



BUDGETING FOR A BABY

GRADE LEVEL 10-12



"TAKE CHARGE OF YOUR FINANCES"

Materials provided by: Mary Fillmore, CS Porter Middle School, Missoula, Montana
Time to complete: 180 minutes

CONTENT STANDARD

Family and Consumer Science Standards: 1.1.6, 2.1.1, 2.1.2, 2.5.1, 2.5.4, 2.6.1, 2.6.2, 3.5.2, 3.5.3, 3.5.6
National Council on Economic Education Teaching Standards: 3
National Standards for Business Education

- Career Development:
- Economics:
- Personal Finance: III.1, III.2

OBJECTIVES

Upon completion of this lesson, students will be able to:

- Identify items required for a new baby during the first year of life.
- Distinguish between wants versus needs in regards to items required for a baby.
- Comparison shop for the wide selection/variety of baby items.
- Create a budget for a baby's first year.
- Compare the difference between the estimated versus the actual cost of expenses for a baby's first year.

INTRODUCTION

Guess how much a baby costs in their first year of life. An example of an anticipatory set for this unit would be to ask the students to guess the costs of a baby's first year. Students write their guesses down on a piece of paper. Guesses are collected until the unit has been completed. At that time, the results could be shared with the class to see who had an answer closest to the amount determined after completing the shopping for baby/baby budget worksheet. Another introduction could be for the students to make a list of all of the supplies required in a baby's first year of life. The lists can be shared in a group discussion.

Babies are expensive! Not only is this activity an eye opener because of the financial responsibility babies create, it opens students eyes about why they should wait to have children, until they can afford them. Budgeting for a baby can be challenging, but fun. This activity allows students to realize some of the items babies require and those which are a luxury. Granted, some items may be received as shower gifts, but is not always the case.

Before beginning the baby budget worksheet, safety concerns/issues need to be addressed for some items. Because safety is a major concern, students need to be informed on items that follow updated/current safety guidelines. For example, a student may suggest purchasing a crib from a garage sale or receiving one as a "hand me down." One safety issue concerning cribs is the size between the slats. One quick test to conduct on a crib is to see if a pop-can can slip between the slats. If it can, the crib is outdated and not safe. A child is capable of slipping between the slats and becoming injured. Car seat safety has improved in the past, which some parents may not realize. Car seats are available in a variety of sizes depending on the age and size of a child. Unfortunately for the pocket book, a variety of car seats will need to be acquired as the child grows.

There is an additional line in each category for students to suggest items not listed. Students are encouraged to share their ideas with others.

The worksheet has two parts. After the introduction of the assignment, students are to guess the cost of each item on the left column of the worksheet. The estimates vs. the actual costs of the items lead for some interesting discussion at the end of the assignment.

After the estimates have been completed, students will have the opportunity to create and play with their baby budget. Ideally, this activity would benefit from a field trip to a local store, such as *Wal-Mart*. Students would be given a class period to “shop” for the items listed on their worksheet. If a field trip is not a possibility, students can access information through specialized catalogs for baby. Two stores that offer such catalogs are *Sears* and *JC Penney*. Another fun way to obtain the information is to access the Internet. I have included a web site that offers a variety of on-line shopping especially for babies. Students also can access different search engines to locate other stores.

Once students begin to browse for the items and prices, they will be able to differentiate whether they need/want the top of the line or if a lower priced item will suffice.

This is a fun activity as some of the items/toys remind the students of their childhood. The students reminisce and share their stories with the other students, which leads to positive interactions.

This activity can be assigned to teams of students, which in turn would incorporate a team approach. I would only suggest the team approach if time were limited due to the abundance of items on the worksheet. If the ratio of male to female students were even, a fun activity would be to pair up the students as “couples” purchasing items for “their” child. Once students were given the resources of a field trip, catalogs, or Internet access, the worksheet could begin.

In this lesson, students are taught the reality of the expense of babies. Students are provided with a list of items babies need and have to guess how much each item will cost during a baby’s first year of life. Students then utilize web resources, magazines, or take a field trip to determine the actual cost of each item. While completing this activity, students learn about comparison shopping and safety concerns for babies.

BODY

Day One

1. Define a budget. What is a budget and why should a budget be used?
2. Discuss what items are required/needed for baby in their first year of life, included wants vs. needs.

Day Two

3. Assess safety concerns of each item. For example check the recommended age suggested for specific toys. If actual toys are available, empty toilet paper rolls can be used if choke tubes are not accessible.
 - The following is a list of Web sites providing valuable baby safety information and products.
 - <http://www.kohldesigns.com/safebaby/>
 - <http://www.babyproofingplus.com/>
 - <http://www.safechild.net/>
4. Students will complete the portion of the *Shopping for Baby Budget Worksheet 1.15.1.A1* (left side) where they are to guess the costs of the items listed. After each category, students can use a financial calculator to subtotal the amounts. After all categories have been completed, the grand total should be computed.

Days Three and Four

5. To complete the actual costs of the items on the *Shopping for Baby Budget Worksheet 1.15.1.A1* (right side) teachers have a variety of options:

- If a field trip is a possibility, submit the field trip itinerary to the school authorities for approval (principal) and contact store in advance. Arrange for bus in advance, according to school policy. Have students complete and return parental/guardian permission slips prior to field trip. The day before the field trip, submit list of students participating to the attendance office. For those students unable to attend, arrange an alternate assignment and a room students must report too for the class period.
 - If using catalogs, visit department stores in advance and collect duplicate copies of their baby catalogs.
 - If using the Internet, prearrange lab accommodations in advance.
 - May consider having students reference where they found the prices.
 - Students will complete the baby budget worksheet (right column) by comparison shopping for the items listed.
6. After each category, students can use a financial calculator to subtotal the amounts. After all categories have been completed, compute the grand total.
 7. Complete the *Shopping for a Baby – Baby Budget Discussion* worksheet 1.15.1.A2.

CONCLUSION

- Evaluate and compare each student's results and brainstorm any items they feel should be included in the future.
- Discussion on alternate ideas obtaining items if the budget is limited.
- Review items that could be obtained for less cost. Is top of the line a necessity?
- Debate the pros and cons of setting up and planning a budget before baby's arrival.

ASSESSMENT

- Each student will complete the baby budget worksheet and participate in a group discussion on the outcome of the assignment.
- The assessment may lead students to reevaluate the time in their lives when they desire children or feel they can afford them.

MATERIALS

Shopping for Baby Budget worksheet – 1.15.1.A1

Shopping for a Baby – Baby Budget Discussion Worksheet – 1.15.1.A2

Duplicate copies of baby specific catalogs (such as *JC Penney's* and *Sears*)

Calculators (regular or financial)

Parental/guardian permission slips for field trip if possible

BUDGETING FOR A BABY WORKSHEET

	Total Points Earned
146	Total points Possible (2 per item)
	Percentage

Name _____

Date _____

Directions:

- Take a guess in the left-hand column; write down your best estimates.
- Then do some research. Discover the actual prices by referring to a variety of options.
 - You can look through baby catalogs such as *JC Penney's* or *Sears*.
 - Another option is to check out the Internet. One web site that offers access to a variety of stores that offer online shopping is
http://www.onlinestoresmall.com/Baby_Supplies/Baby_Stores/
 - Call a doctor's office, or hospital for the medical costs. In order to avoid an over abundance of calls to a doctor's office or the hospital, one group can volunteer to research these costs and share with the class.
- When you have completed both columns, add up the prices you estimated add up the actual prices, and compare.

Baby Care Item (one year supply)	Estimated Cost	Actual Cost
Feeding		
formula for one year		
8 baby bottles		
6 bibs		
3 burp cloths		
24 boxes of infant cereal		
500 jars of baby food		
feeding dish		
4 rubber tipped baby spoons		
high chair		
SUBTOTAL		
Bathing		
baby bathtub		
baby shampoo		
2 bottles baby soap		
baby nail clippers		
baby oil and lotion		
baby powder		
500 cotton balls		
500 Q-tips		
3 washcloths		
3 hooded cloth towels		
bath toys		

SUBTOTAL		
Sleeping		
crib		
mattress		
2 waterproof mattress covers		
4 sets of sheets		
bumper pads		
4 blankets		
mobile		
SUBTOTAL		
Medical Care		
pediatrician visits		
vitamins		
nose drops		
basic first aid kit		
Syrup of Ipecac		
thermometer		
rash ointment		
SUBTOTAL		
Baby Care		
Yearly supply of diapers		
diaper pail/Diaper Genie		
diaper bag		
changing table		
Yearly supply of wipes		
SUBTOTAL		
Dressing		
scratch mittens		
40 undershirts (diff. sizes needed as baby grows)		
10 creepers		
8 pairs of socks (different sizes)		
4 pairs of booties		
10 pairs of pajamas		
2 pairs of overalls		
1 pair of walking shoes		
1 snowsuit with mittens		
1 hat		
summer bonnet/cap		

SUBTOTAL		
Safety		
monitor		
2 safety gates		
safety outlet covers		
cabinet/drawer latches		
oven/stove guards		
toilet seat latches		
infant/toddler car seat		
SUBTOTAL		
Extras		
washing machine & dryer or Laundromat		
baby swing		
bouncer seat		
stationary entertainer		
camera/film/digital/video		
playpen		
gym or play mat		
rattles		
teethers		
toys		
stroller		
bassinet or cradle		
SUBTOTAL		
Books & Music		
books on pregnancy		
books on parenting		
classical/lullaby music		
baby book/journal		
SUBTOTAL		
GRAND TOTAL		

BUDGETING FOR A BABY DISCUSSION

	Total Points Earned
17	Total Points Possible
	Percentage

Name_____

Date_____

Directions: Answer the following questions in complete sentences.

1. What was your estimated grand total? (1 point)
2. What was your actual grand total? (1 point)
3. What surprised you the most during this assignment? (1 point)
4. Identify 3 items you feel are necessary in order to raise a happy, healthy and safe baby. (3 points)
5. Identify 3 items you feel are not necessary in raising a happy, healthy and safe baby. (3 points)
6. Suggest a plan of savings to help purchase the items within a six-month period. (1 point)
7. Suggest a plan for savings to help purchase the items within a 12-month period. (1 point)
8. After completing this activity, what are two suggestions you have to offer a parent/guardian who has a limited amount of funds? (2 points)
9. Do you plan on having children? If yes, at what age and how many children would you like to have? (2 points)
10. Who would benefit from this activity and why? (2 points)