

How Much Does It Take?

Duty/Concept Area

Making Consumer Choices

Scenario

You have a job and are moving out on your own. You have \$1,000 saved for the move itself, including the one-time expenses, such as deposits, that you will need to get started. You have a steady salary and normal weekly hours of work. (Your teacher will assign a wage level and number of work hours per week.) What you must do now is to (1) determine your weekly income, (2) plan for and pay the living expenses you will incur, and (3) establish your monthly budget.

Big Question

Can you afford to live on your own in the lifestyle you want, based on your income and expenses?

Focused Questions

1. What will be your normal gross and net pay per month, based on your wage and hours you will work in a month?
2. What car will you drive, and how much will it cost you (monthly payment, insurance, gas)?
3. What will you spend each month on groceries? On rent? On utilities?
4. What will your basic living expenses be for a month?
5. How much will you have left over for savings, investment, and other expenses (e.g., insurance, Internet service, entertainment)?

Project-Based Assessment

Student consumer research, calculations, record-keeping, payments, and budget, as follows:

- Student will calculate gross and net pay for a given week, based on an assigned wage and hours worked in a given week. Student will determine a monthly income based on the calculated weekly income.
- Student will shop for a car, having to evaluate several options for which car he or she will pick.
- Student will determine the monthly payment for the car, based on the amount borrowed and current rates on used car loans.
- Student will shop for insurance for that car and find a monthly premium for that car.
- Student will develop a meal plan for a month and shop for the groceries.
- Student will shop for an apartment and determine how much he or she will pay in rent (student may have roommates).
- Student will have to write checks and fill out a checkbook register that includes four weekly paychecks at his/her calculated amount, the bills he/she incurs (car, insurance, groceries, rent) as well as other bills assigned (gas for car, utilities, etc.)
- Based on shopping research performed above, student will write an account of the research, purchase choices, and rationales for the choices, including conclusions about how these choices will impact his or her budget preparation.
- Student will prepare a budget that reflects the income and expenses he or she incurred in the scenario.

Resources

- [National Endowment for Financial Education's High School Financial Planning Program](#)
- Virginia Economics Education and Financial Literacy
 - [Objectives](#)
 - [Resources](#)
- [Virginia Council on Economic Education](#)

- Local banks/credit unions
- Documents/articles/commercial data (available on Internet or in library) on the following and related topics:
 - Financial planning
 - Budgeting
 - Savings
 - Investments