

17 Practice Making Adjustments to Your Budget

TRANSITION OBJECTIVE

Students will learn how to examine their expenditures and income to make appropriate budget adjustments.

RELEVANCE TO SUCCESSFUL TRANSITION

Once a young person begins to use a budget, it is important to review and analyze how it is working.

INSTRUCTIONAL SEQUENCE

❑ STEP 1: Update Journal

I can live with a budget by . . .

❑ STEP 2: Convene Roundtable

"Using a budget is important because ____."

❑ STEP 3: Advance Organizer

"Today you will analyze your budget and make adjustments."

❑ STEP 4: Activity - 15 Minutes

To start the class today, have students write out a paycheck for one week and deposit the funds in their accounts. Use the handout **Paycheck & Deposit** to write the check and deposit slip. Students record their deposits on the **Savings and Checking Records** from Lessons 6 and 7. You or your assistant act as the banker to give cash and accept deposits.

❑ STEP 5: Activity - 30 Minutes

Have students review their savings and checking account balances and the *paper money* they currently have from class activities. With this information, they should work with their roommates to complete the handout **Check Your Budget**. Remind students to use monthly figures and to divide the appropriate costs of shared expenses with their roommate. To complete the worksheet students subtract all of their monthly expenses from their total monthly net pay.

129



LIFE MANAGEMENT: Unit 3 LESSON 17

Check Your Budget

In the first column, mark the total costs from previous activities in this unit, unless specified. Match the total at the bottom of the column with your monthly net pay.

Are you living within your budget?
☐ Do you have any money left over?
☐ If yes, what will you do with this money?
☐ If no, use the second column to reduce your costs and make your budget.

	Column 1	Column 2
Monthly Net Pay		
1. Subtract 10% Savings		
2. Subtract Rent		
3. Subtract \$120 for Utilities (\$75 if lights are kept off)		
4. Subtract Car Payment		
5. Subtract \$150 for Car Insurance		
6. Subtract Grocery Costs		
7. Subtract Clothing/Other Costs		
8. Subtract Entertainment Costs		
9. Subtract \$ 50 for emergencies		
Total		

Plan ahead and avoid juggling your budget!

© Used by permission of the James Starfield Company, Santa Barbara, CA 93103 THE TRANSITIONS CURRICULUM
129

130



LIFE MANAGEMENT: Unit 3 LESSON 17

Paycheck & Deposit

Write a paycheck for two weeks of pay. Go back to Lesson 4 for your net pay total. Decide how much of your check you will keep in cash, how much will go into your savings account and how much to put into your checking account. Fill out your deposit slip and go to the bank. Record your deposits in your checking or savings registers.

Employer: No. 99875
 Address: _____
 PAY TO THE ORDER OF: _____ / \$ _____ Dollars
Boyside Bank & Trust
 MEMO: _____
 (1044880301/9801000817) 4245

Deposit Ticket
☒ Checking
☐ Savings
 Name: _____
 Address: _____
 Date: _____
 Sign Name for Cash: _____
 BANK: (1044333357/35422333/0764) 7

Deposit Ticket
☒ Checking
☐ Savings
 Name: _____
 Address: _____
 Date: _____
 Sign Name for Cash: _____
 BANK: (1044333357/35422333/0764) 7

© Used by permission of the James Starfield Company, Santa Barbara, CA 93103 THE TRANSITIONS CURRICULUM
130

Analyze the results to see if they have stayed within their budget. If not, they should adjust the figures in the second column to reduce their costs. This means that they may need to buy a different car, use public transportation, delay purchasing furniture or find a different apartment. If so, have them go back to those activities and make another choice. Refund any money that they would have overpaid on the more expensive choice. Remind students to balance their **Check Register**. To end the lesson, have students

mark the square labeled, *Check Your Budget* and *Lower Your Bills*, on **The Game of Life**.

☐ **STEP 6: Evaluate Outcomes**

One way I can reduce my budget is “_____.”

☐ **STEP 7: Connecting Activity**

Have an interesting financial counselor speak to the class about setting up and maintaining a budget. Encourage students to prepare questions ahead of time. Or use an appropriate DVD to stimulate interest in financial planning.

KEY WORDS

reduce

subtract

emergency

necessity

MATERIALS AND PREPARATION

- Student Handouts: **Check Your Budget**, page 129; **Paycheck & Deposit**, page 130; **Check Register**, page 104.
- Prepare to act as the banker, accepting deposits, etc.
- Prepare a screen image of the worksheet and show examples, using the figures from Terry Smith in Lesson 4.

SCANS FOUNDATION SKILLS

- Basic Academic skills: Reading, Writing, Math
- Thinking Skills: Problem Solving, Reasoning
- Personal Qualities: Responsibility, Self-Management