

Lesson | Money Planning



What can we do with money?

Objective

- Identify ways that money can be used: spending, saving, and giving

Time

60 Minutes

Materials

- Construction paper
- Don't Lose Your Money! printable
- Three different colors of sticky notes

PART I—Spending Money

Review with students the idea that money can be used to buy goods and services. Some of those goods and services are things that we need and some of those things are things that we want, but don't really need.

Ask students to name things that we need that cost money, such as food, clothes, housing, and electricity. Make a list of the students' responses. Then ask the students what would happen if their parents or guardians used all their money to buy video games and didn't pay for the things that their family needed.

Emphasize the idea that planning helps us use our money wisely, so that we have enough to pay for what we need first, and then for what we want later on.

Give each student a sheet of construction paper. On one side of the paper have them write the word "NEED" and on the other side write the word "WANT." Divide the class into groups of three to four students. Then read the following list of goods and services one at a time. Have students decide if each item is a need or something that they want but don't really need, and ask them to write down their answers on the piece of construction paper. Have them show their answers to the other members of their group to see if they all agree. Discuss their responses as needed.

LIST: clothing, vacation, food, water, surfboard, place to live, karate lessons, shoes, teddy bear

PART II—Saving Money

Read the following short story aloud to your students:

Tara, a little girl who lived in a big city, was spending the summer with her grandmother. Her grandmother lived in a little pink-and-white house close to the beach. One day, Tara and her grandmother were collecting seashells on the beach when Tara discovered a small silver box tucked in the sand beneath a shiny seashell. The lid of the box was covered in tiny blue jewels in the shape of a starfish (sea star).

Tara and her grandmother oohed and aahed over the delightful little box. Tara thought it would be the perfect place to store her treasures.

That night, Tara put three of her most beautiful seashells into the little box and kept the box tucked safely beneath her bed. The next day, Tara opened the box to admire her seashells. When she opened the box, she made an exciting discovery! The box was still filled with her three beautiful seashells, but now there was another tiny sparkling seashell, as blue as the sky, tucked among the other shells! Tara was very excited to show her grandmother her new magical seashell. Tara's grandmother was amazed.

That day, Tara and her grandmother again walked along the beach. Tara collected three more beautiful seashells. That night Tara put her new shells into the magical box and tucked it safely beneath her bed.

The next morning, Tara opened her magical box. Once again, the little box was still filled with Tara's seashells, but now there were two sparkling blue seashells in the box as well!

For the rest of the summer, Tara kept adding seashells to her box. And every time she did, another sparkling blue seashell was there the next morning. By the end of the summer, the little box was so full of seashells that Tara couldn't close the box. Tara used some of the seashells to make a picture frame for her grandmother to thank her for a wonderful summer.

Tara took her magical box with her when she went back home to the big city. It was still filled with her collection of precious seashells. The summer magic seemed to be gone, but the little box was full of memories of a very magical summer.

Ask your students the following questions about the story:

- What seemed to be magical about Tara's silver box?

BONUS

- Encourage students to take the Piggy Bank Quiz to examine how they use their money. Are they Squirrel-Away Squirrels, Do-Good Dolphins, or Spendy Spiders?
- If they took the quiz in the previous lesson, invite them to see if their results have changed.



- What happened every time Tara added more seashells to the box?
- How did Tara use the seashells to thank her grandmother?

Ask students why they think saving money is a good idea. Ask them if they have ever saved money. If so, why? Then ask if any of them save money in a jar or a piggy bank. Tell your students that putting money in a special place is like Tara putting her seashells in her magical silver box. She put the seashells in the magical box to protect them. Many adults and kids put money (and sometimes other valuables) into a bank—like the one in town—after they outgrow their piggy bank to protect their money. And while banks aren’t magical, banks can protect our money. When we save our money in a bank for a long period of time (like Tara saved her seashells) that money can earn more money from the bank (similar to the sparkling blue seashells that Tara found in her magical box) just for leaving it there and not taking it out of the bank to spend it. (The money that is earned is called interest.)

Pass out a copy of the Don’t Lose Your Money! activity sheet to each student. Have the students work together in small groups to complete the student worksheet. Assist and guide as needed. Review the correct answers together as a whole class.

Answers for the “Don’t Lose Your Money!” activity sheet: purse, bank, wallet, money jar, piggy bank.

PART III—Giving Money

Ask students to give examples of how they have helped someone else. Then ask students how money can be used to help others. List their responses.

Activity—Giving

Divide the class into groups of two to three students. Tell them to pretend that as a group they have \$10 to help others. Together they must decide how to use the money. After the students have had time to discuss their ideas, have one member of each group share with the rest of the class how each group would use its \$10.

PART IV—Spending, Saving, And Giving

Activity—Spend, Save, Give

Students will construct a pictograph to learn

that how they choose to spend, save, and give their money has consequences.

Use the board or an empty wall to create the following pictograph. Label the pictograph as follows:

popcorn SPEND puzzle	{	glow stick
bicycle SAVE doll	{	video game
animal shelter GIVE food bank	{	children’s hospital

Give each student three sticky notes. Tell students that the sticky notes represent money they can use to spend, save, or give in any way they want. Have students write their initials on each sticky note.

Tell them to spend their sticky notes within any category they want—spend, save, and give. Once students have spent their sticky notes, discuss the results with the whole class, paying special attention to the consequence of their choices.

Allow the students to come to the board or empty wall and look at how others used their money. Ask the students to make their own observations about the consequences of their own choices as well as their classmates’ choices.

Remove the sticky notes and have students repeat the exercise. This time give each student three different-colored sticky notes.

Tell the students that the sticky notes represent money. They have one sticky note to spend, one to save, and one to give. Have students begin with the first color of sticky notes, for example, yellow. Tell them to spend the yellow sticky note on one of the three choices given: popcorn, glow stick, or puzzle. Have them add their yellow sticky notes to the pictograph. Designate colors for saving and giving, and then repeat the process for those categories. Discuss the results with the whole class.

DON'T LOSE YOUR MONEY!

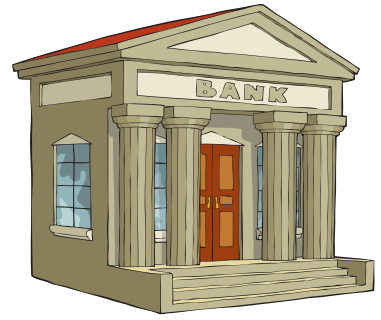
Directions: Circle the places where people might put their money so they don't lose it.



purse



garbage can



bank



refrigerator



money jar



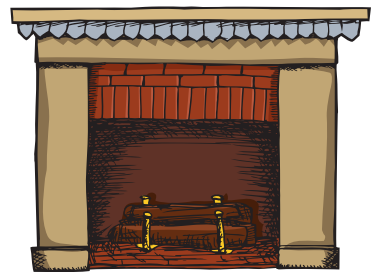
wallet



piggy bank



washing machine



fireplace

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