

**Title:**  
Great Minds Think  
3. Spending

**Grade Level:**  
3–6

**Time Allotment:**  
50 minutes

### Description:

In this activity, students will learn about various payment methods, the difference between a need and a want, and the concept of opportunity cost.

### Learning Objectives:

- I can analyze different methods of payment.
- I can explain the difference between a want and a need.
- I can provide an example of an opportunity cost.

### Teacher Materials:

- *Great Minds Think* ([paper copy](#), [PDF version](#), or [interactive online game](#))
- *Spending Vocabulary Worksheet* (in person)
- *Spending Vocabulary Worksheet: Answer Key* (in person)

### Student Materials:

- *Great Minds Think*
- *Spending Vocabulary Worksheet*
- Pencil
- Tablet or Computer (virtual)

### Teacher Preparation:

**In person:** Order or print enough copies of *Great Minds Think* publication for each student prior to conducting the activity. Print a copy of the *Spending Vocabulary Worksheet* for each student if using the paper or PDF version of *Great Minds Think*. If using the online game, the worksheet is not necessary—a vocabulary assessment is included.

**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. Print a copy of the *Spending Vocabulary Worksheet* for each student if using the paper or PDF version of *Great Minds Think*. The *Spending Vocabulary Worksheet* can be accessed in the Learning Center’s Google Drive. If using the online game, the worksheet is not necessary—a vocabulary assessment is included.

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

### Instructional Procedure:

1. Ask students if they can name a few ways you can pay for items at the store. Record the answers on the whiteboard. Explain to students that paper bills and coins are not the only ways to pay for goods and services.
2. **In person:** Distribute the *Great Minds Think* publication to each student. Have them turn to page 9 and read the “Ways to Pay” section.  
**Virtual:** Have students access the *interactive online game* and then click on the “home” icon to access the different sections of *Great Minds Think*. From there, students will select the “Spending” bubble and start the activity by reading “Ways to Pay.” Have students complete the vocabulary assessment that follows. Students will click the “next” button once they have completed the vocabulary assessment.
3. Ask students if they know the difference between a need and a want. Select a few students to provide examples of each to the class. Explain to students that a **need** is something that is necessary to survive. A **want** is something that is nice to have but isn’t necessary to survive. For example, we need food to survive but candy is not necessary to survive and so it is a want.

4. **In person:** Have students turn to page 10 and read the “I Want It! I Need It!” section and then complete the corresponding activity.

**Virtual:** Have students read the “I Want It! I Need It!” section. After they have finished reading this section, have the students hit the “next” button and complete the vocabulary assessment and the “What Are Your Needs and Wants” activity.

5. Tell students to listen to the two scenarios below and pick which way they would like to spend the Saturday afternoon.

- Scenario 1: You and a friend spend that afternoon at an obstacle course climbing, bouncing, and zip lining.
- Scenario 2: You go to see the new Marvel movie with your family and pick out a box of candy.

Ask students what they give up if they pick Scenario 1 over Scenario 2 and vice-versa. (Answer: If you select Scenario 1 you don’t get to go to the obstacle course or see your friend. But if you select Scenario 2 you don’t get to see the new movie or buy a box of candy.) Explain to students that what they give up for something else is known as an **opportunity cost**. When you choose to spend your time or money on one thing, you give up the opportunity to spend it on another thing. The other thing that you give up—your second-best choice—is called your opportunity cost. Thinking about the cost of something in terms of opportunity cost can help you make choices because you have to think hard about what you are giving up.

6. **In person:** Tell students that they are going to have the opportunity to make their own choices. Have them turn to page 11 and read “Spending: What’s the Real Cost?” section. After they have finished reading, have students complete the “This or That” activity on the same page.

**Virtual:** Tell students that they are going to practice making choices. Have students complete the “This or That” activity.

7. As a class, discuss what choice each student made and the opportunity cost of each choice.

### Key Vocabulary:

- **Cash:** Money, like dollar bills and coins.
- **Check:** A paper form of payment that is used to transfer money from your checking account to a person or company.
- **Credit card:** A form of payment that is like a personal loan; you have to pay a balance on it at the end of every month.
- **Debt:** The amount of money that you owe.
- **Debit card:** A form of payment that subtracts money from your checking account.
- **Mobile payment apps:** Forms of payment on your phone that are linked to a checking or credit card account.
- **Needs:** Things that are necessary to survive.
- **Opportunity cost:** What you give up in order to choose something else.
- **Prepaid card:** A form of payment that is loaded with a specific amount of money.
- **Wants:** Things that are nice to have, but aren’t necessary to survive.

**Attachments:**

- *Spending Vocabulary Worksheet*
- *Spending Vocabulary Worksheet: Answer Key*

**Resources:**

- FederalReserveEducation.org
- [\*Saving and Spending Game\*](#)—Lesson Plan
  - [\*Common Cents: 'Tis the Season for Smart Shopping\*](#)—Lesson Plan
  - [\*Why Budget\*](#)—Infographic
  - [\*Banking and Budgeting\*](#)—Lesson Plan
  - [\*Piggy Bank Primer\*](#)—EBook

**Extension:**

- Pair students with a partner and have them discuss and identify needs and wants from their own life.
- Use classroom downtime to conduct a “Friday Fun Day Activity” day, which allow students to choose between two activities on how to spend their free time. Have a discussion with students about the opportunity cost of their choice.
  - **Example:** Students chooses between two Friday Fun activities: extra recess or extra computer time. Help students understand that they are giving up their opportunity to earn extra computer time when choosing to participate in extra recess and vice versa.

**Differentiation:**

- Read the “Ways to Pay” (pg. 9) section of the spending activity aloud to the class.
- Pair students with a partner to work through the **Spending Vocabulary Worksheet**. Or complete the **Spending Vocabulary Worksheet** together as a class
- Pair students with a partner and have them complete the “I Want It! I Need It!” activity.
- The teacher can read out the two items in the “I Want It! I Need It” activity and the class can choose together.
- Split the class into two teams and have them vote on which item to pick in the “This or That” activity.

**Ohio’s Learning Standards for Social Studies:**

- 3.19: Making decisions involves weighing costs and benefits.
- 6.16: When selecting items to buy, individuals can weigh costs and benefits and compare the price and quality of available goods and services.

**Ohio’s Learning Standards for Financial Literacy:**

- K-3: Choices can be made with your money.
- 4-6: People have limited resources and must prioritize their needs and wants.

**Kentucky’s Learning Standards for Social Studies:**

- 1.E.IC.1: Predict a person’s change in behavior in response to incentives and opportunity costs.
- 3.E.IC.1: Explain how people use incentives and opportunity costs to inform economic decisions.

**Kentucky’s Learning Standards for Financial Literacy:**

- K-3 F.P.3: Identify the difference between wants (e.g., skateboard, video games) and needs (e.g., food, clothing and shelter) and the relationship to consumer decisions.
- K-3 F.P.4: Identify why people make financial choices.