

Lesson 6: Uses of Money

Getting Started

✿ Questions to Explore

- What do the communities provide for the people who live in them?
- What are the responsibilities of community members?

📖 Facts and Definitions

- People spend, save, and give money they earn.
- People work for money.
- People use money to purchase goods and services to satisfy their wants and needs.

🕒 Skills

- Identify uses of money (spending, saving, giving) (SS)
- Describe how people work to earn money (SS)
- Recognize markets and their role in the exchange of goods and services (SS)
- Describe characteristics of jobs and a job well done (SS)
- Practice single-digit addition (M)
- Use groupings of twos, fives, and tens to solve problems (M)
- Develop vocabulary by listening to and discussing new words (LA)
- Use new vocabulary in writing (LA)
- Use writing to communicate an idea (LA)
- Compose complete sentences with punctuation (LA)
- Apply understanding of letter sounds and attempt to spell words (LA)

✂ Materials

- a variety of items that satisfy wants and needs with dollar price tags
- scissors

Introduction

Ask your child where people get money. Ask him what people do with the money they make from working.

Activities

Activity 1: Working for Payment

Review the idea that people spend money to buy goods and services, save money for the future, and give money to help others. Using the "Flowchart of Money" sheet, show your child how money is earned and spent in the community.

For this activity, you will ask your child to work in order to earn something, such as money, a special food, or a special outing. Through this activity, your child will understand that hard work is rewarded.

Think of three different jobs your child could do around the house. Choose one job that is simple and will take a short amount of time, one that is a little more challenging and will take more time, and finally one that is very challenging and will take a long time. If your child already has chores, choose tasks that are different than what he already does. Each job will have a different reward linked to it that corresponds to the difficulty of the job.

Tell your child that today he is going to be a worker. Explain that usually the harder someone works, the more money he or she makes. Ask him what it means to be a hard worker. Discuss some characteristics of hard work, such as taking your time to do it well, finishing the job, and working with a good attitude.

Tell your child that he is going to get to choose one of three jobs. One is simple, one is harder, and one is very hard. Describe each of the three jobs and ask him which one he might choose. Then explain the different rewards for each job. Now ask him which job he would like to do.

Ask your child to do the job he chose. When he completes the job, discuss whether or not it was a job well done. Then review the idea that hard work is rewarded and that some people can choose how much work they want to do.

Note: If you choose to give your child money for this activity, talk about the different ways he can use it.

Activity 2: Spending Money

Ask your child to cut out the one, five, and ten-dollar bills from the "Page of Money." Discuss the idea that people spend their money to satisfy their wants and needs.

Put out a variety of different items on a table or on the floor. Ask your child to sort the items according to those that would satisfy wants and those that would satisfy needs. Tell your child to pretend that he is going on a vacation. Ask him where he would like to go on his vacation. Then ask him to buy the items he thinks he would most need and want for the trip. Tell him he has twenty dollars to spend. From the cut-out paper bills, give him a ten, a five, and five ones.

As he selects the items, he can take the price tags off. Then he can write the amounts on a piece of paper. When he has selected all his items, he can then add the numbers on the paper. If he needs real objects to represent the amounts, provide beans, teddy bear counters, Legos, etc. If the amount is under twenty dollars, ask him if there is anything else he is able to buy. If he goes over twenty, ask him what he will put back.

Repeat this activity with food items. Tell your child that he is going to the grocery store to buy food for his family. Remind him that he should purchase healthy foods that can be eaten for breakfast, lunch, and dinner.

Note: If your child needs more practice, you can repeat this activity with new items and a different quantity of money.

Activity 3: Saving Money

Tell your child that a wise man once said, "A penny saved is a penny earned." Explain that this means that when you do not spend your money, you are able to keep it, but when you spend it you never get the money back. Spending less money can be as good as making more. Ask him if he has ever saved anything. Tell him about a time that you saved money and how it helped you. Explain the idea that when we save money, we are able to have more money to buy something special at a later time. If we spend all our

money as soon as we get it, we could never buy anything valuable. We also save money to help us in the future. For example, many older kids save money so that they can go to college.

Read the following scenarios to your child and ask him what he would do in each scenario:

- **Scenario 1** - You want a new bike very badly. You have just enough money to buy a regular bike at the store, but the bike you really want costs more money. It is a much cooler bike. It has a horn, it looks better, and it is faster than the bike you can afford to buy. If you buy the bike that costs less, you can take it home and start riding it today, but if you wait a little while longer you will be able to buy the bike that you really want. What do you do?
- **Scenario 2** - Every week your mom has been giving you a dollar for keeping your room clean. Every Friday when you go to the grocery store, you have been able to buy your favorite candy. Today your mom asks you if you want to save your money for a few weeks so that you can buy the new toy you have been asking for. You see the candy on the shelf and you really want to eat it, but it would be really fun to have the new toy. It will take many weeks of not getting candy to buy the new toy. What do you do?

Activity 4: Giving Money

Discuss which organizations your family gives money to. Explain what the organizations or people do and why you choose to give to them. Talk about how they help the community. Discuss other organizations people give their money to support and how they help people and the community.

Tell your child that you have some money for him to give, or ask him to work to earn some money he can give. Ask him where he wants to give his money and why.

He will write about his reasons on the sheet called "Giving Money." Select which option he should complete. When your child finishes writing, ask him to identify the noun/pronoun in the subject and the verb in the predicate of each sentence.

Option 1

This option will help your child structure his thoughts. Do not focus on perfect spelling. Focus instead on the quality and expression of ideas.

Option 2 (advanced)

Less structure is provided for this paragraph. Encourage your child to begin sentences with a capital letter and to end them with punctuation. Do not focus on perfect spelling. Focus instead on the quality and expression of ideas.

Wrapping Up

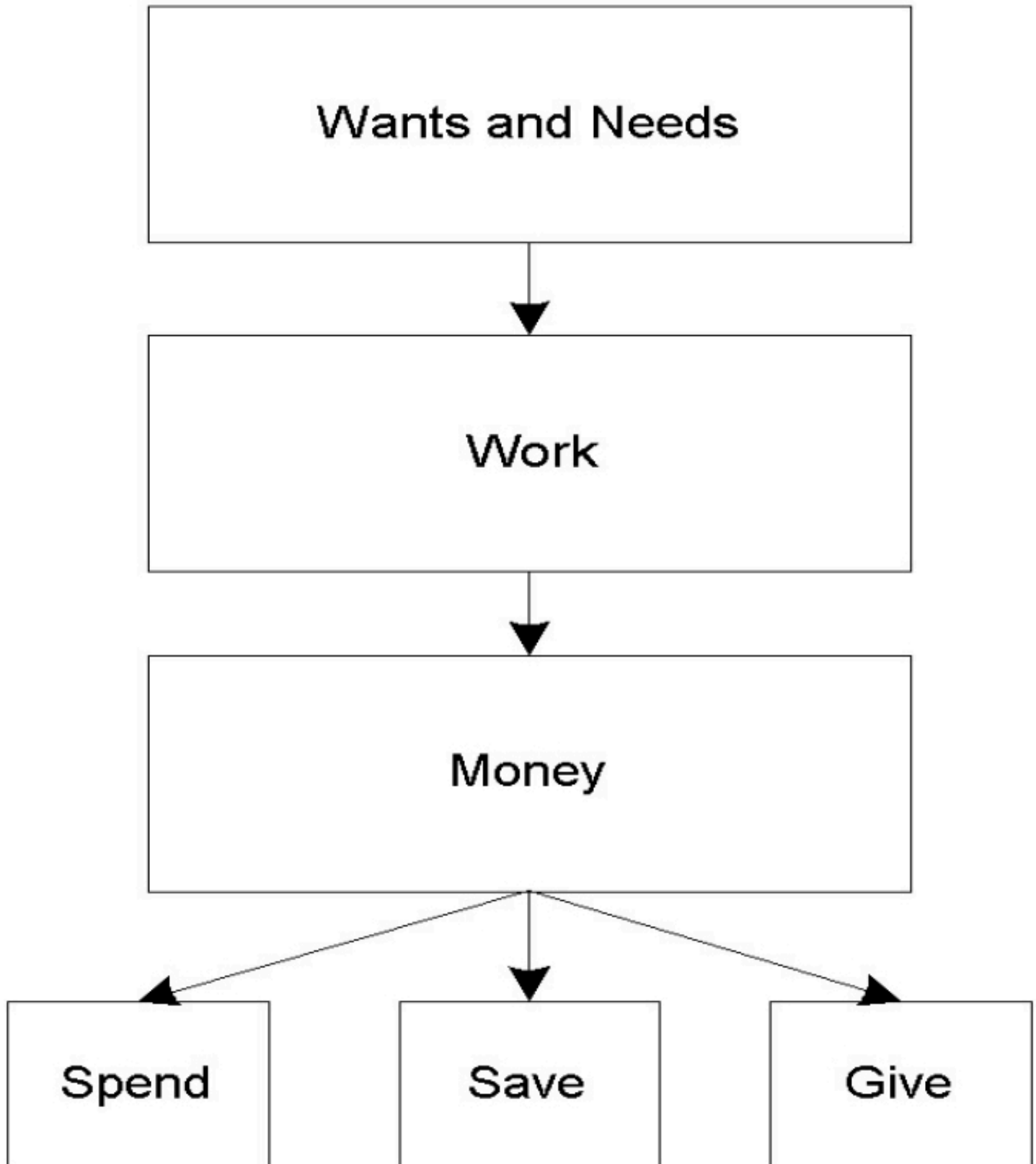
Ask your child to explain wants and needs. Then ask him what goods and services are. Next ask him how people are able to satisfy their wants and needs. Finally, ask him how people can use their money to satisfy their wants and needs (spending and saving).

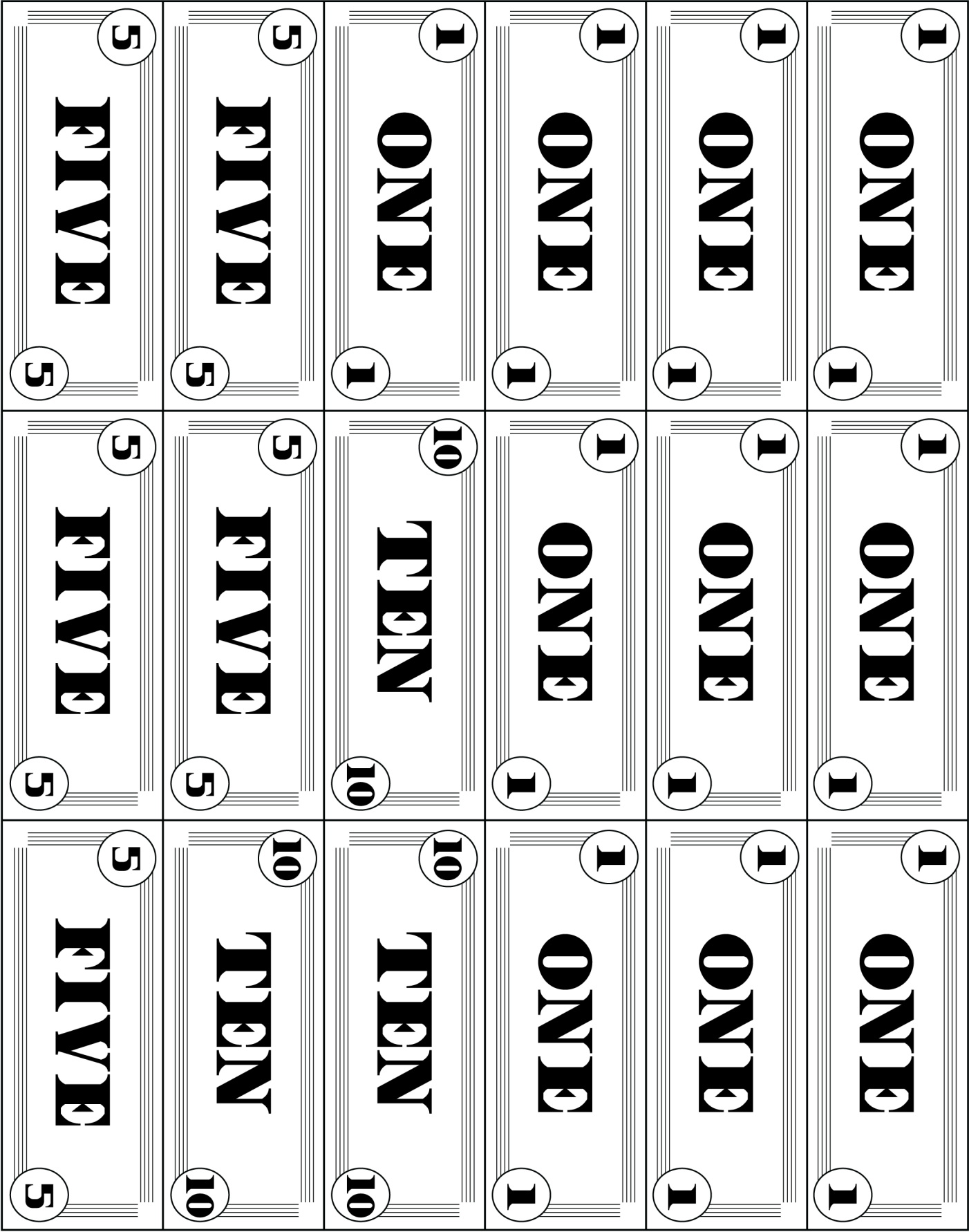
Life Application

If your child earns money or receives a regular allowance, encourage him to consider the different ways he can use the money he receives.

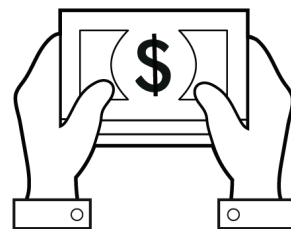
Flowchart of Money

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Giving Money



I have _____ dollars to give.

I have decided to give it to _____

_____.

One reason is _____

_____.

A second reason is _____

_____.

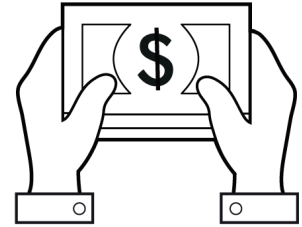
A third reason is _____

_____.

I enjoy giving because _____

_____.

Giving Money



I have decided to give _____

[illegible]