**Personal Finance**

**Unit EU’s & EQ’s**

**Budgeting**

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| Unit | Chapters |
| Budgeting | 3—Money Management Strategy  4.1—Consumer Purchasing and Protection  21.1—Managing Payroll  Information Sheet |
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**Enduring Understanding** (What you should learn and know beyond the classroom walls. “The Big Idea”)

* Budgeting allows consumers to live within their income and meet their personal financial goals.
* Budgeting can prevent debt and overspending.

**Essential Questions** (Multiple Reasons)

* What is the purpose of a budget?

**Essential Vocabulary** (indicates chapter) Please define the following:

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| --- | --- |
| Budget (3) |  |
| Assets (3) |  |
| Liabilities (3) |  |
| Expenses (3)  Fixed Expenses (3)  Variable Expenses (3)  Periodic Expense |  |
| Variance (Budget Variance) (3) (p. 77) |  |
| Pay Yourself First (PYF) (3) (p. 82) |  |
| Gross Pay or Gross Income (3 & 21.1) (p. 71) |  |
| Pay Stub (Paycheck Stub) p. 674 has an image |  |
| Net Income or Take Home Pay (3) |  |
| Discretionary Income (3 & 21.1) |  |
| Disposable Income |  |
| Salary (21.1) |  |
| Hourly Wage (21.1) |  |
| Overtime Rate (21.1) |  |
| Commission(21.1) |  |
| Deductions (voluntary and involuntary) (21.1) |  |
| Federal Income Tax(21.1) |  |
| Federal Insurance Contributions Act (FICA) (21.1) |  |
| Social Security Tax (21.1) |  |
| Medicare Tax (21.1) |  |
| State and Local Income Taxes (21.1) |  |

**Pre-Assessment & Post-Assessment**:

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| **Pre-Assessment** | **I Can** | **Post-Assessment** |
|  | *I can recognize different sources of income and calculate net income.* |  |
|  | *I can identify and categorize different types of expenses.* |  |
|  | *I can evaluate and revise a budget based on changing life situations.* |  |