

# Financial Literacy Resource Guide:

K-3 and 4-6



FEDERAL RESERVE BANK *of* CLEVELAND

# Introduction

This resource guide focuses on financial literacy for elementary students and is divided into the suggested grade bands (K-3 and 4-6). Each grade band's guide is divided by the five topic strands and further broken down by each content statement. Some resources will be repeated under both grade bands, so educators are encouraged to use the resources they feel are best suited for their classroom.

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# Financial Literacy Resource Guide: K-3

TOPIC 1:

# Financial Responsibility and Decision Making

# TOPIC 1: FINANCIAL RESPONSIBILITY AND DECISION MAKING

## Content Statement 1

Choices can be made with your money. Choices include spending, saving, and donating. Money can also be saved in financial institutions.

### Expectations for Learning

- Identify the three main choices for using money: spending, saving, and donating.
- Describe ways in which a given amount of money can or will be used.



#### Ella Saves Today:

Young children are not likely to think past their piggy banks when it comes to safe places to set money aside for those special items. In this short module, your students will learn that a bank account offers security and a return on their savings.



#### Bunny Money:

Teach saving, spending, and productive resources using the book “Bunny Money;” In this lesson, students listen to the story of Ruby and Max, two bunnies that go shopping and make many spending decisions. They are introduced to short-term and long-term savings goals to help them save for the goods they want in the future. After a goal-sorting activity, students choose and illustrate their own savings goal.



#### The Berenstain Bears’ Trouble with Money:

In this lesson, students hear a story about two little bears whose parents use several figures of speech relating to money. Students draw a picture of a bank and write a caption explaining their illustration. Students follow along with the story by listening for additional figures of speech and how they relate to the concepts of banks and interest. The students also construct a story map of an event in the story relating to why people choose to keep their money in banks.



#### Money, Money, Honey Bunny:

Students listen to a story written in rhyme about a bunny who has a lot of money in her piggy bank. Students distinguish between spending and saving and goods and services. They play a matching game to review the content of the story and to practice rhyming words.



#### The Berenstain Bears Get the Gimmies:

In this lesson, students hear a story about Brother and Sister Bear, who seem to want everything. The little cubs learn that they must make choices because they cannot have everything they want. Students follow along with the story by completing an activity listing all of the goods that will satisfy the cubs’ wants. The students then take part in an activity to construct a word web and graphic organizer (table) to identify goods that will satisfy a want. They will make a choice, identify the problem of scarcity, and recognize their opportunity cost.



#### Glo Goes Shopping:

Students listen to the story, *Glo Goes Shopping*. They learn about saving, spending, decision making and opportunity cost. They learn to use a decision-making grid to make decisions. Mathematics skills include learning about rows and columns in a grid.



#### Saving, Spending, and Income: Save It!:

In this lesson, students learn about income, saving, and spending. They listen to the story *Save It!* and identify examples of when Honey is earning income, saving, and spending. Subjects and concepts covered in this lesson include income, saving and spending.



#### Betty Bunny Wants Everything:

Students learn about wants, choice, and scarcity. They listen to the story *Betty Bunny Wants Everything* and identify all the wants that Betty Bunny has at the toy store. Students learn that because of scarcity, they must make choices. They practice making choices by selecting a treat they want, a toy for one of the book characters, and finally a school item. They sing a song about choices and scarcity.



#### How Daniel Got What He Wanted:

“How Daniel Got What He Wanted” is the fifth video in the *Explore Economics* animated series. It will help students understand that people have to save to get the things they want. Daniel wants a new bike helmet and must earn income and save to reach his goal.



#### Great Minds Think:

Use your web browser, mobile device, or tablet to play along with Monte the squirrel, our money expert, as he navigates how to make smart choices about money and teaches important lessons about personal finance topics. Note: Utilize the Spending lesson to meet these learning expectations.

## Content Statement 2

Competencies (knowledge and skills), commitment (motivation and enthusiasm), competition (globalization and automation), training, work ethic, abilities, and attitude are all factors impacting one's earning potential and employability.

### Expectations for Learning

- Identify an occupation and the skill set needed for the occupation.
- Acknowledge that knowledge, interest, and skills are a basis for future employment opportunities that are open and endless.



#### Invest in Yourself:

In this lesson, students learn about human capital. "Human capital" refers to the knowledge and skills that people obtain through education, experience, and training. People invest in their human capital through education, on-the-job training, and practice. Throughout their school careers, students make investments in their human capital. Introducing this concept to younger students can help them understand why school is valuable and will allow them to build on their initial understanding of human capital in later years.



#### Morris Goes to School:

In this lesson, students learn about human capital and why it is important to improve their human capital. They first observe a skit about a boy who could not read and then listen to a story about a moose who could not read or count. They then learn how investing in human capital helps both the boy and the moose achieve their goals. After thinking about their own human capital, students identify human capital needed by various workers to do their jobs. Students survey adults about their skills and investment in human capital and how and why the adults invested in their human capital in the past year. On Day Two they analyze the results of their surveys. Students draw generalizations about the skills the adults have and how and why they improve their human capital. They compare their own knowledge and skills with those of the adults they interviewed. Finally, students answer the question "Why do we need to go to school?"



#### The Night Worker:

This lesson will introduce students to productive resources related to certain jobs and how human capital helps workers perform their jobs. Students will hear a story about a boy who visits a construction site at night and learns about the workers, equipment, and skills involved. Students will define natural, human, capital, and productive resources and match productive resources to specific jobs. Students will also distinguish between types of productive resources and identify human capital required for various employment. Additionally, students will work in collaborative groups to complete a 3-D art project while dividing their labor and applying specialized skills.



#### Jobs in My Town:

In this activity, students will match occupations with their responsibilities to learn about jobs within their community.

## Content Statement 3

People may receive money as gifts, allowance, or income. People earn income by working.

### Expectations for Learning

- Identify the ways people can receive money.
- Identify options for earning money in the local school or community.



#### A Chair for My Mother:

Teach income, saving, and savings goals using the book *A Chair for My Mother*. Students read *A Chair for My Mother*, about a little girl and her family who save money to buy a chair after their furniture is destroyed in a fire. Students learn that characters in the book are human resources who save part of the income they earn. Students identify other human resources, discuss how their work allows them to earn income and name strategies that will help them reach a savings goal.



#### Curious George Saves His Pennies:

In this lesson, the students draw an outline of a piggy bank, within which they write a word for or draw a picture of something they would like to buy. This becomes their savings goal. They listen to the story, and as George finds some ways to earn money, the students come up with ways they can earn money to reach their savings goals. Students are introduced to the difference between income and gift money. They participate in an activity where they determine if they are receiving income or gift money and how many weeks it will take them to reach their savings goal. Students also discuss why George did not buy the original red train he wanted.

**My Money:**

My Money is an educational workbook for students in elementary school. Topics include money, coin equivalents, jobs, goods, services, and barter.

**Counting with Common Cents:**

In this lesson, students practice counting as the book *Counting with Common Cents* is read. As they count pennies, nickels, and dimes, they place those coins on the appropriate spot on a handout, indicating how many pennies are equal to a nickel and a dime. They discuss saving their pennies and draw a picture of an item they would like to buy. In an optional activity, they draw pictures or write notes indicating chores they would do to earn 10 pennies.

**Great Minds Think:**

Use your web browser, mobile device, or tablet to play along with Monte the squirrel, our money expert, as he navigates how to make smart choices about money and teaches important lessons about personal finance topics. Note: Utilize the Earning lesson to meet these learning expectations.

TOPIC 2:

# Planning and Money Management



## Content Statement 4

Financial responsibility includes the development of a spending and savings plan (personal budget).

### Expectations for Learning

- Create a simple budget.



#### The Pickle Patch Bathtub:

Students learn about opportunity cost, saving, savings goals and a savings plan by reading *The Pickle Patch Bathtub*. Students will develop savings plans that lead to their own savings goals.



#### Explore Economics Video Series—How Daniel Got What He Wanted:

“How Daniel Got What He Wanted” is the fifth video in the *Explore Economics* animated series. It will help students understand that people have to save to get the things they want. Daniel wants a new bike helmet and must earn income and save to reach his goal.



#### Explore Economics Video Series—Saving and Savings Goals:

In this video, students learn about income, spending, saving, and savings goals. They are encouraged to save for the future. They draw a picture of a savings goals and are encouraged to post the picture near their piggy banks. Finally, they learn a song about saving and spending.



#### Penny Pigeon and the Missing Nest:

Meet Penny Pigeon and her friends Rosa Robin, Carl Cardinal and Judge Blue Jay. In this fable, Penny Pigeon learns to hunt and save for her future nest egg instead of taking valuables from other birds through counseling from Judge Blue Jay. The story is centered on the moral: “A plan to save increases your nest egg for the future.” The fable, in addition to the lesson plans and activities, is designed to teach students about the importance of saving and how to plan for both short-term and long-term goals. This story is offered as an interactive book, video, and with additional activities.



#### Oscar Ostrich Faces the Future:

Meet Oscar Ostrich. In this fable, Oscar Ostrich is taught to think about his future needs and set financial goals to become more confident about his financial future. The story is centered on the moral: “If you set and reach financial goals, your needs will be met in the future.” View additional activities below. This story is offered as an interactive book, video, and with additional activities.



#### The Case of the Shrunken Allowance:

Students listen to a story about P.B. who thinks money is missing from the peanut butter jar on his window ledge. In addition to basic concepts of saving and spending, students learn currency equivalency and some measurement concepts.



#### Money Manager:

Through these activities, students learn about income, saving, spending, and budgeting. They first analyze a cartoon to discuss what it means to manage money. They then learn about the sources of income and that a budget is a plan for how you will spend and save income. They work in pairs to complete an activity where they must choose between spending and saving and then identify their opportunity costs. As a closing activity, they apply their budgeting skills to plan a family meal, with the intention of having some money left over.



#### Great Minds Think:

Use your web browser, mobile device, or tablet to play along with Monte the squirrel, our money expert, as he navigates how to make smart choices about money and teaches important lessons about personal finance topics. Note: Utilize the Budgeting lesson to meet these learning expectations.



#### Save and Spend Challenge:

We have a limited amount of money and lots of things to spend it on! Save and Spend Challenge tasks participants with building a budget for a character and then analyzing that character’s financial choices to discover how their saving, spending, and budgeting habits can affect their financial outcomes. Do you have what it takes to play Save and Spend Challenge?

TOPIC 3:

# Informed Consumer

## Content Statement 5

An informed consumer makes decisions on purchases that may include a decision-making strategy to determine if purchases are within their budget.

### Expectations for Learning

- Describe decisions made when planning purchases.



#### Just Saving My Money:

In this lesson, students learn about saving, savings goals, and income. They listen to the book *Just Saving My Money* by Mercer Mayer, a story about how Little Critter saves his money to buy a skateboard. Students use clues in the book's text and pictures to answer questions. After listening to the story, students play a game where they each have a savings goal, earn income, and save money until that savings goal is met. Students write math sentences to determine whether they have saved enough to reach their goals. Students also set their own savings goals and tell how they could earn income to meet them.



#### Something Special for Me:

In this lesson, students learn about the act of saving and how the accumulation of money saved is termed savings. They are read a story about a family that saves and how savings can be used to make a large purchase the family would not ordinarily be able to make. They recognize that there is an opportunity cost to saving, as well as an opportunity cost to spending.



#### Alexander, Who Used to be Rich Last Sunday:

Teach money, opportunity cost, saving, and spending using the book *Alexander, Who Used to be Rich Last Sunday*. In the story, Alexander receives a dollar from his grandparents that he plans to save, but he spends it all, a little at a time. In this lesson, students count by twos to fill a container with 100 pennies. They are asked whether 100 pennies is the same amount of money as one dollar. They listen to the story and as Alexander spends his money, students come up and remove the correct number of pennies from a container. At the end of the story, students are again asked if 100 pennies is the same amount of money as one dollar. Students discuss the choices that Alexander made and give advice on how he could save his money to reach his goal of buying a walkie-talkie.



#### Once Upon a Decision:

We are faced with the need to make decisions, both big and small, on a daily basis. The earlier young people learn how to make a good decision, the better their decision-making skills will be. In this short module, your students will read and listen to a story about Ella, who has decisions to make. While most of her decisions are easy, she runs across a hard one and employs a decision-making tool to solve her problem.



#### Beatrice's Goat:

Teach saving and income using the book *Beatrice's Goat*. In this lesson, students listen to a story about Beatrice, a little girl from Uganda, who receives a goat and the impact of that goat on her family. They learn what it means to save and use estimation to decide whether or not people have enough money to reach a savings goal. They also work through a set of problems requiring that they identify how much additional money people must save to reach their goals. Students learn what opportunity cost is and identify the opportunity costs of savings decisions made by Beatrice and her family.



#### So Few of Me:

Students learn about scarcity, alternatives, choices and opportunity costs by reading *So Few of Me*. The class participates in an activity to help Perdita figure out her morning schedule at summer camp. The students identify Perdita's alternatives, choose activities for her and identify the opportunity costs of those choices. Then, students work in groups to make choices and identify opportunity costs for Juan's after-school schedule.



#### An Orange in January:

Students learn about the economic concepts of consumer and producer. They give examples of consumers and producers from the book *An Orange in January*. They become producers by helping make orange juice popsicles and consumers when they eat the popsicles. They are asked to correctly order three pictures based on the story. Subjects and concepts covered in this lesson include economics, personal finance and producers/consumers.

**Shopping Wisely with Olivia Owl:**

Olivia Owl and Penny Pigeon share valuable advice with Rhoda Roadrunner to improve her shopping habits in this fable. The story is centered on the moral: “If you plan and compare before shopping, you will use your money more wisely.” This story is offered as an interactive book, video, and with additional activities.

**Glo Goes Shopping:**

Students listen to the story, *Glo Goes Shopping*. They learn about saving, spending, decision making and opportunity cost. They learn to use a decision-making grid to make decisions. Mathematics skills include learning about rows and columns in a grid.

See also: [Glo Goes Shopping](#)

**Explore Economics Video Series—Scarcity:**

This video helps children understand that because of scarcity, people must make choices.

**Great Minds Think:**

Use your web browser, mobile device, or tablet to play along with Monte the squirrel, our money expert, as he navigates how to make smart choices about money and teaches important lessons about personal finance topics. Note: Utilize the Choices lesson to meet these learning expectations.



TOPIC 4:

# Credit and Debt

# TOPIC 4: CREDIT AND DEBT

## Content Statement 6

Recognize that money is needed to purchase goods and services.

### Expectations for Learning

- Recognize that money is needed to purchase goods and services.



#### Give Ell Credit:

Using some form of credit is a necessity for most adults. Unfortunately, some misuse credit, and the consequences can be devastating. The earlier young people learn about credit, the more likely they are to use it responsibly as adults. In this short module, your students will learn what credit is, why people use credit, and how interest can affect the final cost of a good or service when bought on credit.



#### To Pay the Price:

Learn about online banking and electronic payments through a quiz show role play that also covers security measures for automated payments and how the Federal Reserve System helps process these payments.



#### Payment Parliament:

In this role play lesson, introduce students to different payment methods, the costs and benefits of each and how the Federal Reserve System processes payments.

## Content Statement 7

Borrowing includes at least two people who agree to a transaction. There are responsibilities with borrowing.

### Expectations for Learning

- Explain the difference between buying and borrowing.
- Explain the expectations around borrowing.



#### Less Than Zero:

Students learn about saving, savings goals, interest, borrowing and opportunity cost by reading *Less Than Zero*. Students use a number line and a line graph to track spending and borrowing in the story.



#### One Hen: How One Small Loan Made a Big Difference:

Students learn the definition of entrepreneurship and are introduced to the characteristics of entrepreneurs. Students are asked to apply these characteristics to themselves and people in their own communities by completing a story pyramid and then writing a short story that demonstrates how entrepreneurial activity can contribute to higher standards of living.



#### Percy Peacock and the Credit Crisis:

Percy Peacock gets advice from Charlie Chickadee on how to handle credit purchases and payments successfully. The story is centered on the moral: "Use credit wisely and make payments on time to be a responsible consumer." This story is offered as an interactive book, video, and with additional activities.

TOPIC 5:

# Risk Management and Insurance

## Content Statement 8

Individuals must protect their identity, money, and property.

### Expectations for Learning

- Identify what personal information is appropriate to share.
- Describe situations in which it is appropriate and not appropriate to share information, money, or personal property.



#### Just Saving My Money:

In this lesson, students learn about banks and money. They recognize coins as money and manipulate them with classifying, sorting, and pattern-making activities. They draw a picture in a piggy bank of a good they would like to buy, cut out the bank, and hang it in the room. They hear the story *Just Saving My Money* and listen for the words “money” and “bank.” Finally, each student draws a self-portrait of going to a bank.



#### Your Central Bank Video:

In this video, learn from Jay the Eagle about what the Federal Reserve System does for the economy.



#### There's No Business Like Bank Business:

This lesson, with the accompanying role play, introduces students to the benefits of saving money in a bank. It explains earning interest on savings, as well as paying interest for a loan. Students learn how a bank receives its money supply and how it operates as a business.



#### Saving Strawberry Farm:

In this lesson, students learn that saving is essential to economic well-being, especially in times of extreme economic downturn. They read *Saving Strawberry Farm*, a story about a Depression-era family attempting to save a neighbor's farm by waging a penny auction. Students hear about the lack of goods and services available and the high rate of joblessness during this terrible time. They simulate a bank run to see how even those with savings were affected. Finally, they learn that savings are safe in banks today.



#### Clifford and the Big Storm:

Students are read a series of two options and are asked to decide which options are more dangerous. They then learn about risk and how to prevent or reduce risk by taking precautions. Next, they listen to a story about risk, where Clifford, the big red dog, helps reduce the risk of danger by taking precautions. After the story, the students complete a story sequencing activity based on Clifford's actions. Finally, they recognize that Clifford does not exist in the real world and talk about people in their families and communities that help protect them from risk.





# Financial Literacy Resource Guide:

4-6

TOPIC 1:

# Financial Responsibility and Decision Making

# TOPIC 1: FINANCIAL RESPONSIBILITY AND DECISION MAKING

## Content Statement 1

People have limited resources and must prioritize their needs and wants. Saving and/or investing a percentage of income contributes to an individual's financial well-being. Professionals can help individuals determine financial goals.

### Expectations for Learning

- Identify resources available to assist with financial planning, such as financial planners.
- Identify personal priorities when making financial decisions or purchases.



#### Something from Nothing:

Students make a choice between a cookie and an ice cream cone and state the opportunity cost of their decisions. They then listen to the story *Something from Nothing* and identify all the items Grandpa makes his grandson Joseph, beginning with a blanket. Using a sheet of paper that represents Joseph's blanket, students cut out the various items Grandpa made and identify the opportunity cost for each item they cut out.



#### There's No Business like Bank Business:

This lesson, with the accompanying role play, introduces students to the benefits of saving money in a bank. It explains earning interest on savings, as well as paying interest for a loan. Students learn how a bank receives its money supply and how it operates as a business.



#### Great Minds Think:

We have a limited amount of money and lots of things to spend it on! Save and Spend Challenge tasks participants with building a budget for a character and then analyzing that character's financial choices to discover how their saving, spending, and budgeting habits can affect their financial outcomes. Do you have what it takes to play Save and Spend Challenge? Note: Utilize the Choices lesson to meet these learning expectations.



#### Ella Saves Today:

Young children are not likely to think past their piggy banks when it comes to safe places to set money aside for those special items. In this short module, your students will learn that a bank account offers security and a return on their savings.



#### Todd and His Real Job:

In this lesson, students are introduced to budgeting. They see how quickly their income can disappear without proper planning and thought. The students participate and discuss what happens in a reader's theater. They are introduced to a spending tracker.



#### Common Cents - Becoming a Conscious Consumer:

Common Cents articles provide teachers and parents with easy-to-implement lessons and activities for their students and children. Learn how to become a consumer coach and help kids practice conscious spending.

## Content Statement 2

Competencies (knowledge and skills), commitment (motivation and enthusiasm), competition (globalization and automation), training, work ethic, abilities, and attitude are all factors impacting one's earning potential and employability.

### Expectations for Learning

- Explain how an individual's interest, knowledge and ability can affect job and career choices.
- Compare the knowledge, skills and experience needed for various occupations.
- Explain how education and training can impact lifetime income.



#### On the Court with...Michael Jordan:

Students participate in a simulation to learn about choices, alternatives, opportunity cost and human capital. They learn the PACED decision-making model, apply the model, and recognize that learning the model is an investment in their human capital. Student groups build a tower with paper cups. Each group has different physical abilities based on an assigned level of human capital.



### Supermarket Lesson:

After reading a story about a supermarket, students examine the change in supermarket jobs due to the advances in technology. Students observe two demonstrations. One simulates the checkout process at a grocery store using a cash register, and the other uses scanners that are in stores today. Students conclude which method is faster and more accurate and why.



### Sky Boys: How They Built the Empire State Building:

In this lesson, students learn about human resources, productivity, human capital, and physical capital. They participate in three rounds of a reasoning activity. From round to round they receive training and tools to help them improve their reasoning ability and thus increase their productivity. Students will then listen to a story about how the Empire State Building was built and identify examples of key concepts mentioned or shown in the book.



### Alec Gets a Job:

This lesson will help students identify skills that can make someone more employable and how certain skills and education can affect future career opportunities. As students read the book *Alexander Hamilton: Young Statesman*, they will learn about Alexander (Alec) Hamilton's childhood and the skills that made him more employable and successful in school and business. This lesson promotes the standards of reading comprehension, writing, and oral presentation.



### Mimi's Village:

This lesson will introduce students to health care practices and services, as well as healthcare professions, including differences across geographic regions and income levels. Students will work collaboratively to craft a plan that promotes quality health care after hearing a story about the scarcity of health care in developing countries and analyzing global health care data. Students will learn about careers in the healthcare industry, including median wages, human capital needed, and the education requirements for each position. Extension opportunities will enable students to further evaluate health care-related information, present their recommendations orally, and/or opine solutions and views on specific areas of health care.



### Darnell Rock Reporting:

This lesson will introduce students to a fictional chapter book about a middle-schooler who learns about homelessness and how to use his voice to bring about positive changes in his community. Students will ideate and respond to questions about the story, develop persuasive writing of their own, evaluate the persuasiveness of others writing, and identify human capital of primary characters from the book. Students will also work collaboratively to analyze the costs, benefits, and trade-offs of various choices and align appropriate soft skills with different career paths. The concepts included can be utilized in ELA, social studies, economics, and career pathways.



### Matching Interests and Talents to Careers:

Students match two people's interests and talents to ideal careers and then write about their own interests, talents, and possible career choices.



### Preparing Kids for Their Life's Road Trip:

Common Cents articles provide teachers and parents with easy-to-implement lessons and activities for their students and children. Learn how to help prepare kids to choose a career.



### Oh Where Oh Where Has Our Work Ethic Gone?:

Common Cents articles provide teachers and parents with easy-to-implement lessons and activities for their students and children. Read suggestions to develop a better work ethic at home.



### My Papi has a Motorcycle:

This lesson highlights Spanish-language and Hispanic culture, as well as immigration, through a story about a little girl who recognizes the businesses and types of jobs in her community and how they have changed.



### How do you Spend your Time?:

The Bureau of Labor Statistics' (BLS) American Time Use Survey (ATUS) measures the amount of time people spend doing different activities, such as working, sleeping, and socializing. People who answer the survey questions are asked about the activities they performed "yesterday." You may use the worksheet to complete the activity.



### Productivity 101:

This resource page from the Bureau of Labor Statistics' (BLS) website answers the questions of – What is productivity? Why is productivity important? And how is productivity measured?

## Content Statement 3

People may receive money as gifts, allowance, or income. Incomes can vary based on knowledge, skills and experiences.

### Expectations for Learning

- Identify factors that can determine income.



#### Production Profit and Loss:

In this lesson, students work in small groups to produce a toy that can be sold at a price of \$5.00. Students track the costs of production for the toy. They then demonstrate the toy and take orders from their classmates. Using the number of orders (quantity demanded), students calculate their total revenue and then either their profit or loss.



#### Factors of Production:

In economics, factors of production are the resources that people use to produce goods and services; they are the building blocks of the economy. Economists divide factors of production into four categories: land, labor, capital and entrepreneurship. This video explains the four factors of production, describes the payment each earns, and includes a short video quiz—game-show style.



#### Great Minds Think:

We have a limited amount of money and lots of things to spend it on! Save and Spend Challenge tasks participants with building a budget for a character and then analyzing that character's financial choices to discover how their saving, spending, and budgeting habits can affect their financial outcomes. Do you have what it takes to play Save and Spend Challenge? Note: Utilize the Earning lesson to meet these learning expectations.



#### The Case of the Shrunken Allowance:

Students listen to a story about P.B. who thinks money is missing from the peanut butter jar on his window ledge. In addition to basic concepts of saving and spending, students learn currency equivalency and some measurement concepts.

## Content Statement 4

Recognize that people pay taxes on the money they earn. Money collected from taxes is used to provide local, state and national government services.

### Expectations for Learning

- Describe ways government uses tax revenue.



#### What Makes a Community?:

In this lesson, students create a community by drawing pictures of houses, apartment buildings, condominiums, and businesses. They place their pictures on the floor and take a walk in their community. They discover that there are many important features missing from this community. As they draw and add additional features to their community, they learn that some are paid for by government and that taxes pay for government-provided goods and services.



#### Understanding Taxes:

Many of the materials that are part of the Understanding Taxes program can be downloaded as Adobe Acrobat™ PDFs. For example, you can download teacher lesson plans, fact/info sheets, worksheets, and assessments. In addition, you can download a PowerPoint™ presentation that introduces each theme in the Whys of Taxes. Click on the links below to view the materials for each lesson or module. Click on the icons to download the materials to your computer. The Why lessons also include the option of downloading a complete lesson pack, which is a compressed file containing all of the lesson's downloadable components.



#### Scraps of Time: Abby Takes a Stand:

In this lesson, students read about incidences of racial discrimination and how those incidences were met with methods of protests. They engage in an activity that matches programs for low-income people with the type of economic inequity the program addresses and observe an activity simulating tax payments and transfers.



#### Isabel's Car Wash Q&A:

Use these questions with children 8 to 11 years old to discuss the following economic concepts in *Isabel's Car Wash*: dividend, entrepreneur, investor, profit, revenue, risk, and tax.

TOPIC 2:

# Planning and Money Management

## Content Statement 5

Financial responsibility includes the development of a spending and savings plan (personal budget).

### Expectations for Learning

- Create a personal budget.
- Describe the relationship between spending and saving money.



#### Crenshaw:

This lesson will introduce students to challenges faced by those who live in poverty due to homelessness, unemployment and/or low-income jobs. Students will read the book *Crenshaw* about a boy who creates an imaginary friend to help him deal with difficult experiences in his life. Students will learn about social services available in the U.S. and apply this to a small group budgeting activity. Students will also complete a cost/benefit analysis using a problem that Jackson and his family faced and demonstrate their understanding of key vocabulary through a writing exercise.



#### The Piggy Bank Primer:

The *Piggy Bank Primer: Budget and Saving* e-book for 7 through 9-year-olds uses a story, activities, and puzzles to introduce basic economic concepts—saving, savings plan, spending, costs, benefits, goods, services, and opportunity cost.



#### Uncle Jed's Barbershop:

Students listen to the book *Uncle Jed's Barbershop*, about an African American barber who, despite significant setbacks, saves enough money to buy his own barbershop. From the story, students learn about saving, savings goals, opportunity cost, and segregation. The students participate in a card game to further investigate what it takes to reach a savings goal.



#### Money Manager:

Through these activities, students learn about income, saving, spending, and budgeting. They first analyze a cartoon to discuss what it means to manage money. They then learn about the sources of income and that a budget is a plan for how you will spend and save income. They work in pairs to complete an activity where they must choose between spending and saving and then identify their opportunity costs. As a closing activity, they apply their budgeting skills to plan a family meal, with the intention of having some money left over.

TOPIC 3:

# Informed Consumer



## Content Statement 6

An informed consumer makes decisions on purchases that may include a decision-making strategy to determine if purchases are within their budget.

### Expectations for Learning

- Explain why it is important to research buying options when making a purchase.
- Explain why comparable goods and services vary in cost.



#### The Have a Good Day Café:

In this lesson, students learn how businesses use advertising to influence the choices consumers make. Using magazines, students see that advertisements use a combination of facts and opinions to influence tastes and preferences. Students also listen to a story about a Korean American family that owns a food cart. They learn how the business changes because of competition and how business owners can influence consumers' tastes and preferences. Working in groups, students create print advertisements for the food cart in the book to see firsthand how advertisements can influence consumers' choices through tastes and preferences.



#### The Art of Decisionmaking:

If you look at what psychologists consider to be high-level stressors, you'll find a list of about 40 life events. We have no control over many of these events, but for more than half, we do. So much of our stress and success in life depends on the decisions we make. In this short module, your students will learn the economic underpinnings of the need to make decisions, why every decision bears a cost, and how to make informed decisions.



#### Spending Scenarios:

In this lesson, students will make spending decisions based on scenarios and decide whether to agree or disagree with other students' spending decisions.



#### Understanding our Money Choices:

In this lesson, students discuss and reflect on how they think and feel about money and how the people in their lives help shape those thoughts and feelings.



#### Using a Buying Plan:

In this lesson, students read a scenario and then practice creating a buying plan and comparison shopping for a computer.



#### Common Cents: Money Moods:

Common Cents articles provide teachers and parents with easy-to-implement lessons and activities for their students and children. Learn about behavioral economics and how financial decision-making is affected by reflexive thinking.



#### Scarcity:

This video helps children understand that because of scarcity, people must make choices.



TOPIC 4:

# Credit and Debt

# TOPIC 4: CREDIT AND DEBIT

## Content Statement 7

Examine the different ways that people pay for goods and services.

### Expectations for Learning

- Explain the characteristics, benefits, and disadvantages of the various payment methods.



#### Give Ell Credit:

Using some form of credit is a necessity for most adults. Unfortunately, some misuse credit, and the consequences can be devastating. The earlier young people learn about credit, the more likely they are to use it responsibly as adults. In this short module, your students will learn what credit is, why people use credit, and how interest can affect the final cost of a good or service when bought on credit.



#### To Pay the Price:

Learn about online banking and electronic payments through a quiz show role play that also covers security measures for automated payments and how the Federal Reserve System helps process these payments.



#### Payment Parliament:

In this role play lesson, introduce students to different payment methods, the costs and benefits of each and how the Federal Reserve System processes payments.



#### The Amazing \$2000 Pizza:

This episode in the Continuing Education Video Series, The Amazing \$2,000 Pizza, emphasizes the importance of using credit cards responsibly.



#### Great Minds Think:

We have a limited amount of money and lots of things to spend it on! Save and Spend Challenge tasks participants with building a budget for a character and then analyzing that character's financial choices to discover how their saving, spending, and budgeting habits can affect their financial outcomes. Do you have what it takes to play Save and Spend Challenge? Note: Utilize the Spending lesson to meet these learning expectations.

## Content Statement 8

People may have to borrow money for large purchases. There are financial responsibilities with borrowing.

### Expectations for Learning

- Identify situations in which borrowing may be necessary for planned or unplanned expenses.
- Explain why using credit cards or loans can result in paying more than the original price.



#### One Hen: How One Small Loan Made a Big Difference:

Students learn the definition of entrepreneurship and are introduced to the characteristics of entrepreneurs. Students are asked to apply these characteristics to themselves and people in their own communities by completing a story pyramid and then writing a short story that demonstrates how entrepreneurial activity can contribute to higher standards of living.



#### Worth!:

Students learn about banking, profit, risk, and reward while participating in a banking role play in which they portray roles based on characters in the book *Worth!* by A. LaFaye. Students discuss some of the factors that affect loan interest rates and the availability of credit, and then apply their knowledge by writing a fictional applicant a letter of acceptance or rejection.



#### Downsize Your Debt:

This lesson gives students an overview of the problems that can result from being in financial debt. "The Dangerous Pet" PowerPoint, a creative story that highlights dealing with a monster named Debt, is shared, and discussed. Students learn about budgeting as they plan ways to earn money to pay off their debt.



### Escape from Barter Island:

Trade your way to adventure and help shipwrecked Robbie navigate his way through the Barter Islands. Learn about the fundamentals of a barter system and the value of a uniform and acceptable currency. This free resource is available in English and Spanish.



### Sharing a Story about Borrowing:

In this lesson, students read a story about Money Monsters who are learning to be good borrowers.

## Content Statement 9

Saving today can help meet future goals, including education.

### Expectations for Learning

- Describe the relationship between saving and future goals.



#### Saving and Savings Goals:

In this video, students learn about income, spending, saving, and savings goals. They are encouraged to save for the future. They draw a picture of a savings goals and are encouraged to post the picture near their piggy banks. Finally, they learn a song about saving and spending.



#### Puzzling out your Savings Future:

Using an origami children's puzzle, students will choose an item, a time frame, and a dollar amount to determine how long they need to save before they can buy that item.



#### Starting Small and Saving Up:

In this lesson, students read a story about characters who save for something special and then create their own savings goal.



#### Saving for Now and Later:

In this lesson, students learn about the importance of saving, explore the difference between short-term and long-term goals, and then set their own savings goals.



#### Save and Spend Challenge:

We have a limited amount of money and lots of things to spend it on! Save and Spend Challenge tasks participants with building a budget for a character and then analyzing that character's financial choices to discover how their saving, spending, and budgeting habits can affect their financial outcomes. Do you have what it takes to play Save and Spend Challenge?



#### Great Minds Think:

We have a limited amount of money and lots of things to spend it on! Save and Spend Challenge tasks participants with building a budget for a character and then analyzing that character's financial choices to discover how their saving, spending, and budgeting habits can affect their financial outcomes. Do you have what it takes to play Save and Spend Challenge? Note: Utilize the Budgeting lesson to meet these learning expectations.



#### Picturing What You're Saving For:

In this lesson, students draw pictures of a savings goal and discuss the importance of saving money over time.

TOPIC 5:

# Risk Management and Insurance

## Content Statement 10

Individuals must protect their identity, money, and property.

### Expectations for Learning

- Describe consequences when one is a victim of financial fraud and/or identity theft.



#### **Your Central Bank Video:**

In this video, learn from Jay the Eagle about what the Federal Reserve System does for the economy.



#### **There's No Business Like Bank Business:**

This lesson, with the accompanying role play, introduces students to the benefits of saving money in a bank. It explains earning interest on savings, as well as paying interest for a loan. Students learn how a bank receives its money supply and how it operates as a business. See also “[There's No Business Like Bank Business](#)” under content statement 1.



#### **Avoiding Identity Theft:**

This website provides information on identity theft – what it is, what to know, and what to do if it happens to you.



#### **Learning About Insurance:**

Students play a game where they do an action to match common types of insurance with the risks they cover.



#### **Exploring ways to Protect What's Important to Us:**

Students draw a picture and answer open-ended questions based on a story about protecting ourselves and our property.



#### **Comparing Places to Save Money:**

Students compare saving money at home to saving money at a bank or credit union and then act out stories to explore which option they would choose.