meet its basic needs in the student's city or another large city nearby.
- 7.13E Calculate and compare simple interest and compound interest earnings.
- 7.13F Analyze and compare monetary incentives, including sales, rebates, and coupons.

BIG IDEAS

- Simple and compound interest rates affect the growth of money.
- Budgeting helps you to be financially responsible.
- Wise financial decisions over time can lead to financial success.

ESSENTIAL QUESTION

- How are simple and compound interest rates calculated?
- How does debt impact a person's financial health?
- What types of considerations should be made when making financial decisions?

PERSONAL FINANCIAL LITERACY PACING GUIDE



DAY 1	DAY 2	DAY 3	DAY 4	DAY 5
Personal Budgets	Minimum Household Budgets	Sales Tax	Income Tax	Personal Financial Literacy Quiz
Student Handout 1 Homework 1	Student Handout 2 Homework 2	Student Handout 3	Student Handout 4	
DAY 6	DAY 7			
Calculating Interest	Comparing Simple and Compound Interest			
Student Handout 5 Homework 5	Student Handout 6 Homework 6			
DAY 11	NOTES			
Personal Financial Literacy Unit Test	This unit does not have a test, then I would suggest			
Unit Test				

PERSONAL FINANCIAL LITERACY OVERVIEW



TOPIC	TEACHING TIPS
Personal Budgets	<ul style="list-style-type: none">I think this is a great foundation to begin the unit because percent application is such an integral piece of the unit. Students should be able to fluently find percents and parts of a total budget using a table.As an engagement piece, consider showing the site www.mint.com and teaching students the real-life application of personal budgets.
Minimum Household Budgets	<ul style="list-style-type: none">Visit https://bettermoneyhabits.bankofamerica.com and click on "Saving and Budgeting." There are several great videos and infographics to consider showing your students, such as "How to set up a budget and stick to it," which shows the process of setting up a budget and considering fixed and variable expenses.Visit https://livingwage.mit.edu and click on "Texas." Then, click on your county. Discuss the needs of various family sizes in close proximity to you.
Sales Tax	<ul style="list-style-type: none">Before the lesson, consider asking students what they already know about sales tax. They are likely somewhat familiar with paying taxes for items at a store and might be able to discuss what tax money is used for.Consider projecting an actual receipt showing the sales tax and the different types of non-taxable goods.
Income Tax	<ul style="list-style-type: none">Income tax is quite complicated as it is progressive and dependent on your filing status. So, I decided to focus on the types of taxes that are a percentage of income, like social security and Medicare. On a broader scale, students must understand that income taxes are withholdings that are taken out prior to receiving a paycheck. These are not voluntary and result in a net income.Visit https://bettermoneyhabits.bankofamerica.com and click on "Taxes and Income." There are several great videos and infographics to consider showing your students, such as "A Guide to Your Paycheck," which shows the different parts of a pay stub and the various deductions.

teaching
ideas

PERSONAL FINANCIAL LITERACY



an 11 day TEKS-aligned unit
TEKS: 7.13A-7.13F

unit study guide + assessments

Unit: Personal Financial Literacy
Quiz

Name _____
Date _____ Pd _____

QUIZ: PERSONAL FINANCIAL LITERACY

Answer each question and be sure to show your work when necessary.

1. Mr. Ronaldo earns \$46,650 in annual gross income. He will pay 7% in income tax this year. What is the amount of income tax that Mr. Ronaldo will pay?

A. \$3,386.50 B. \$3,265.50
C. \$4,108.60 D. \$4,665.00

2. Jacob would like to purchase a coat and a hat for \$62.75, and the hat is \$14.25. If the sales tax is 8%, what is the amount of tax on Jacob's purchase?

A. \$6.16 B. \$6.88
C. \$7.02 D. \$7.44

3. After taxes, Olive brings home \$2,800 a month. She would like to set aside 15% of her income for savings. How much money does Olive save each month?

A. \$360 B. \$385
C. \$408 D. \$420

Use the budget below to answer questions 4-6.
Patel's \$2,500 monthly budget breakdown:

CATEGORY	Rent	Utilities	Food	Transportation	Entertainment	Healthcare	Savings
AMOUNT	\$1,000	\$175	\$400	\$200	\$150	\$100	\$575

4. Which of the following is a true statement regarding Patel's monthly budget?

A. More than 50% of Patel's budget is spent on rent.
B. Patel is saving more than 10% of her monthly income.
C. Patel's car payment and other spending account for more than 25% of her monthly income.
D. Patel is spending more than 10% of her monthly income on her car payment.



quizzes



editable unit test

Unit: Personal Financial Literacy
Review

Name _____
Date _____ Pd _____

PERSONAL FINANCIAL LITERACY UNIT STUDY GUIDE


Solve each of the problems below. These represent the types of questions on your test. Be sure to ask questions if you need more help with a topic.

I CAN CALCULATE SALES AND INCOME TAX. 7.13G

1. Kane earns an annual salary of \$42,500. He is paid twice a month with paychecks of equal amounts. If Medicare taxes represent 1.5% of his income, then how much will Kane take home after Medicare taxes?

2. Paula is paid twice a month. On each paycheck, 7% is withheld for social security taxes.

3. The items below are charged on a credit card. How much interest will be charged on the balance?

 \$3.50

I CAN CALCULATE SIMPLE INTEREST

4. An investment of \$600 is made in a bank account that earns 6% annual simple interest for 15 years. Assuming no other deposits or withdrawals are made, find the following:

Interest: _____ Total Value: _____

6. Nadia deposited \$3,000 into an account that earns annual simple interest. After 6 years, she had earned \$990 in interest. What was the interest rate of the account?

answer keys
included



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