

# LIVING IN STYLE

## Teacher's Guide

This activity builds on the *My Student Budget Planner* app by Palgrave Macmillan, which is available in the Math section of **STEM Mobile Labs**.

*My Student Budget Planner* is a financial literacy learning tool that gives students real-world experience with basic money management. The app was developed for college students in the UK, but is easily adaptable for younger students almost everywhere. To set up the app, students choose their currency from a list of international options, and set a budgeting period, which can range from a few days up to one year. Students then fill in their sources of income — loans, savings, wages, allowance, etc. — and their fixed expenses (called “outgoings”), which can include rent and other typical costs for independent living. Using this information, the app automatically calculates an average weekly disposable income. As they spend, students record the amount in the My Budget section of the app to see how much of their weekly disposable income remains, and they can review their success at staying within budget from week to week with the Manage section of the app.

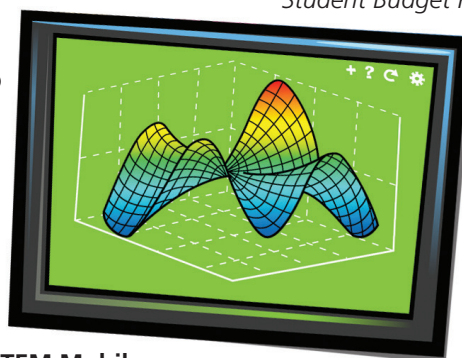
1. Begin by distributing copies of the activity sheet to your students. If they have not installed **STEM Mobile Labs** already, have them scan the QR code on the sheet or use their app store's search feature to download **STEM Mobile Labs** onto a smartphone or tablet.
2. Have students open the Math section of **STEM Mobile Labs**, and take a moment to review the free apps listed there. (Note: The selection of apps is slightly different for Apple and Android devices.) Discuss how these apps can help them learn math concepts, solve math problems, and apply their math skills to finance and economics.
3. Tell students that they will be using the *My Student Budget Planner* app to investigate how basic principles of budgeting and money management apply to different lifestyles. Have students download and install the app, then divide them into small groups to complete the activity. Group students who do not have a smartphone or tablet with those who do, so that everyone can participate. You should also ask students about their data plans and have them use the app on your school's Wi-Fi network, if necessary, to avoid unexpected charges.
4. Explain to students that they will be using the *My Student Budget Planner* app to experiment with different imaginary lifestyles. Each group will be assigned a different annual income and construct a lifestyle around that income level by researching fixed expenses for housing, taxes, insurance, etc., and then spending their disposable income each week as though they were living that lifestyle, researching costs for food, clothing, entertainment, etc. As a benchmark for assigning different income levels to each group, here are

average household income figures from the most recent (2013) U.S. Census Bureau report on income in the United States:

Lowest Quintile (20%)	up to \$20,599 per year
Second Quintile	up to \$39,764 per year
Third Quintile	up to \$64,582 per year
Fourth Quintile	up to \$104,096 per year
Top 5%	more than \$191,156 per year
Top 1%	more than \$394,000 per year

5. After you assign income levels to each group, have students complete the activity over several weeks, using the *My Student Budget Planner* app to track their progress. From week to week, you may wish to add an element of the unexpected by telling high income groups, for example, that they have unanticipated expenses and low income groups that they have an unanticipated windfall, or vice versa. You might also have students come up with their own ideas for economic surprises, which they write on slips of paper and pull from a “fish bowl” each week.
  6. When students have completed the activity, lead a class discussion on what they have learned about budgeting and about the economic choices that come with different lifestyles. You may wish to remind students that they are making choices about their future lifestyle now, as they make choices about their education. To illustrate this point, here are the U.S. Census Bureau's most recent (2013) average personal income figures for different levels of educational attainment:
- |                                 |                   |
|---------------------------------|-------------------|
| Not a High School Graduate      | \$21,622 per year |
| High School Graduate            | \$32,630 per year |
| Some College/Associate's Degree | \$35,943 per year |
| Bachelor's Degree               | \$60,159 per year |
| Advanced Degree                 | \$89,253 per year |
7. To extend the learning, you and your students can explore other examples of how mobile technology is helping teens take control of their finances and financial futures. Use the search feature at your app store to discover a variety of budgeting and money management apps, as well as apps that guide students through the college search and application process. In addition, you will also find calculators and other tools for obtaining a college loan or scholarship.

NOTE: Standard data rates apply. If necessary, download and use these apps on a Wi-Fi network to avoid unexpected charges.





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Reproducible Master

Mathematics is important for everyone. Whatever your lifestyle, you need math to manage your finances and achieve your dreams. That's why it pays to keep math apps on your mobile device, so you always have the math tools you need for every situation.

## PART ONE

Download **STEM Mobile Labs** to your smartphone or tablet using the QR code on this activity sheet or the search feature at your app store. Touch the Math door on the **STEM Mobile Labs** homescreen to explore some of the best free apps available for improving your math skills. Talk about how these apps can help you learn new math concepts, solve problems in math class, and use math every day to manage your finances.

## PART TWO

Now use **STEM Mobile Labs** to download the free *My Student Budget Planner* app, which is designed to help college students avoid overspending from week to week. You will be using this app to experiment with different lifestyles by recording over several weeks your imaginary spending on food, clothing, sports gear, entertainment — whatever you want — and can afford.

- To get started, open the app's Setup section. Choose dollars as your Currency and set the Budget Period for one year, entering the appropriate dates. Your teacher will assign your group a yearly income. Enter this amount in the My Income setting as Wages per year. (To keep things simple, leave the other income sources shown in this setting at zero.) Once you save your income setting, the app will calculate your weekly disposable income. That's how much money you can afford to spend each week, based on your annual income.
- Now work with the members of your group to build a lifestyle that matches your income. Start with fixed expenses (called "Fixed Outgoings" in the app), which covers basic monthly costs like housing, transportation, and your mobile phone. Go "shopping" online for a house or apartment to find out where you can afford to live on your income, then go "shopping" for a car

or figure out how much you will need to budget each month for public transportation. Continue to work your way through the relevant categories in this setting, tapping the Save button each time to see how much weekly disposable income you have left for food, clothing, and other everyday expenses. If your disposable income drops below zero, you are already over your budget and will need to reduce your fixed expenses.

- Once you have your fixed expenses covered, you are ready to live the lifestyle you've imagined. Over the next several weeks, go "shopping" online every day for anything you want or need — groceries, restaurant meals, shoes, clothing, cosmetics, game tickets, home entertainment equipment — whatever fits your lifestyle! Enter the amount you spend each day in the My Budget section, which will show how much of your weekly disposable income remains available. You can also use the Manage section of the app to see how well you are staying within your budget from week to week.

## PART THREE

What were your hardest spending choices?

Were you able to save disposable income one week in order to spend more the next week? If yes, how?

If your teacher introduced financial surprises during the experiment — unanticipated costs or cash windfalls — talk about how these altered your lifestyle. Finally, re-set the *My Student Budget Planner* app to your actual income and fixed expenses, then use it to manage your finances in real life.

The Wireless Foundation

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