

## Teacher Notes



# Personal Finance and Budget

## Activity 3 Assessing Personal Finance

### *Activity Overview*

This activity assesses student knowledge and understanding of personal finance. In addition, this lesson asks the student to analyze and apply the knowledge acquired. This assessment includes eight brief responses questions and two fill in the blank questions.

### *Directions*

#### *Before the Activity Begins*

Using Student Data Sheets: **Background Information, Vocabulary**, and the activity sheets, conduct a class review. Remind students that they may use their worksheets and vocabulary notes on the assessment.

## Activity at a Glance

- ◆ **Subject:** Social Studies
- ◆ **Subject Area:** Economics
- ◆ **Category:** Personal Finance
- ◆ **Topic:** Personal Budget
- ◆ **Grade Level:** 8 – 9
- ◆ **Prerequisites:** Students should have completed the Calculating the Cost of Living and Personal Budget activities.
- ◆ **Total Teaching Time:** 30 minutes

## Materials

- ◆ **Personal Finance and Budget** edc  
Resource File:  
KWActivity3Assessment.edc
- ◆ **Student Data Sheet:** Assessment  
(optional)
- ◆ Activity 3 Answer Sheet
- ◆ TI-83 or TI-83 Plus
- ◆ TI-GRAPH LINK™ Cable, USB Cable, or  
TI Navigator™

***During the Activity***

Remind students to refer to their resource materials. Monitor student progress and answer any questions that may arise.

***After the Activity***

Have students submit their assessments. Review answers if desired.

***Student Data Sheet***  
***Assessment***

Name: \_\_\_\_\_

Date: \_\_\_\_\_

1. What job did you choose? Why? Explain your answer, fully citing at least three reasons.
2. What is the difference in payment for your car at 24 months and 72 months? You must show your work.
3. What is the difference in the total of payments on the car at 24 months versus 72 months? Show your work.
4. What is the difference between your house payment at 6% and 12%? Show your work.
5. What is the difference in total of payments at 6% and 12%? Show your Work.
6. If you decrease the term of your loan, the total of payment will *increase or decrease*?
7. If you decrease the term of your loan, your monthly payment *will increase or decrease*?
8. After analyzing your data worksheet, do you feel it is better to finance a car for a shorter term or longer term? Explain your answer by citing data.
9. What choices did you find the most difficult to make while balancing your budget? Why? Explain your answer fully.
10. What is the most important lesson that you learned from this unit? Why? Explain your answer fully after analyzing your data worksheet.

## ***Answer Sheet***

1. Students should cite at least three reasons why they chose their position. The reasons can be that they enjoy this type of work, they like to be outdoors/indoors, the money was good, and so forth.
2. Students should subtract the 24-month payment from the 72-month payment. All answers will be different, but they should reflect their data sheet.
3. Students should subtract the total 24-month payment from the total 72-month payment. All answers will be different, but should reflect their data worksheet.
4. Students should subtract the payment at 6% from the payment at 12%. All answers will be different, but should reflect their data worksheet.
5. Students should subtract the total payment at 6% from the payment at 12%. All answers will be different, but should reflect their data worksheet.
6. Decrease.
7. Increase.
8. Students should decide yes or no. Either answer is acceptable as long as the student gives valid reasons. Some reasons for a longer term are: cannot afford a large payments, may not keep the car very long, as well as others. Some reasons for a shorter term are: will pay less in total payment, can afford the larger payments in budget, as well as others.
9. Students should give an opinion; as long as they explain their answer and it is reasonable, it should be acceptable.
10. Again, this is an opinion, but it must be explained and reasonable.