

Lesson | Money Matters



Objective

- Identify key terms associated with earning money
- Explore ideas for earning money now
- Evaluate various career options as sources of future income

Time

45 Minutes

Materials

- Making Money, printable
- Road to Riches Game, optional
- Cash Cards Interactive, optional

BONUS

- Your students can work their way through the world of saving, giving, and budgeting with the interactive Road to Riches adventure game! And have your students practice their vocabulary with these interactive Cash Cards.

Part I—Vocabulary/Concept Development

1 Get students ready and excited to learn about money with this quick activity. First, give each student a blank piece of paper, approximately the size of a dollar bill. Tell the students that they are being given an imaginary \$100 to spend on anything they would like. On one side of the paper, have the students write “\$100.” On the other side, tell them to write their names and something they would buy with \$100. Tell the students they may also write “Save” on the bill if they choose to save it to spend later. Or they may write “Donate” along with the name of the cause they would like to help, like an animal shelter or children’s hospital. (Note: Remind students that they should always have a parent or guardian’s permission before donating money to a charitable cause.) Then have the students crumple up their \$100 bills and have a “snowball toss”; throwing the crumpled-up bills around the classroom in a random fashion. Each student should end up with someone else’s “snowball.” Have the students take turns reading aloud the name and how each student chose to use their \$100. Then ask students if they would be willing to make the same choice to use the \$100 if they had to work 16 hours (for example in a fast-food restaurant) to earn the same amount of money. How would working for \$100, instead of being given \$100 as a gift, change how they would use their money?

2 Discuss the following vocabulary words:

- **allowance**—money that a parent gives to a child on a regular basis; often the money is given in return for a child doing chores
- **paycheck**—a paper document, called a check, which is given to an employee for wages or salary
- **wages**—money that is paid to workers; usually based on the number of hours that have been worked or the number of items that are made
- **salary**—an amount of money paid to an employee on a regular basis for work that has been done.

Advanced Vocabulary:

- **commission**—a fee or percentage of money given to a salesperson for his or her services based on the selling price of the item
- **tip/gratuity**—a small gift of money to show appreciation for work that has been done
- **gift**—money given to a person that is not in exchange for work

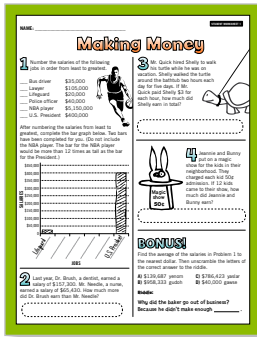
3 Highlight the primary difference between *wages* and *salary*. **Wages** are paid based on a rate, such as the number of hours worked. Examples of jobs that pay wages are store cashiers and factory workers. Another type of wage rate is based on the number of items made or the number of tasks completed. This is often referred to as “piece rate.” For example, a person is paid by the number of toys assembled or the number of baskets of apples that are picked. A **salary** is paid for fulfilling the responsibilities of a job. Salaries often include other benefits that hourly employees do not receive, such as sick days, or health insurance. Examples of jobs that pay salaries are attorneys, teachers, and firefighters.

Part II—Exploring Allowances

1 Take a class survey, asking the following questions:

1. How many students receive a regular allowance?
2. How many students must do chores to earn their allowance?
3. How many students are required to save part of their allowance?
4. How many students can generally spend their allowance any way they want?

2 Calculate the percent of students who responded yes to each question. *Teaching tip: For older students, have them use a calculator to determine the percent for each question by dividing the number of yes responses by the number of students in the entire class. Remind students to multiply the quotient by 100 to find the percent.*



3 Compare the class results to the survey from Kids' Money seen below. What comparisons can students make? In what ways do students think that age, number of kids surveyed, and demographic details might influence the survey results?

- 77% get allowances
- 70% must do chores for their allowance
- 38% must save part of their allowance
- 68% may generally spend their allowance any way they want

Source: <http://www.kidsmoney.org/kallsurvey.htm>

PART III—Earning Money Now

1 Explain: *Many kids don't think they can earn money because they aren't old enough to get a "real" job. But there are many creative ways for kids to begin to earn money.*

2 Share with your students the following ideas for making money. Then have them brainstorm other possibilities.

- **Recycle Aluminum Cans:** It takes about 35 aluminum beverage cans to equal one pound. Recycling companies pay approximately \$.50/pound for aluminum. Have students calculate how much money they would earn if they collected just one aluminum can each day for one year. (Answer: a little more than \$5)
- **Coupon Clipping:** If students' parents don't already use coupons when grocery shopping, students can work out a deal to clip coupons for their parents. Students can go along with their parents to the grocery store and ask their parents to give them the money that they saved with coupons.
- **Do Extra Chores:** For students who don't already receive an allowance, they can ask their parents if they can earn extra money by doing extra chores around their homes that they don't already do, like folding laundry, washing dishes, raking leaves, or vacuuming.
- **Create and Sell:** Students who enjoy art may start creating and selling decorative objects that other kids and adults might enjoy or find useful; for example, friendship bracelets, locker magnets, or decorative clothespins that can be used as clips for bags of snacks.
- **Offer Services:** Students might walk their

neighbor's dog, pick up their neighbor's mail while they are on vacation, mow grass, or shovel walkways.

PART IV—Hands-On Activity

1 Explain that beginning to think about earning money early in life is a way to set goals and begin planning for the future.

2 Tell students to make two lists. In the first list, have them write the things that they like to do, anything from listening to music to skateboarding to cooking. In the second list, have them write the school subjects that they enjoy the most. Give students about a minute to brainstorm each list.

3 Ask students to list the following considerations in order of importance for choosing a career someday. Have them list the considerations from the most important to the least important.

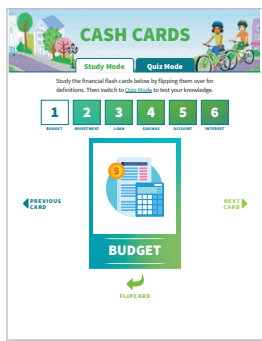
- Helping others
- Making a lot of money
- Having fun
- Have them share their lists and reasons for making their choices with a partner or small group.

4 Ask students to consider the lists they made for steps 1 and 2 above and then make a list of the kinds of jobs they may like to do someday. Have them share their job ideas and the reasons for their choices with a partner or small group.

PART V—Using Making Money Student Worksheet 1

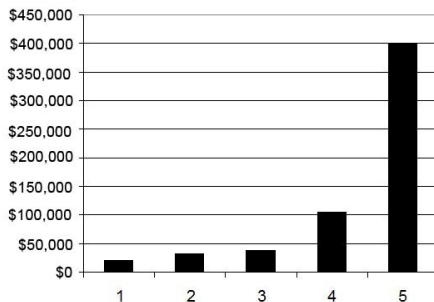
The student worksheet can be used to follow up this lesson or as a stand-alone component. It is suggested that students be allowed to use calculators to complete the bonus question.

Note: There are very few professional sports careers available with multimillion-dollar salaries. The average salary for the NBA player listed on the worksheet is based on only 425 active players in the NBA during the 2010–2011 season.* By comparison, there are more than 300 million people in the United States. Ask students to consider why a lower-paying job might be as fulfilling (or more fulfilling) than a higher-paying job.



ANSWER KEY:

- 1.) 2 Bus driver \$35,000
- 4 Lawyer \$105,000
- 1 Lifeguard \$20,000
- 3 Police officer \$40,000
- 6 NBA player \$5,150,000
- 5 U.S. President \$400,000



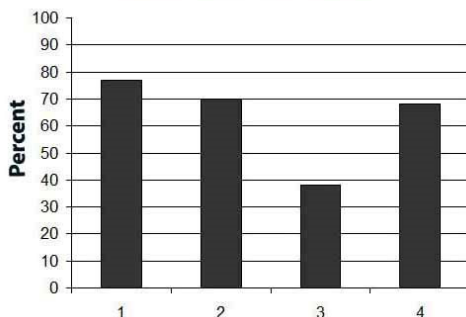
- 2.) \$91,870
- 3.) \$30
- 4.) \$6
- Bonus: B-dough

PART VI—Enrichment Activities (Optional)

A. Some kids are inspired to raise money for causes they care about. Watch this video about Alec Loorz’s Sea Level Awareness Project.

B. Use the following bar graph to create a double bar graph to compare the class results in Part II to the online survey results. To create a double bar graph, add another bar, representing the percent from the class survey, next to each bar already given on the graph.

Allowance Survey Results



*Source: <http://www.kidsmoney.org/kallsurvey.htm>

NAME: _____

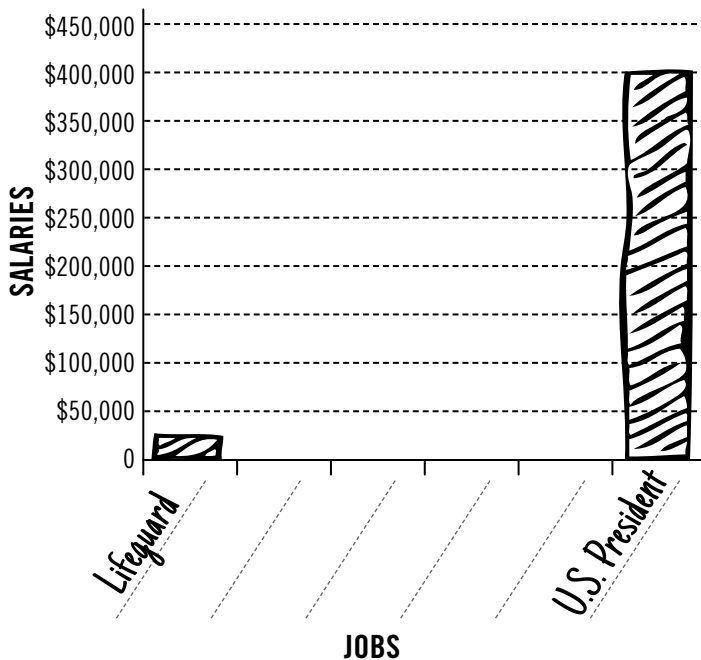
Making Money

1 Number the salaries of the following jobs in order from least to greatest.

- ___ Bus driver \$35,000
- ___ Lawyer \$105,000
- ___ Lifeguard \$20,000
- ___ Police officer \$40,000
- ___ NBA player \$5,150,000
- ___ U.S. President \$400,000

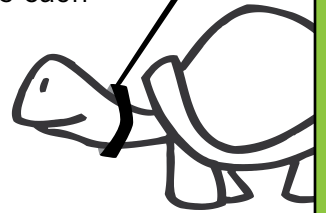


After numbering the salaries from least to greatest, complete the bar graph below. Two bars have been completed for you. (Do not include the NBA player. The bar for the NBA player would be more than 12 times as tall as the bar for the President.)



2 Last year, Dr. Brush, a dentist, earned a salary of \$157,300. Mr. Needle, a nurse, earned a salary of \$65,430. How much more did Dr. Brush earn than Mr. Needle?

3 Mr. Quick hired Shelly to walk his turtle while he was on vacation. Shelly walked the turtle around the bathtub two hours each day for five days. If Mr. Quick paid Shelly \$3 for each hour, how much did Shelly earn in total?





4 Jeannie and Bunny put on a magic show for the kids in their neighborhood. They charged each kid 50¢ admission. If 12 kids came to their show, how much did Jeannie and Bunny earn?

BONUS!

Find the average of the salaries in Problem 1 to the nearest dollar. Then unscramble the letters of the correct answer to the riddle.

- A) \$139,687 yenom
- B) \$958,333 gudoh
- C) \$786,423 yaslar
- D) \$40,000 gawse

Riddle:

Why did the baker go out of business?
Because he didn't make enough _____.

NOMBRE: _____

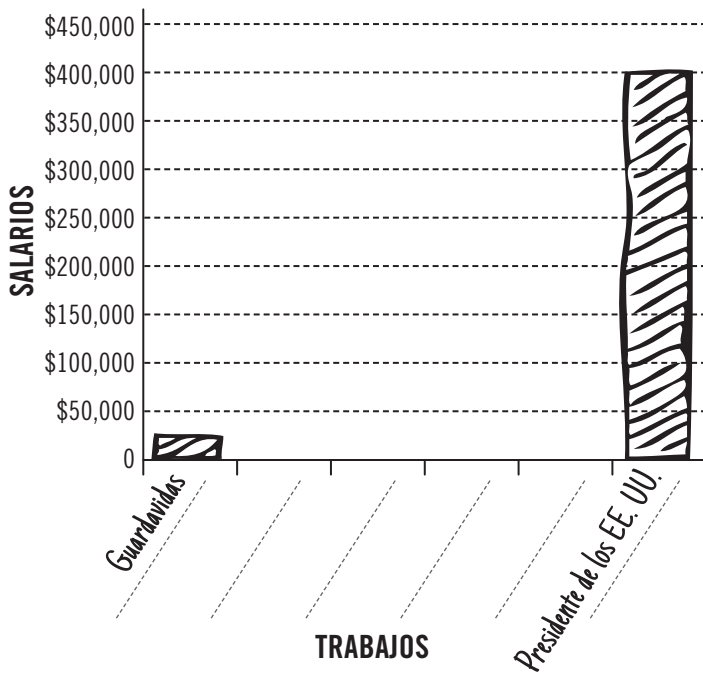
GANAR DINERO

1 Enumera y ordena los salarios de estos trabajos de menor a mayor.

- ___ Conductor de autobús \$35,000
- ___ Abogado \$105,000
- ___ Guardavidas \$20,000
- ___ Oficial de policía \$40,000
- ___ Jugador de la NBA \$5,150,000
- ___ Presidente de los EE. UU. \$400,000

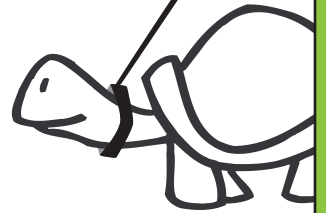


Después de enumerar los salarios de menor a mayor, completa el gráfico de barras a continuación. Ya tienes dos barras completadas. (No incluyas al jugador de la NBA. La barra para ese jugador sería 12 veces más alta que la barra del presidente).



2 El año pasado, el Dr. Brush, dentista, ganó. El Sr. Needle, enfermero, ganó. ¿Cuánto más ganó el Dr. Brush que el Sr. Needle?

3 El Sr. Quick contrató a Shelly para que paseara a su tortuga mientras estaba de vacaciones. Shelly hizo caminar a la tortuga alrededor de la tina dos horas todos los días durante cinco días. Si el Sr.Quick le pagó a Shelly \$3 por hora, ¿cuánto ganó Shelly en total?





4 Jeannie y Bunny hicieron un show de magia para los niños del vecindario. Cobraron una entrada de 50¢ por niño. Si fueron 12 niños al show, ¿cuánto ganaron Jeannie y Bunny?

ACTIVIDAD EXTRA

Averigua el promedio de salarios del problema 1, redondeando al valor entero en dólares más cercano. Ordena las letras de la respuesta correcta al acertijo.

- A) \$139,687 orenid
- B) \$958,333 sama
- C) \$786,423 oiaslar
- D) \$40,000 elusdo

Acertijo:

¿Por qué el panadero dejó el negocio?
Porque no hacía suficiente _____.