

# FINANCIAL LITERACY LESSON PLAN

**GRADE:** Adaptable for Pre-K-2  
**SUBJECT:** Social Studies and Math  
**UNIT/LESSON TOPIC:** What can we buy with money?

## Content Standards:

M.2.21	solve word problems involving dollar bills, quarters, dimes, nickels and pennies, using \$ and ¢ symbols appropriately. <i>Example: If you have 2 dimes and 3 pennies, how many cents do you have?</i>
SS.K.E.3	investigate the exchange of goods and services (e.g., money, bartering, trading, e
SS.1.E.3	demonstrate the exchange of goods and services.
SS.2.E.3	design a system that reflects the understanding of the exchange of goods and se classroom store).

**Financial Literacy Content Objective:** Buying goods and services

## Questions to think about in relation to a general understanding of money:

Use these or similar questions to start your students thinking about this concept and how it relates to them: • Have you ever received money in exchange for your work? Describe the work that you did and how you were paid. • Have you ever received money as a gift? What did you do with that money? • What's the difference between earning money and receiving money as a gift? • What kinds of things can you buy with your money? • Are the things you buy or pay for always products, something you can see and touch? For example, what if you paid someone for a haircut? • Does anyone know where money comes from – how is money produced originally?

### 1. Engage:

- Prior to beginning this lesson or unit on money, I would recommend putting some books about money in your classroom on display for students to read. Add money to your dramatic play area or set up a station with coins and/or bills for play or counting. Have a lot of magazines and sale papers that show items to buy and their costs. Restaurant menus or other advertisements would also be a helpful addition. The following books are some I recommend (make sure you have some informational texts in the mix):  
The Coin Counting Book by Rozanne Lanczak  
You Can't Buy a Dinosaur with a Dime by Harriet Ziefert  
All About Money by Sharon Coan  
Lemonade in Winter: A Book about Two Kids Counting Money by Emily Jenkins  
Money Doesn't Grow on Trees by Jennifer Moore-Millanos
- As a whole group, pose the question: Why do people need money? Record the students' responses.

- Read Aloud a book about using money. I recommend Pigs will be Pigs by Amy Axelrod or Alexander, Who Used to be Rich Last Sunday by Judith Viorst

2. **Explore:**

- In order to gauge students' level of conceptual knowledge of money, ask them to complete the following graphic organizer:

HOW WOULD YOU SPEND....?

\$5.00	\$10.00	\$20.00	\$100.00

- I recommend doing this activity in whole or small groups for PK-1. For 2<sup>nd</sup> graders, I would do this as a think-pair-share activity. This will provide a good informal assessment as to whether or not your students know the value of money.
- Activating strategy: If you think students may not have a concept of the value of money, look up the costs of various items using the internet or local papers and catalogs.

3. **Explain:**

- Most of the students will list “things” when they think of ways to spend their money. Explain that those items are called “goods”. Explain to students that money is also used to provide “services”. Identify any services listed in “Why Do People Need Money” activity. Discuss various types of services that people spend their money on. Allow students to look at newspapers and magazines to identify various types of services that are provided. Guide students to provide a list of services that people pay for (ex: food service, utilities, barbershop, hotels, tourist attractions, entertainment, etc.).
- Use the magazines and newspapers provided to allow students to create a collage of “How I Use Goods and Services” showing things they like to do and ways they like to spend their money.
- Ask students to bring in a receipt from some type of service they may have paid for, like a movie ticket, bowling, etc.

4. **Elaborate/Extension:**

- Ask students to create a type of business that sells a good or service. Work in small groups to design a business plan that will promote your good or service. (I have seen even Pre-K students enjoying creating a pizza restaurant, or a beauty shop, so this is adaptable to all levels). As the teacher, you can help guide the students to create a menu of services or goods they will sell with a reasonable cost.
- Allow families to get involved. For homework ask parents to discuss the goods and services they use at their house in a typical week. Make a list of the items and bring them back to share with the class.
- At some point in the unit or lesson, I would discuss the importance of digital advertisements. Not only do students see ads for goods and services in magazines and newspapers, but we are bombarded with them on the TV and computer. I definitely think students would be interested in looking at how we are influenced to make purchases from these ads as an extension of a lesson on goods and services.

5. **Evaluate:**

- Much of the evaluation process will be on-going as you check for understanding. As students give you feedback, you will be able to informally assess their understanding of money (i.e. Do

they know the value of something? Do they realize how much items cost?)

- Students will present their business plan or selling of their good or service. This could be done through a role play activity (in a station or center). It could be presented as a commercial and videoed, or students could design a print add to promote their good or service.
- Create a list of pictures or words. Have students categorize them as either a “good” or “service”.