



INTRODUCTION TO SAVING AND SPENDING

Key Concepts

Role of banks in an economy; saving money

Summary

This lesson will help students understand why saving money is important. Students will be able to list some benefits of saving and create a simple savings plan.

Overview & Lesson Objectives

This lesson is intended for students in kindergarten and first grade. The lesson fosters a desire to save money among students. The lesson also encourages students to use a budget when they need to decide how much money to save and spend.

Students will be able to:

- Explain why it is important to save.
- Recognize the benefits of saving money at the bank.
- Create a plan to save for a designated item.

Time Allocation:

15 - 20 Minute Prep

35 - 40 Minutes Engagement

Materials:

- Enough coins and small items to provide two per student
- Labels from appealing treats to show children
- Copies of Coin worksheet (cutting out individual coins)
- Copies of Drawing activity page (one per student)



Lesson Begins: Setting the Stage

Background Builder #1: Give each student a paper coin. Allow students to decide whether they would like to spend it now by putting it in their pocket or saving it by giving it back to you. Mention that if they give their coin to the designated banker until the end of the lesson they may receive something additional. Point out why it is a good idea to save; you earn extra money, and you can afford things that cost more money.

Background Builder #2: Select four students and hand each a coin page. Have those four students stand in front of the room showing the class each coin. Have the coins placed in order according to value. Children will need guidance because at this age they may order them by size as all coin values are not necessarily introduced or mastered just yet. Emphasize that some coins are worth more and some are worth less, so some will buy more while some will buy less. Remember to tell students where to place the least and most valuable coins because the concept of left and right isn't usually mastered yet either. Students may also practice this activity in small groups.

State the Objective: tell the students what they will be able to do upon conclusion of the lesson.

“At the end of this lesson, you will be able to explain why saving is important. You should also decide that it's a good idea to save a certain amount every time you receive money.”

Lesson Continues

Ask/discuss the following questions:

- What does it mean to save something?
- What are some things you save?
- Why do you think it is important to save?

Check for Understanding:

- Why is it important to save?
- Why shouldn't you save all of your money? (You might have to buy lunch)
- Why should you save your money in a bank? (Safety and Interest)

Lesson Closes

- At the end of the lesson, give a second coin to those students who saved the first coin in giving it back to you, this second coin is interest they earned for saving the first coin.
- Tell students you'd like them to make a decision today on why to save money. They should think of an item for which they have a desire to buy. Then have students draw a picture of that item, look at it, and decide how to save in order to afford it. Given that all students aren't able to write the plan at this age, they can simply share the plan with a fellow student, try to write it on their own, draw a picture to represent their plan, or they can relay it to the teacher who will assist in writing the ideas.



Additional Engagement Opportunities / Resources

Quiz Bowl

Ask students some of the questions below:

Sample Questions:

- What did you learn in today's lesson?
- What item would you want to save money for?
- How long will it take you to save for an item you want?
- *Student generated questions should also be encouraged in place of or in addition to the ones listed above.*

Educational Standards

National Council of Teachers of Mathematics Principles and Standards for School Mathematics, 2008:

- Number and Operations – (Students will) Understand numbers, ways of representing numbers, relationships among numbers, and number systems.
- Algebra – (Students will) Understand patterns, relations, and functions.
- Data Analysis and Probability – (Students will) Formulate questions that can be addressed with data and collect, organize, and display relevant data to answer them.
- Communication – (Students will) Organize and consolidate their mathematical thinking through communication.
- Connections – (Students will) Recognize and use connections among mathematical ideas.

NJ Core Curriculum Content Standards in Personal Financial Literacy 2014:

Standard 9.1: 21st Century Life and Careers

- 9.1 B. Money Management: 9.1.4.B.2, 9.1.4.B.5,
- 9.1 D. Planning, Saving, and Investing: 9.1.4.D.1

National Standards in K – 12 Personal Finance Education (from Jump\$tart Coalition) 2017:

Spending and Saving

Standard 1, “Develop a plan for spending and saving.”

Investing:

Standard 1, “Explain how investing may build wealth and help meet financial goals.”

National Content Standards in Economics, (from Council for Economic Education) 2010:

Content Standard 11, Money and Inflation



Dime



Nickel



Penny



Quarter





Draw a Picture!

Now that you have learned how much fun saving can be; can you draw a picture of something you would like to save your money for in the future?

