



Children's Museum of Houston

Pre/Post Classroom Activities

Making Spending Choices

Rationale

It is common for primary students to visit banks with their families and see actions that involve money, but they have limited experience with the various services that a bank offers or the connection between three financial concepts they learn about in the classroom: spending, saving, and investing. By engaging in this activity, students will become familiar with basic banking money concepts that are discussed in class and making relevant spending decisions to introduce connections between money and spending.

TEKS Objectives

Economics:

- 3.6 (A) identify ways of earning, spending, and saving money
- 3.6 (B) analyze a simple budget that allocates money for spending and saving.
- 3.8 (A) give examples of how a simple business operates

Math:

- 3.14 (A) identify the mathematics in everyday situations
- 3.14 (B) solve problems that incorporate understanding the problem, making a plan, carrying out the plan, and evaluating the solution for reasonableness
- 3.15 (D) use tools such as real objects, manipulatives, and technology to solve problems

Background

Spending choices are all around us when we visit stores, malls, even fund raising activities on campus. Students often need to make connections between the amount of money they have and the cost of the item they want. In this activity, students engage in making spending choices relevant to them. They become aware of their available balance and the cost of item choices. They use basic addition skills, use guess and check strategies, and create shopping lists when planning a purchase, or just save their money. Students will later be able to further explore concepts of spending and saving in the *Kidropolis* exhibit.

Vocabulary:

Balance:

This is the total amount of money you have in your account after you add your deposit and subtract what you spend

Purchase:

When you present the dollar amount needed to buy the item of your choice, you make a purchase and it becomes your property.

Spending:

When you use money that you have to buy goods and services that you need or want

Saving:

When you keep your money at a bank until a time that you make a spending decision, this is a safe way to make your money grow (interest).

Cashier:

The employee at a store or place of business that is responsible for the money that you pay to buy goods and services.

Materials:

- Choices of classroom appropriate items for purchases
- Monopoly /Xerox copied play money

- Small white letter envelopes
- Dollar sign name tags
- Bank register copies
- Pencils and paper

Obtained from:

- see black line master icons for ideas
- Monopoly game board resources
- Math department resources
- school office or teacher supply
- Black line master
- Black-line Master

Procedure

Set up:

- Place a menu of purchase items choices in a visible place and provide a copy of the same menu to each table for easier access (See black-line master for ideas)
- Have students prepare and label their individual envelope wallets. (Black-line master labels)

What to do:

1. After describing the items available for purchase, explain how some items cost more than others. Discuss the options of spending today or saving to purchase later.
2. Provide each student with a given amount of money to be spent on purchases.
3. Ask students to write down their amount of money given in their student bank registers.
4. Allow students to discuss the value of each item and their preferences within groups.
5. Ask students to use pencils and paper to perform math strategies such as 'guess and check', addition with re-grouping, and, counting on, in combining the amount needed to purchase 2 desired items, then 3, then 4.
6. Ask students to make decisions on spending today or saving for a future larger purchase.
7. Ask students to create a list of items they can purchase after calculating the amount needed.
8. Ask 1 – 2 students to play the role of 'cashiers' at the classroom dollar store table.
9. Ask students that decide to spend at the dollar store to come see the cashier with wallets and prepared shopping lists in hand 2 at a time.

(Hints) Provide enough play money to allow for choices of more than 1 item.

The black-line master provides ideas for items that involve little or no cost to the teacher

Questions to ask

- Why do you think some items to cost more than others? (Supply and demand)
- Why is it important to know how much money you have available before planning your spending? (Budgeting)
- What skills do a cashier and a teller at a bank have in common? (Math skills)

Extension

- Ask which two items can be bought with \$25 dollars?
- Ask which two items can be bought with \$35 dollars?

Resources

The Everything Kids' Money Book: Earn it, save it, and watch it grow! - by Brette McWhorter Sember – from the Everything Kids series, this book covers a multitude of money, spending, concepts, including the history of banking. This is an excellent classroom resource for teaching, sharing, and referencing.

Can I Have Some Money?: Max Gets It! By [Candi Sparks](#) - Max is a realistic character that shares his experience with making, saving, and spending money with kids.

The Penny Pot by [Stuart J. Murphy](#) – Chester the cat and Jessie engage students in counting coins to make spending decisions at the local school fair.

Websites

<http://www.orangekids.com> - An interactive game that allows two characters to lead students into an “outerspace” economic environment where spending decisions must be made in a rapid pace.

<http://www.internet4classrooms.com/> provides a variety of interactive activities in multi disciplines. Choose a grade level and specific math skill to provide fun interactive exercises to reinforce addition and subtraction skills

http://www.practicalmoneyskills.com/games/ed_bank - Students help character ‘Ed’ to save money for his favorite things.

Dollar Store Items



Pick a sticker!



\$ 5

Front of the line for the day



\$ 10

Extra computer time!



\$ 15

No shoes in class!



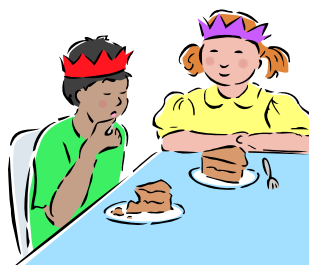
\$ 20

Homework pass!



\$ 25

Lunch with a friend



\$ 30

Shiny Pencil Box



\$ 35

Lunch with the teacher



\$ 40

Treasure Box!



\$ 50