

TEACHER'S GUIDE MY MONEY Part I

(An Educational Package for Students in Elementary School)

FEDERAL RESERVE BANK OF RICHMOND



MY MONEY PART I – TEACHER’S GUIDE

Lesson One – What is Money?

Objectives

- Students will demonstrate an understanding of the characteristics and functions of money.
- Students will recognize the penny, nickel, dime, and quarter.
- Students will demonstrate understanding of the relationships among these coins.

Time Required

- ✓ 2-3 Class sessions

Materials

- ✎ *My Money* Student Workbook
- ✎ Manipulatives: money, play coins, coin images
- ✎ Pencils or markers

Teaching Activities

Day 1 – Money

Review the information below with the students.

Money is what is used to buy **goods** and **services**.

Money has several functions:

- **Medium of exchange** – Buyers and sellers accept it as payment for goods and services.
Ask the students: "Would the school cafeteria let you pay for your lunch with rocks?" (No) "Would rocks be considered money in our society?" (No)
- **Standard of value or Unit of account** – The price of more valuable items is greater than the price of less valuable items. People can compare the value of different goods and services by how many dollars it takes to purchase them.
Ask the students: "Does it take the same number of dollars to buy an ice cream cone as it does to buy a ticket to a theme park?" (No) "Why does it take different amounts of money?" (People consider the theme park tickets to be more valuable than an ice cream cone.)
- **Store of value** – Money today will be accepted as money tomorrow or next month or next year. People can save money and buy goods and services with it later.
Ask the students: "If your Grandmother sends you \$5.00 for your birthday and you put it in your piggy bank – can you buy something with it next year or the year after that?" (Yes, you can spend it whenever you want.)

Money has several characteristics. In order for an item to be used as money, it must have these characteristics:

- **Portable** – Money must be easy to carry.
Ask the students: "Would bricks be a good thing to use as money?" (No, bricks are too heavy.)
- **Divisible** – We must be able to break money into smaller quantities if the price of an item doesn't require the whole unit.
Ask the students: "Would sand be a good thing to use as money?" (No, it's too difficult to divide into pieces.)
- **Durable** – Items used as money must last a long time.
Ask the students: "Would a quart of milk be a good thing to use as money?" (No, milk gets sour and you can't drink it after a period of time.)

- **Generally accepted** – People must recognize that an item has value for it to be used as money.
Ask the students: "Would bubble gum be a good thing to use as money?" (No, people would not accept that bubble gum has value.)
- **Difficult to counterfeit** – If people could copy our money and make as much as they wanted, it would lose its value.
Ask the students: "How often do you think the United States redesigns its currency?" (New features are worked into the money design about every ten years.)

Workbook Activity

What is Money?

Pick several items in the classroom or at home. Discuss their characteristics, and ask the students to decide whether or not they could be considered as replacements for money we have today. Have them fill in the chart in their workbooks:

Item	Portable	Divisible	Durable	Generally Accepted
Crayon/Marker	✓	✓ (but not evenly)	? Can break or melt.	✗
Eraser				
Laptop computer				
Book				
Scissors				
Desk				

Day 2 – Identifying Coins

Review the information below with the students.

People earn money at their jobs. This money is exchanged to buy goods and services to satisfy wants and needs. Some money or currency is made of paper. We call this money bills or Federal Reserve Notes. Bills are identified by their value such as a \$5.00 bill or a \$20.00 bill. The largest bill now being printed is a \$100.00 bill.



Some money or currency is in the form of coins, metal money. We use six coins in the U.S.A. Different coins are different colors and sizes. Different coins have different values. The most commonly used coins are the penny, nickel, dime, and quarter.



Workbook Activity

Coins – Value, Color, Front, Back

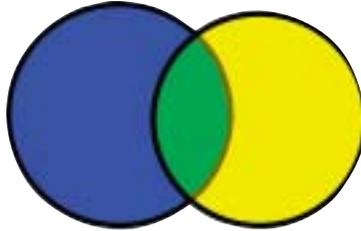
Review the chart with the students.

Coin	Value	Color	Front	Back
Penny 	1¢ \$.01 1 cent	Copper / brown	President Abraham Lincoln	Lincoln Memorial in Washington, DC 
Nickel 	5¢ \$.05 5 cents	Gray	President Thomas Jefferson	Jefferson's home Monticello in Charlottesville, Virginia 
Dime 	10¢ \$.10 10 cents	Silver	President Franklin D. Roosevelt	A torch 
Quarter 	25¢ \$.25 25 cents	Silver	President George Washington is on the front of the <i>standard quarter</i> . There are special quarters for each state with a design to honor a person or event unique to that state.	The American eagle 
Half-Dollar 	50¢ \$.50 50 cents	Silver	President John F. Kennedy	The Presidential Coat of Arms 
Golden Dollar 	100¢ \$1.00 100 cents	Golden Yellow	Sacagawea, the Native American guide and interpreter for the Lewis and Clark expedition	A soaring American eagle encircled by 17 stars – the number of states in the Union during the Lewis and Clark expedition 

Workbook Activity

Venn Diagram

Draw a Venn Diagram (shown below). Ask the students to use the form in their workbooks to compare and contrast the coins. Make additional copies if needed. Write the ways the coins are alike in the intersecting space. Some examples are given, but your students will probably come up with many more.



Penny	Like the nickel	Nickel
Brown	Round	Gray
Lincoln on front	President on front	Jefferson on front
Lincoln faces right	Both are profiles	Jefferson faces left
Worth 1 cent	U.S.A. coin	Worth 5 cents
Smaller & worth less than a nickel	Both are a medium of exchange	Larger & worth 5X as much as a penny



Nickel	Like the dime	Dime
Gray	Round	Silver
Jefferson on front	Presidents on front	Roosevelt on front
Jefferson faces left	Both face left	Roosevelt faces left
Worth 5 cents	U.S.A. coin	Worth 10 cents
Larger & worth 5X as much as a penny	Both are a medium of exchange	Smaller, but worth 2X as much as a nickel



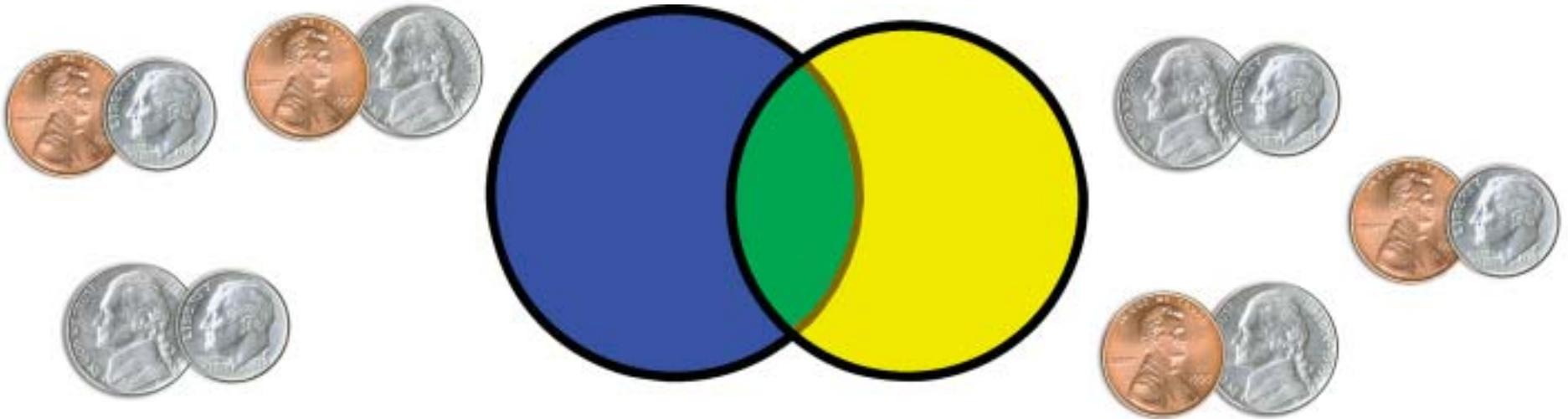
Penny	Like the dime	Dime
Brown	Round	Silver
Lincoln on front	President on front	Roosevelt on front
Lincoln faces right	Both are profiles	Roosevelt faces left
Worth 1 cent	U.S.A. coin	Worth 10 cents
Larger, but worth less than a dime	Both are a medium of exchange	Smaller, but worth 10x as much as a penny

Venn Diagram

Coin _____
Characteristics

Coin _____
Characteristics

How are the coins alike?

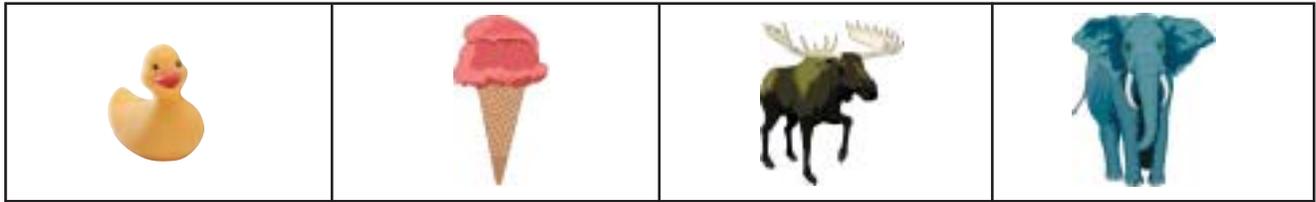


Review Activity

Coin Puzzle

Review the concepts using the Coin Puzzle in the student workbook.

Print the first initial letter of each clue to spell the name of a coin.



D

I

M

E

Whose face is on the front of this coin? FRANKLIN ROOSEVELT

What is the value of this coin? 10 CENTS, 10¢, \$.10



N

I

C

K

E

L

Whose face is on the front of this coin? THOMAS JEFFERSON

What is the value of this coin? 5 CENTS, 5¢, \$.05



P

E

N

N

Y

Whose face is on the front of this coin? ABE LINCOLN

What is the value of this coin? 1 CENT, 1¢, \$.01



Q

U

A

R

T

E

R

Whose face is on the front of this coin? GEORGE WASHINGTON

What is the value of this coin? 25 CENTS, 25¢, \$.25

WORD BANK

PENNY



NICKEL



DIME



QUARTER



Lesson Two - Money Equivalents

Objectives

- Students will recognize the penny, nickel, dime, and quarter.
- Students will demonstrate understanding of the relationships among these coins.
- Students will be able to apply their training in arithmetic.

Time Required

- ✓ 1 Class session

Materials

- ✏ *My Money* Student Workbook
- ✏ Manipulatives: money, play coins, coin images
- ✏ Pencils or markers

Teaching Activity

Money Equivalents

Review the Money Equivalents workbook page with the students.

Workbook Activity

What is Money?

Ask the students to follow the directions to complete the Compare the Equivalents worksheet. See extension activities for additional information.

COMPARE THE EQUIVALENTS

SECTION A: Circle the number of pennies equal to a dime. Circle the number of nickels equal to a dime.

1  1

2  2

SECTION B: Circle the combination of pennies and nickels equal to a dime

3  3

4  4

SECTION C: Circle the number of pennies equal to a nickel.

5  5

6  6

SECTION D: Circle coins equal to _____ in red. Circle coins equal to _____ in green.

7  7

8  8

9  9

Money Equivalents

Penny  (1 cent)	Nickel  (5 cents)	Dime  (10 cents)	
5 Pennies (5 cents)			1 Nickel (5 cents)
10 Pennies (10 cents)			1 Dime (10 cents)
2 Nickels (10 cents)			1 Dime (10 Cents)
5 Pennies (5 cents)			1 Nickel (5 cents) + 1 Dime (10 cents)

Lesson Three – Jobs, Money, Goods, and Services

Objectives

- Students will match examples of jobs with the names of the jobs.
- Students will distinguish between jobs in which people produce goods and jobs in which people provide services.
- Students will recognize that people earn money at jobs.
- Students will understand that people use the money they earn at their jobs to purchase goods and services to satisfy wants and needs.
- Students will understand that people can choose to spend or save their money.
- Students will realize that saving money allows people to buy goods and services in the future.

Time Required

- ✓ 1-2 Class sessions

Materials

- ✎ *My Money* Student Workbook
- ✎ Pencils or markers

Teaching/Workbook Activities

Day 1 – Jobs, Money, Goods, and Services

Have the students complete the appropriate sheets in their workbooks as you discuss the information below.

A **job** is work that needs to be done. People earn **money** for doing **jobs**. They spend the **money** to buy **goods** and **services** to satisfy **wants** and **needs**.

Some people work at **jobs** making or producing **goods**. You can see and touch a **good**. An example of a **good** is food.

Examples of **jobs** where people make or produce food are:

Cooks



Farmers



Ask the students: "What good does the cook produce?" (Cooks might produce hamburgers at a fast food restaurant.)

Ask the students: "What good does the farmer produce?" (Farmers might produce cows, pigs, corn, and vegetables.)

Ask the students: "What are some other goods people might produce at their jobs?" (Artists produce paintings, factory workers produce cars and clothing, and scientists produce new medicines.)

Ask the students: "Do you know anyone who works in a job to make or produce a good?" (Answers may vary.)

Some people provide **services**. A **service** is an activity someone does to satisfy a **want** or **need** for someone else. An example of a service is a haircut.

Examples of **jobs** where people provide a **service** are:

**Doctors
and
Nurses**



Teachers



Firefighters



Ask the students: "What service does the doctor/nurse provide?" (They make us well when we are sick. They help keep us well.)

Ask the students: "What service does the teacher provide?" (Teachers help us learn.)

Ask the students: "What service does the firefighter provide?" (Firefighters put out fires and rescue us if we are in a fire.)

Ask the students: "What are some other services people provide at their jobs?" (Veterinarians take care of our pets, hair stylists cut our hair, and postal workers deliver our mail.)

Some people, such as builders, work at **jobs** producing **goods** AND providing **services**.

Builder

Ask the students: "What service does the builder provide?" (He uses his skills to build and repair houses and other buildings.)



Ask the students: "What goods does the builder produce?" (The goods are the houses or other buildings.)

Ask the students: "What are some other jobs where people produce goods AND provide services?" (People who work at garages fix your car and sell you parts, and people who work at ice cream shops make the ice cream and serve it to you.)

Day 2 – Spending and Saving, Needs and Wants

Have the students complete the appropriate sheets in their workbooks as you discuss the information below.

People earn **money** for doing their **jobs**. They use the **money** to buy **goods** and **services** they **need** or **want** now.

Ask the students: "What are two things on which people might spend money (buy)?" "Are these things needs or wants?" (People might buy a sandwich; need, fancy shoes; want, bike; want.)

People might choose to put **money** away or keep it to spend later. This is called **saving**.

Ask the students: "What are two reasons people might save money?" (People might save to buy a car or just in case they need it.)



Review Activities

Review the Concepts – Review the Vocabulary

Have the students complete the appropriate sheets in their work-books as you review the concepts and vocabulary.

REVIEW THE CONCEPTS

Name the job of the person seen below:







Does this person provide a good or service while doing the job?

Write the name and value of the coins below.






Name of coin _____

Value of coin _____




Name of coin _____

Value of coin _____

REVIEW THE VOCABULARY

Cut out the definitions on the next page, and glue them next to the matching terms below.

TERMS	DEFINITIONS
COINS	
MONEY	
SAVING	
JOB	

TERMS	DEFINITIONS
GOODS	
SERVICES	
NEEDS	
WANTS	

Extension Activities:

1. Use a Venn diagram to compare quarters, half-dollars, and/or dollar coins with other coins.
2. Use the Compare the Equivalents worksheet to come up with other combinations for values such as \$.17, \$.23, \$.55.
3. Use the Compare the Equivalents worksheet to circle coins that total quarters, half-dollars, or dollar coins.
4. Using the Coin Puzzle worksheet, ask the students to write the value more than one way.
For example: Penny = 1¢, \$.01, or 1 cent
5. Use the Compare the Equivalents worksheet for your own activities such as:
 - ✏ Add the coins in row 2 together. What is the total?
 - ✏ What is the total value of the coins in row 3 plus row 4?
 - ✏ How many dimes are on this page?
 - ✏ How many nickels are on this page?
 - ✏ Draw a square around all the dimes.
 - ✏ Draw a circle around all the nickels.

Web Site Resources:

Federal Reserve Bank of Richmond

(links to other Federal Reserve Banks and economic education sites)

www.rich.frb.org/research/econed/

Fed101

(link to the Fed's economic education web site)

www.FederalReserveEducation.org

National Council on Economic Education

(links to lesson plans and Voluntary National Content Standards in Economics)

www.ncee.net

Department of the Treasury – The Learning Vault

(answers frequently asked questions about currency notes of the United States)

www.treas.gov/opc/opc0034.html

Bureau of Engraving and Printing

(offers activities, games, and resources on currency)

www.moneyfactory.com

ThinkQuest Junior

(offers activities, games, and resources on economics)

www.thinkquest.org/tqjr/

United States Mint – h.i.p. pocket change

(offers activities, games, and resources on currency)

www.usmint.gov/kids

United States Treasury

(links to U.S. Government web sites for kids)

www.treas.gov/kids

KidsEcon Posters

(links to songs and children's literature)

www.kidseconposters.com

Glossary

Coins	Metal money. Today, in the U.S.A., we use six different coins.
Currency	Any kind of money that is used as a medium of exchange. Currency today includes coins and paper money.
Goods	Things people make or use to satisfy needs and wants. You can see and touch a good.
Job	Work that needs to be done.
Money	A medium of exchange used by people to pay for what they buy and accept in payment for what they sell.
Needs	Things people need to live. Basic needs include food, clothing, and shelter.
Saving	Money put away to keep or to spend later.
Services	Activities that satisfy needs and wants. Services are things people do for you.
Wants	Things people would like to have. Examples of wants are fancy cars and big TV sets.

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