



Personal Finance - Unit 1 - A Paycheck and a Plan

Unit Focus

Students will see examples of millionaires who eventually went bankrupt, because despite having millions of dollars, they had no plan for their money, and when you "fail to plan, you plan to fail." The first unit starts off by teaching the importance of having a financial plan, and the importance of saving money and sticking to a plan in order to reach financial goals. The unit teaches students how to set up this plan with the use of how to set SMART financial goals, and how to create a budget to reach those goals. Included in that students will learn to calculate their net pay, learning about all the paycheck deductions that are taken away from their income, and be able to accurately fill out a form 1040. The PBA lets students, given a random starting salary, calculate their net pay, write goals, and create a budget that helps to reach those goals.

Stage 1: Desired Results

Established Goals	Transfer	
Standards Connecticut Goals and Standards <i>Personal Finance: 12</i> Strand 2: Identify various forms of income and analyze factors that affect income as a part of the career decision-making process. (PF.2.1) Analyze and prepare a federal and state income tax return. (PF.2.1.A.1) <i>Business and Finance Technology (CTE)</i> Personal Decision Making: Use a rational decision-making process as it applies to the roles of citizens, workers, and consumers. (BFT.PF.A) Define and give examples of economic wants and needs. (BFT.PF.A.1) Earning and Reporting Income: Identify various forms of income and analyze factors that affect income as part of the career decision-making process. (BFT.PF.B) Analyze how career choice, education, and skills affect income and goal attainment. (BFT.PF.B.4) Calculate net pay. (BFT.PF.B.5) Managing Finances and Budgeting: Develop and evaluate a budget plan. (BFT.PF.C) Construct and use a personal budget plan and evaluate it according to short- and long-term goals. (BFT.PF.C.7) Categorize and classify expenses as fixed or variable. (BFT.PF.C.8)	<i>Students will be able to independently use their learning to...</i> T1 Demonstrate fiscal responsibility through examination of needs and wants, development of short and long term plans, and/or conservation of limited resources. T2 Develop a product/solution that adheres to key parameters (e.g., cost, timeline, restrictions, available resources and audience).	
	Meaning	
	Understanding(s)	Essential Question(s)
	<i>Students will understand that...</i> U1 Budgets are an effective tool for financial planning and can help eliminate unnecessary spending. U2 The amount of taxes you pay is dictated by your total taxable income, which can be affected by many variables based on your life. U3 Career choices will involve education, training, cost of living, salary, and benefits-- all of which can increase or decrease your income.	<i>Students will keep considering...</i> Q1 How will having a financial plan and budget lead to effective spending habits to drive my financial future? Q2 How do taxes affect short-term and long-term financial planning? Q3 How do I create and follow through with a budget? Q4 How can I protect myself financially from risks in life?

Stage 1: Desired Results		
Saving and Investing: Evaluate savings and investment options to meet short- and long-term goals. <i>(BFT.PF.D)</i> Explain the role of savings and investing in creating a financial plan. <i>(BFT.PF.D.12)</i> Buying Goods and Services: Apply a decision-making model to maximize consumer satisfaction when buying goods and services. <i>(BFT.PF.E)</i> Identify the costs of utilities, services, maintenance, and other expenses involved in independent living. <i>(BFT.PF.E.15)</i> Other Goals Profile of a Graduate Analyzing: Examining information/data/evidence from multiple sources to identify possible underlying assumptions, patterns, and relationships in order to make inferences. <i>(POG.1.2)</i> Self-Awareness: Examining current performance critically to identify steps/strategies to persist. <i>(POG.4.1)</i> Decision Making: Make responsible decisions, based on potential outcomes. <i>(POG.4.2)</i>	Acquisition	
	Knowledge	Skill(s)
	<i>Students will know...</i> K1 Paying yourself first (401k) K2 Budget vocab: Fixed vs variable expenses, Gross pay vs net pay, discretionary income vs disposable income, opportunity cost K3 Tax vocabulary and forms (withholding, dependents, allowances, W4, W2, 1040) K4 FICA (social security and medicare percentages) K5 Insurance vocabulary: premium and deductible. K6 A SMART goal is Specific, Measurable, Attainable, Realistic and Timely.	<i>Students will be skilled at...</i> S1 Calculating net pay S2 Completing a W4 form properly S3 Using a W2 form to accurately fill out a 1040 form S4 Creating a financial plan using SMART goals S5 Creating a budget that aligns with the financial plan. S6 Choosing insurance coverage based on level of risk and monthly budget