



Great Minds Think



A New Guide to Money

FEDERAL RESERVE BANK of CLEVELAND

Title:
Great Minds Think
2. Earning

Grade Level:
2-6

Time Allotment:
55 minutes

Description:

In this activity, students will identify ways to earn an income, learn how to create a savings goal, and develop a plan for how to reach their savings goal. Students will also be introduced to the basics of banking.

Learning Objectives:

- I can identify different ways to earn income.
- I can create a financial plan to help me achieve my savings goal.
- I can explain how a bank account works.

Teacher Materials:

- *Great Minds Think* ([paper copy](#), [PDF version](#), or [interactive online game](#))
- *Earning Vocab Worksheet*
- *Earning Vocab Worksheet: Answer Key*
- *Count your Coins PPT*
- *Smartboard*

Student Materials:

- *Great Minds Think*
- *Earning Vocab Worksheet*
- *Calculator*
- *Paper*
- *Coloring supplies*

Teacher Preparation:

In person: Order or print enough copies of *Great Minds Think* for each student prior to conducting the activity, or have each student download the online game. Print a copy of the *Earning Vocabulary Worksheet* for each student. If using interactive online game, the vocabulary is included. Each student needs to be able to view the *Count your Coins PPT* as a class. Each student needs a calculator to complete this activity.

Virtual: Order or print enough copies of *Great Minds Think* for each student prior to conducting the activity, or have each student download the online game. For virtual learning, we strongly encourage use of the online game. Have a copy of the *Earning Vocabulary Worksheet* for each student participating in the activity, which can be accessed in the Learning Center's Google Drive. If using the interactive online game, the vocabulary is included. Each student needs to be able to view the *Count your Coins PPT* as a class, this can be done with screen sharing over a video call. Each student needs a calculator to complete this activity.

The resources needed for this activity are linked in the Teacher Materials section.

Instructional Procedure:

1. Read the two options to students and ask them to raise their hand for the option they prefer:
 - Receive \$1,000,000 right now.
 - Receive 1¢ today and 2¢ tomorrow and continue to double that each day for a month.

Display the *Count your Pennies PPT* to the class and walk through the slides to demonstrate that a large profit can be earned slowly over a period of time. About halfway through the demonstration, ask students again which of the two options listed above they would prefer. Tell students that those who chose the 1,000,000 all at once will actually earn less than those who chose option two.

2. Ask students to identify moments in their lives where they have received money for performing a task. (Answers may vary but ultimately you want to discuss chores, jobs, lemonade stands, dog walking, etc.) Explain to students that there are several different ways to receive money, but a common way individuals receive money is by earning it. **Earning** means to receive money in exchange for work. The money individuals earn from working is known as an **income**. Income is the money that you earn or receive.
3. **In person:** Distribute the *Great Minds Think* publication to each student participating in the activity. Have students turn to page 3 and read “Learning to Earn.”
Virtual: Have students access the *interactive online game* and then click on the home icon to access the different section of GMT. From there students will select the “Earning” bubble and start the activity by reading “Learning to Earn.”
4. **Virtual:** Have students complete the vocabulary assessment following the “Learn to Earn” reading.
5. Explain to students that earning an income provides them the option to either to **save** or **spend** their money. To save means to put money aside to use later. To spend is uses money to buy things. Individuals can save their money in order to reach a savings goal. A savings goal is a good or service that you want to buy in the future. Savings goals can be items like PlayStations, bikes, tablets, vacations, shoes, etc.
6. **In person:** Tell students that they will create their own savings goal by completing the “Dream Board” activity on page 7. Ask students to draw item they intend to save for. Select a few students to share their dream board items with the class
Virtual: Tell students that they will create their own savings goal by completing the “Dream Board” activity. Have students click the next button after the vocabulary assessment to access the “Dream Board” activity on the *interactive online game*. Select a few students to share their dream board items with the class.
7. **In person:** Explain to students that reaching a savings goal happens when a person saves a portion of their money on a regular basis. Instruct students to turn to page 3 and complete the activity entitled “Here’s an Example.” In this activity, students try to help Alex reach his savings goal.
Virtual: Explain to students that reaching a savings goal happens when a person saves a portion of their money on a regular basis. Have students click the next button after completing the “Dream Board” activity and complete the activity entitled “Help Alex Get Concert Tickets.”
8. **In person:** Remind students of the examples provided in step 2 of ways they can earn money. Have students turn to page 4 and complete the “Earning Money” section. In this activity, students will think of jobs they can perform in order to earn money.
Virtual: Remind students of the examples provided in step 2 of ways they can earn money. Have students click the “next” button and complete the “Earning Money” section. In this activity students will think of jobs they can perform in order to earn money.
9. Next, have the students plan how they are going to save enough money to reach their savings goal:
In person: Ask students to turn to page 8 and complete the “What is the Plan” section.
Virtual: Ask students to click the next button and complete the “What is the Plan” section. Once the activity is complete, select a few students to share their plans with the class.
10. Ask students where they would feel safe keeping their money after it is earned. Answers will vary but the conversation should end with a discussion of banks. Explain to students that a **bank** is a place to put money for safekeeping.

11. **In person:** Have students turn to page 6 and read through “Banks: A Place to Put your Money” and complete the bonus interest activity on the page.
Virtual: After students have completed the “What is the Plan” section, have them click the next button and read through “Banks: A Place to Put your Money.” Once students have completed the reading, ask them to complete the bonus interest activity on that page.
12. **In person:** Once students complete the “Bank: A Place to Put your Money” section, have them click the “next” button and complete the vocabulary assessment.
13. **In person:** Once students have finished the reading about banks, have the class turn to page 5 and complete the activity entitled “Saving: Money in the Bank.” In this activity, students will help Nisa and Matt earn and save enough money for their savings goals.
Virtual: After completing the vocabulary assessment, have students hit the “next” button and read “Money in the Bank” and then click the “next” button to complete “Trip to the Amusement Park” activity. In this activity, students will help Alex to save \$80 for a trip to the amusement park.
14. **In person:** Have students complete the *Earnings Vocabulary Worksheet*. Review terms as a class.

Key Vocabulary:

- **Account:** The bank holds your money and you take it out when you need it.
- **Balance:** The amount of money you have in your bank account.
- **Bank:** A place to put money for safekeeping.
- **Deposit:** Putting money into a bank account.
- **Earn:** To receive money in exchange for work.
- **Income:** Money that you earn or receive.
- **Interest:** A fee paid for the use of money.
- **Save:** To put money aside to use later.
- **Savings goal:** A good or service that you want to buy in the future.
- **Spend:** To use money to buy things.
- **Withdraw:** Taking money out of a bank account.

Attachments:

- *Earning Vocab Worksheet*
- *Earning Vocab Worksheet: Answer Key*
- *Count your Coins PPT*

Resources:

- FederalReserveEducation.org
- [*Common Cents: It's Free, But at What Cost*](#)—Article
 - [*Why Budget*](#)—Infographic
 - [*Banking and Budgeting*](#)—Lesson Plan
 - [*Piggy Bank Primer*](#)—EBook

Extension:

- **Class store:** Create a list of daily tasks students can perform along with the amount of daily classroom currency they can receive for that task. At the end of each week, provide students the opportunity to add up their earned totals for their completed tasks and exchange the currency they have earned for an item in the store.
- Create a classroom bank where students can open an account and keep their money they earn from performing tasks.

Differentiation:

- Read the “Learn to Earn” (pg. 9) section of the earning activity aloud to the class.
- Pair students with a partner to work through the earning vocab worksheet or complete the earning vocab worksheet together as a class.
- Pair students with a partner and have them complete the “Help Alex Get Concert Tickets” activity.
- As a class, brainstorm ways students could earn money while completing the “Earning Money” and “What’s the Plan” activity.
- Read the banking section of *Great Minds Think* (pg. 5–6) earning activity aloud to the class.
- On the banking activity, adjust the numbers to make the math more manageable for the students.

Ohio’s Learning Standards for Social Studies:

- 2.17: People earn income by working.
- 4.22: Saving a portion of income contributes to an individuals’ financial well-being.

Ohio’s Learning Standards for Financial Literacy:

- K-3: Choices can be made with your money, choices include spending and saving. Money can also be saved in financial institutions.
- 4-6: Saving today can help meet future goals.

Kentucky’s Learning Standards for Social Studies:

- K-3 F.P.4: Identify why people make financial choices.
- K-3 F.P.7: Investigate different ways to save money (e.g., piggy bank, local bank, credit union).
- K-3 F.P.6: Describe how financial decisions impact the achievement of short and long-term goals.
- 4-5 FL.I.2: Identify ways people earn income (e.g., wages, salaries, tips).

This activity is part two of the [Great Minds Think](#) activity series.