

Lesson Description

It's time for Grant, Mr. Cash's five year-old son to begin getting a weekly allowance. Grant must allocate his allowance among spending, saving, and sharing. The fourth graders share their ideas about how Grant should divide his allowance. Then students construct a foldable and show how they would allocate a \$5.00 weekly allowance among the three categories.

Texas Essential Knowledge and Skills (Target standards)

- **PFL Math 4.10D:** describe how to allocate a weekly allowance among spending; saving, including for college; and sharing

Texas Essential Knowledge and Skills (Prerequisite standards)

- **Math 4.1:** Mathematical process standards
- **Math 4.2E** represent decimals, including tenths and hundredths, using concrete and visual models and money
- **Math 4.4A** add and subtract whole numbers and decimals to the hundredths place using the standard algorithm

National Standards (Supporting standards)

- **CEE Buying Goods and Services 4.7:** Planning for spending can help people make informed choices. A budget is a plan for spending, saving, and managing income.
- **CCSS Math 4.OA:** Use the four operations with whole numbers to solve problems.
- **CCSS Math 4.NBT:** Use place value understanding and properties of operations to perform multi-digit arithmetic.
- **CEE PFL Savings 4.1:** Income is saved, spent on goods and services, or used to pay taxes.

CEE - Council for Economic Education

CCSS - Common Core State Standards

Time Required

One 45-minute class period

PFL Terms

- allowance
- spend
- save
- share

Materials Required

- Paper and pencil for each student
- 3 clear containers, such as clear plastic cups
- 3 index cards to create these labels: SAVE, SPEND, SHARE
- Ten dimes
- A copy of **Template for Foldable** for each student, copied front and back
- Scissors
- Crayons or colored pencils
- A copy **Half Dollar Coin** page enough for each student to receive one column of coins
- Glue
- 3" x 5" index cards, 3 per student
- Spring clothespin, one per student

Procedure**Engage**

1. Ask students: *Do you remember Mr. Cash in Lesson 3? Who is he? (He is a fourth grade teacher.) What do you know about him? (His class learned about fixed and variable expenses; they did projects to raise money for new playground equipment; and then they decided where the best place would be to save the money until they are ready to spend it.) What did we learn to call the money the children made from their projects? (Profit.)*
2. Ask students if they know anyone who receives an allowance. Then lead a discussion in which students discuss what chores might be required for them to earn their allowance. After the discussion say: *Well, Mr. Cash wants to teach his five-year-old son about financial responsibility. He has decided to give Grant, his son, a one dollar allowance each week. Mr. Cash knows that his son should learn early on how to manage his money. Grant will receive his allowance in dimes. How many dimes will he get each week? (10 dimes) How do you think Grant should use his 10 dimes? (Answers will vary.)*

Explore/Explain

3. Have students record how they think Grant should use his ten dimes. Students can record this on their own paper or in a journal.
4. As students are writing, place three clear containers where students can see them.
5. Once students have had sufficient time to write their response, direct students' attention to the three containers. Explain that *Mr. Cash would like his son to think of using his allowance in 3 categories. He wants to allow Grant to spend a portion of his allowance.* Attach a SPEND label to the first container. *How do you think Grant might want to spend a portion of his allowance?* Accept any reasonable answers.
6. *Mr. Cash also wants Grant to save a portion of his allowance.* Attach a SAVE label to the second container. *Why might Grant want to save a portion of his money?* Accept reasonable answers. If students do not suggest saving for college or a school where he can learn about working, be sure to mention it.
7. *Grant also needs to understand sharing.* Attach a SHARE label to the third container. *What are some ways Grant might want to share his money?* If students don't suggest ideas, some possible thoughts might be giving money to buy food for the local animal shelter or donations to a cause such as a homeless shelter or the cancer society.
8. *Knowing Mr. Cash's ideas about budgeting money, would one of you volunteer to show how you think Grant might now use his dimes?* Have a student volunteer come to the front of the classroom and demonstrate how he/she would allocate the ten dimes. This is not what students wrote down at the beginning of the lesson but showing how he/she would divide the dimes among the three containers: Spend, Save, and Share. Ask the volunteer to explain his/her thinking about allocating the dimes in this way.
9. Direct the students to draw three circles on their paper. Students should label the circles Spend, Save, and Share. Students will draw small circles to represent dimes or

use tally marks to show how they would distribute the ten dimes.

10. As you monitor students working, select several students with differing ideas to share their representations of Grant's budgeting of his money. Check to be sure all representations total \$1.00.

Elaborate

11. Distribute the **Template for Foldable**. Be sure it is copied on both the front and back. Direct students to follow the directions below:

- First, fold your paper on the fold line along the long line of symmetry.
- Cut on the dotted lines up to the fold line in order to have three sections. Be sure you are only cutting on the half of the paper with the dotted lines.
- Using crayons or colored pencils, label the section on the left SPEND, the middle section SAVE, and the section on the right SHARE.



- Distribute one column of the **Half Dollar Coins** to each student. This is $\frac{1}{4}$ of the original page. Instruct students to cut apart the ten rectangles that represent a \$5.00 allowance given in half dollar coins.
- On the inside, fill in the blanks completing "Things I want to spend my money on," "Things I want to save for," and "Ways I want to share my money." These are found on the top of the flipped page.
- Have students distribute their \$5.00 weekly allowance in a way that would follow Mr. Cash's suggestions. Each category must have at least 50¢. Students should glue coins in the selected categories.
- Find the total for each category and write it in the corresponding blank. You may also wish to add the sums of the three categories to check that the total is \$5.00.

Students have now developed a plan for allocating a weekly allowance among spending, saving, and sharing. You may choose to display the foldables or have a few students share theirs with the class.

Evaluate/End

12. Give each student three 3" x 5" index cards and one spring clothespin. Students write the word SPEND in red crayon or colored pencil on one card. On the second card, they write SAVE in black crayon or colored pencil. On the third card, they write SHARE in green crayon or colored pencil.
13. As you read each of the following statements, students clip the card that describes the action on the clothespin and hold it up on the teacher's count of 1-2-3.
- *I went to the store and bought a candy bar. **Spend***
 - *I bought canned goods for the food bank. **Share***
 - *I put fifty cents into my piggy bank. I want a new CD. **Save***

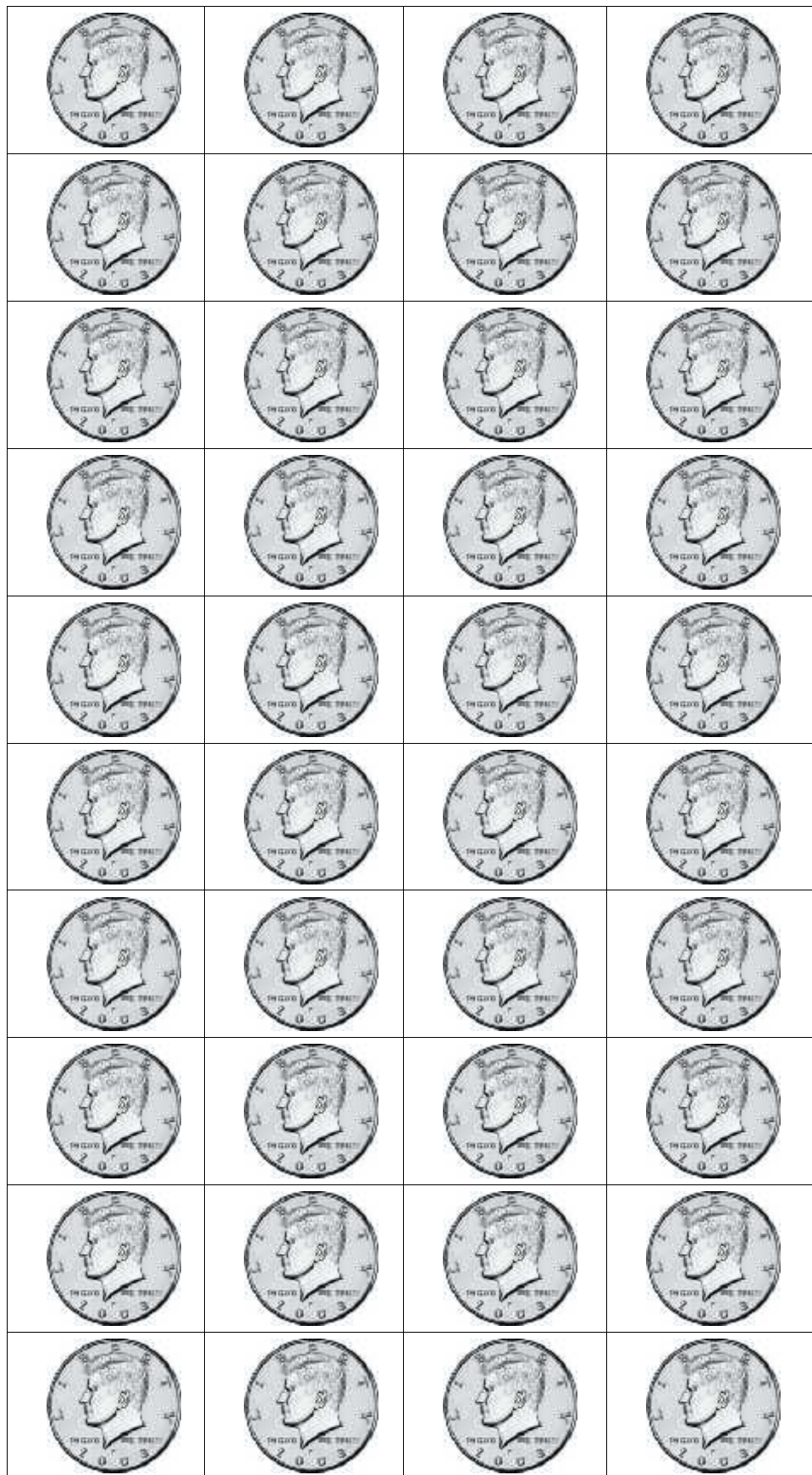
- *I put \$10 of my birthday money into the bank for college. **Save***
- *My best friend and I went to the movies. **Spend***
- *I participated in Jump Rope for Heart. **Share***
- *I donated a pair of gently used tennis shoes I bought at a garage sale to our church clothing drive. **Share***
- *I bought tickets at the game room. **Spend***
- *I bought a toy for my puppy at the dollar store. **Spend***
- *I did chores around the house and put the money in my secret emergency box. **Save***

EXTENSIONS

1. If you save \$0.50 a week for 52 weeks, how much would you have saved in one year? You can also think of your savings as saving \$1.00 every two weeks for a total of 26 weeks. Which is easier to calculate? Are the totals the same?

If you save \$0.50 a week for 52 weeks, could that amount make a difference to a rescued dog or cat in the local shelter? What could it buy?

2. Contact your local animal shelter and ask them to tell you their greatest needs. Ask if any of your friends would like to combine their money and donate it to the shelter for a period of six weeks. Plan a visit with your friends to the shelter to deliver the donation.



Things on which I want to spend my money:

Paste coins here

Total for Spending: _____

Things for which I want to save:
(consider saving for college or job-related training)

Paste coins here

Total for Saving: _____

Ways I want to share my money:

Paste coins here

Total for Sharing: _____

Fold line

