



## Lesson 1: Responsible Money Choices

### Facilitator background

The purpose of this document is to provide a script to guide classroom discussion and activity. While you will find suggested language, prompts, and timing throughout, these are all just recommendations that you can refer to as needed. For more ideas, see *Appendix B: Tips and Tricks for Leading a Classroom*.

As a facilitator, your goal is to have fun and encourage students to reflect on a topic they might have little familiarity with. There is no wrong way to do this! Students will learn something new and have fun doing it.

### Objectives

After finishing this lesson, students will be able to:

- Analyze the trade-offs between saving and spending and good and bad financial decisions
- Create a savings plan to meet short- and long-term goals
- Distinguish between economic wants and needs

### Key Questions

- How do you get money?
- What do you do with it?
- How much should you save?
- How much should you spend?
- What is financial literacy?
- What are wants and needs?
- How do you make a money plan for yourself?

### How to read this document:

The table below contains three columns:

- **SECTION** - This defines where you are in the lesson
- **DESCRIPTION** - These are the actual notes about what you will be doing or saying:
  - *Text that is italicized* and (in parenthesis) is meant to be additional instructions for you
  - "Text that is in quotes is meant to be examples of what you might say or ask"
- **DURATION** - This is the recommended timing for each section

### Materials

- Two copies of *Wants vs. Needs* sorting cards cut out
- *Wants vs. Needs* sorting cards key (for you)
- Scenario cards cut out
- Copies of *My Money Plan* (one per student)

### Vocabulary Terms

- **Decision Making** - considering different information to make a choice
- **Financial Literacy** - the knowledge and skills to manage money
- **Short-Term Goal** - a goal that can be achieved in a short amount of time. It can be a few days, weeks, or months
- **Long-Term Goal** - a goal that can be achieved in a longer amount of time. It can be months, years, or even an entire lifetime
- **Want** - something you'd like to have but will be okay without
- **Need** - something you truly can't live without
- **Opportunity Cost** - the cost you pay when you give up something to get something else

## Ahead of your visit (See Appendix A: School Visit Checklist):

- Think of a time when you had to debate a purchase as being a want or a need to tell a brief anecdote.
- Make sure you have all the materials you need (including whether you need to have them cut out or copied)

SECTION	DESCRIPTION	DURATION
<b>Opening</b>	<p>Introduce yourself, sharing information such as:</p> <ul style="list-style-type: none"> <li>• Title and day-to-day responsibilities. (Remember these are elementary aged students, so try to simplify your explanations.)</li> </ul> <p>Turn and Talk:</p> <ul style="list-style-type: none"> <li>• Ask students to turn to a neighbor and tell about a time that they saved money, made money, or spent money.</li> <li>• After a minute or so, get students' attention and ask for volunteers to raise their hands and share with the whole class about a time when they saved money, made money, or spent money. (Be careful not to let them get too into telling a story. Ask them to summarize and focus on the important part - saving, spending, or making money.)</li> </ul>	5 minutes
<b>New Learning</b> <b>Financial Literacy</b> <b>and Wants vs.</b> <b>Needs</b>	<p>Introduce concept of financial literacy:</p> <ul style="list-style-type: none"> <li>• "Today we are going to be talking about something called financial literacy. Financial literacy means having the skills and knowledge to use your money wisely and make good decisions with your money. We are going to learn how to make good money decisions."               <ul style="list-style-type: none"> <li>• Call upon a few students to share with the whole class.</li> </ul> </li> <li>• "One thing that is very important when you have a money decision in front of you is asking yourself if you really NEED that thing or if you just WANT it."               <ul style="list-style-type: none"> <li>• "Needs are things that you have to have to survive. Wants are things that would be nice to have, but you can live without them."</li> <li>• "Some examples of needs that you might buy are healthy food, clothing, and shelter. Some examples of wants are things like toys, electronics, or junk food."</li> <li>• Share a personal story about a time when you were going to buy something and had to decide if it was something you really needed or just something you wanted.</li> </ul> </li> </ul>	5 minutes

SECTION	DESCRIPTION	DURATION
<p><b>Activity</b> <b><i>Wants vs. Needs</i></b></p>	<p>Let students know that they are now going to work in teams to complete a wants and needs sort.</p> <ul style="list-style-type: none"> <li>• Divide the class into two teams (ask the teacher for assistance with this).</li> <li>• Give each team a set of the <i>Wants and Needs</i> sort cards.</li> <li>• Let students know that they will need to work together in their teams to sort the cards into a needs pile and a wants pile. Tell them that they need to think carefully and be able to back up their answers. Finally, let them know that they will have 3 minutes to complete this task.</li> <li>• Set a timer for 3 minutes.</li> <li>• When the time is up, have a class debrief session. <ul style="list-style-type: none"> <li>• Bring students back to the class gathering space, asking one student in each group to bring you the cards that they sorted.</li> <li>• “What were some of the things that you put in your ‘needs’ pile?” There will be some things that students disagree about. You will discuss that in a moment!</li> <li>• “What were some of the things that you put in your ‘wants’ pile?”</li> <li>• “What were some of the things that people in your group disagreed about? Why did you disagree about them?” Many students will say that phones, cars, and other electronics are needs not wants. Explain that while they are nice, people went without them for a long time and they would be able to survive without them too!</li> </ul> </li> </ul>	<p>7 minutes</p>

SECTION	DESCRIPTION	DURATION
<p><b>New Learning</b> <b>Money Decisions</b></p>	<p>Let students know that now that they understand the difference between wants and needs, they will be thinking deeper about how to use that information to make good money decisions. Remind them that there are all kinds of things to keep in mind when deciding to buy something including whether you need it, if it's a good price, and if buying it will cause you to miss out on other things:</p> <ul style="list-style-type: none"> <li>• “When you are thinking about buying something, there are a few questions you should ask yourself such as...” <ul style="list-style-type: none"> <li>• “Why am I buying this?”</li> <li>• “Do I really need it?”</li> <li>• “Will I use this a lot?”</li> </ul> </li> <li>• Sometimes, you might want to buy something and you have enough money for it, but it will cause you to miss out on other things. When that happens, you have to ask yourself... <ul style="list-style-type: none"> <li>• “If I use all my money on this, when and how will I earn more money?”</li> <li>• “If I spend my money on this, what will the consequences (both positive and negative) be?”</li> <li>• Optional: Ask for a volunteer to share a time when they bought something and it caused them to miss out on something else because they'd used their money elsewhere.</li> </ul> </li> <li>• “Other times, you have to consider that what you want to buy might be a better price somewhere else. You might have to go to different stores or compare online and in-store prices. Also, just because something is on sale, doesn't mean that it's a good deal! Sometimes stores put things on sale, and they're still too expensive! <ul style="list-style-type: none"> <li>• “When you're not sure if you should buy something on sale, a few questions you can ask yourself include... <ul style="list-style-type: none"> <li>• “How much is the discount?”</li> <li>• “What was the original price?”</li> <li>• “How does the sale price compare to other similar items that are not on sale?”</li> </ul> </li> <li>• Optional: Ask for a volunteer to share a time when they compared prices at different places before they bought something.</li> </ul> </li> </ul>	<p>5 minutes</p>

SECTION	DESCRIPTION	DURATION
<p><b>Activity</b> <b>Money Scenarios</b></p>	<p>Let students know that they will now have the opportunity to test out their money decision skills using scenario cards. Explain the directions for the activity before you distribute anything or start the activity.</p> <ul style="list-style-type: none"> <li>• How to play: <ul style="list-style-type: none"> <li>• Break students into pairs (ask the teacher for assistance with this).</li> <li>• Give each pair a scenario card.</li> <li>• Have the pairs take turns asking and answering the question on the cards and explaining their reasoning.</li> <li>• Encourage students that there are no wrong answers, as long as they can back up their money decisions.</li> <li>• After all pairs have completed their first card, direct them to trade cards with another pair and continue with that card.</li> <li>• Continue this questioning, answering, and trading for about 5 minutes.</li> </ul> </li> <li>• Collect the cards</li> <li>• Bring students back together in the class gathering space for a debrief. <ul style="list-style-type: none"> <li>• “What were some decisions that you made that were more difficult? Why?”</li> <li>• “What were some decisions that you made that were easier? Why?”</li> <li>• “What was a scenario where you and your partner disagreed?”</li> </ul> </li> <li>• Explain to the students that when making money decisions, the thing that you give up is called “opportunity cost”. Ask for a volunteer to share one of their opportunity costs from the scenarios and why they chose to give it up.</li> </ul>	<p>7 minutes</p>

SECTION	DESCRIPTION	DURATION
<p><b>Activity</b> <b>Making A Money Plan</b></p>	<p><i>The activity below is optional! If you have time, they can work on it in class. Otherwise, you can distribute it as a take-home activity that they can complete later.</i></p> <ul style="list-style-type: none"> <li>• Have students return to their desks/workspaces for this activity.</li> <li>• Distribute the <i>My Money Plan</i> worksheets.</li> <li>• Go over the worksheet and its components with the students. Ask them what questions they have. Don't spend too much time on whole-class questions because you should walk around while they're working. Also be careful about questions that are highly personal, such as if a student starts sharing aloud how much money they have in their bank account. Steer them to ask you that one-on-one.</li> <li>• Allow students time to work independently to complete these.</li> <li>• Walk around and answer questions.</li> </ul>	<p>10 minutes (if time allows)</p>
<p><b>Closing and Reflection</b></p>	<p>Get students' attention. Let them know that they can continue to work on their money plans at home and use everything they learned today to make good money decisions.</p> <p>Ask the students to share with a partner:</p> <ul style="list-style-type: none"> <li>• 3 things I learned are...</li> <li>• 2 questions I still have are...</li> <li>• 1 thing that stuck with me is...</li> </ul> <p>Ask for a couple of volunteers to share aloud with the whole class.</p>	<p>2-3 minutes</p>

Name \_\_\_\_\_

Date \_\_\_\_\_

## My Money Plan

<b>Here's how much money I have:</b>	
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**Here are some things I spend my money on:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Look at the list of things you spend money on.**

Cross off the things that are not that important. Smart money decisions will help you save!

### I am saving for...

<b>Short-Term (within the next 6-12 months)</b>	<b>Long-Term (years away)</b>
Item: Price:	Item: Price:

**Ways that I could earn money:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**People that could help me reach my savings goals:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Making Money Decisions Scenario Cards

## Spending vs. Saving Choice and Opportunity Cost

You've finally saved up enough money for your own tablet, and now you have to decide where you will buy it from. Will you buy it online or in a store? How do you decide?

The video game that you've been waiting for is coming out next week. Do you buy it online or in the store? How do you decide?

You see a shirt on sale that you've been eyeing for a while. Since it's on sale, do you buy it? Why or why not?

A hoodie that you really want is going on sale at your favorite store. Now that it's on sale, do you buy it? Why or why not?

You really want new headphones, but if you buy them, you won't have enough money to go to the movies with your friends tomorrow like you had planned. What do you do? Why?

You really want a new pair of sunglasses. However, if you buy them, you won't be able to afford going to the amusement park with your friends this weekend like you had hoped. What do you do? Why?

You are at a store and see a pair of shoes that you have wanted for a long time. You have enough money for them. Do you buy them? Why or why not?

You are at the mall and spot a pair of jeans that you have wanted for a while. You have enough money to get them. Do you buy them? Why or why not?

You really want a new phone, and you have enough money for it. However, if you buy it, you will spend all the money you have. Do you buy it? Why or why not?

You received money for your birthday - enough to buy a new TV for your bedroom! But, if you buy the TV, you will spend all of your birthday money. Do you buy it? Why or why not?



You have enough money to either get a new computer or new sports equipment. Which one do you choose? Why?

You have enough money to buy either a milkshake or fries, but not both. Which one do you buy? Why?

You have finally saved up enough allowance for a new bike or a new video game system. Which one do you purchase? Why?

You are at your favorite bakery. You have enough money to buy either a cookie or a cupcake. Which one do you pick? Why?

# Wants vs. Needs

## Sorting Cards

BASKETBALL

CELL PHONE

ORANGE

YOGURT

SODA

WINTER COAT

SHOES

CUPCAKE

WATER

VIDEO GAME

HEADPHONES

FRAPPUCCINO

PANTS

PEAR

SOCKS

SKATEBOARD

TABLET

LAPTOP

MP3 PLAYER

BOOK

BACKPACK

CAR