

Understanding Financial Literacy: Making Wise Money Choices

Objective: Students will be able to differentiate between spending and saving money, and make informed decisions regarding their personal finances.

Assessment: Students will create a simple budget plan incorporating saving and spending categories to demonstrate their understanding of financial choices.

Key Points:

- The difference between spending and saving money
- Identifying the benefits of saving money
- Creating a budget to allocate money towards spending and saving

Opening:

The lesson will begin by asking students to reflect on a recent purchase and whether they think it was a good choice. This will lead to a discussion on the concepts of spending and saving money.

Introduction to New Material:

To introduce the key points, the teacher read the book aloud and will use real-life examples related to the characters in "The Berenstain Bears' Dollars and Sense". A common misconception may be that spending money is always more enjoyable than saving.

Guided Practice:

Students will be guided through simple scenarios where they have to decide whether they should spend or save money. Monitoring of student performance will be done through observation and targeted questions.

Independent Practice:

During independent practice, students will work in small groups to sort out spending scenarios. They should be able to see the difference in spending frivolously and spending wisely with savings. This assignment will demonstrate their mastery of the concept. After providing groups with time to sort out the scenarios the teacher will have each group share one of their scenarios and the thinking behind the choice they made. Students should be able to explain the financial decisions made in each scenario.

Closing:

The lesson will close with a quick recap activity where students will share one thing they learned about making wise money choices today.

Extension Activity:

For students who finish early, they can create a comic of a scenario where they spent money wisely and or saved money.

Family Extension:

As homework, students can interview a family member about their saving and spending habits and reflect on how they can apply what they learned in class.

Standards Addressed:

- Common Core Standard: CCSS.MATH.CONTENT.4.MD.A.2
- National Standard for Financial Literacy: NFEC Standard 3.1 – Identify questions to answer before making a purchase

"Dollars and Sense"

Whole Group Scenarios

Scenario 1:

Jennifer had been saving her weekly allowance for a few months, and she had a good amount of money in her piggy bank. She saw a new toy at the store that she really wanted, but she also knew that her best friend's birthday was coming up. Jennifer had to decide whether to spend her money on the toy for herself or save it to buy a special birthday gift for her friend.

Scenario 2:

Titus found \$10 on the sidewalk while walking home from school. He thought about buying a big bag of candy, but then he remembered that his bike needed a new bell because the old one was broken. Titus had to decide whether to spend the found money on candy or save it to buy a new bell for his bike.

Scenario 3:

Emily received \$20 from her grandparents as a reward for doing well in school. She really wanted a new video game, but her mom told her that winter was coming, and she might need warmer clothes soon. Emily had to decide whether to spend the money on the video game or save it to buy some winter clothes.

Scenario 4:

Alex had been saving money to buy a skateboard. One day, he saw a limited edition skateboard at the store that was more expensive but cooler than the one he had been saving for. Alex had to decide whether to stick with his original plan and save for the skateboard he had in mind or spend a bit more to get the limited edition one that caught his eye.

"Dollars and Sense"

Individual Scenarios

<p>Tedric had saved up his allowance for weeks because he really wanted a new toy. He had \$20 in his piggy bank, but instead of buying the toy he had been dreaming of, he saw a super cool, but unnecessary, gadget at the store that cost \$25. Excitedly, he spent all his money on the gadget without thinking if he really needed it.</p>	<p>Corbyn was at the mall with her friends, and they passed by a candy store. She already had a bag of candies from her lunch, but she decided to spend her money on even more candy. She ended up using all her allowance on sweets, forgetting that she could have saved it for something special or useful.</p>	<p>Albert received his weekly allowance and really wanted a new toy. However, he remembered his goal to buy a special video game that costs more money. Instead of spending all his money on a small toy, he decided to save his allowance for a few weeks until he had enough to buy the video game he had been patiently waiting for.</p>
<p>Samantha had been eyeing a new pair of sneakers that all her friends were wearing. She had enough money to buy them, but she thought about it and realized her current sneakers were still in good condition. She chose to save her money for something more important in the future, like a school field trip or a special event.</p>	<p>Jace wanted to buy a new bike because his old one was getting too small. He did some research online and found a store offering a discount on bikes at the end of the season. Instead of buying the first bike he saw, he decided to wait for the sale and saved up a bit more money in the meantime to get a better deal.</p>	<p>Emma received a gift card for her birthday with \$50 on it. She planned to use it to buy clothes for school. However, when she went to the store, she saw a video game that she really wanted. Without thinking about her original plan, she spent the entire gift card on the game and ended up with nothing to wear for the new school year.</p>
<p>Emily had a birthday party coming up, and she received some money from her relatives as a gift. She thought about buying a lot of candy with it, but then she considered saving some of the money for a future outing with her friends. She decided to spend a portion of the money on a small treat and saved the rest for a fun activity with her friends.</p>	<p>Jeremy was in the school supply store to buy notebooks and pencils for the upcoming school year. He found a fancy, glittery backpack that all his friends had been talking about. Even though his current backpack was perfectly fine, he convinced his mom to buy the expensive one just because it looked cool, even though it wasn't really necessary.</p>	<p>Alejandra had been saving money for a special family vacation. One day, her favorite toy went on sale, and she really wanted to buy it. However, she remembered her goal and decided to wait until after the vacation to see if she had any money left over for the toy. This way, she made a wise decision to prioritize her long-term savings goal.</p>
<p>Alex had been saving up money to buy a new bicycle because his old one was getting small for him. He finally had enough money, but when he went to the store, he saw a shiny, remote-controlled robot that he thought was amazing. Even though the robot had nothing to do with his need for a new bike, he spent all his savings on the toy, forgetting about his original goal.</p>	<p>Michael's parents gave him a small amount of money to buy school supplies. He made a list of the items he needed and compared prices at different stores. Instead of impulsively buying everything at the first store, he went to the one offering the best deals, allowing him to save some money for later.</p>	<p>Marcus had been saving up his allowance to buy a new video game. One day, his friends invited him to go out for ice cream. Although he really wanted to join them, he knew that spending all his saved money on ice cream wouldn't leave him with enough for the video game. Instead of giving in to the immediate desire, Mark opted to enjoy a smaller treat and continued saving for the video game, making a thoughtful decision about his spending priorities.</p>

"Dollars and Sense"

Comic
