

Lesson One

Allowances and Spending Plans

allowances and spending plans websites



websites for allowances and spending plans

The internet is probably the most extensive and dynamic source of information in our society. The following web sites can provide students and others with current information, assistance, and data related to this lesson. Web addresses ending in “.com” are commercial; “.org” are nonprofit; and “.gov” are government.

Young Biz

youngbiz.com

allowances and spending plans lesson outline

overview

Children in grades three through six are capable of managing small amounts of money. They can divide their money into several categories, including "spend," "save," and "give." At the same time, they can spend their money and keep a record of what was spent.

This lesson provides an introduction to allowances for third through sixth graders. Allowances are the first step to understanding written spending plans or budgets. With guidance managing allowances in childhood, children can become financially responsible adults. Adults with effective budget skills create healthier family relationships and contribute to building a stronger economy.

Teachers and parents can encourage children to keep track of the money that they spend for their needs and wants.

goals

Provide practice developing effective spending plans and following where money goes.

lesson objectives

- Recognize how to divide an allowance into a spending plan.
- Learn how to balance income and expenses.
- Gain confidence in preparing spending plans.

student activities

1-1 Allowance Allocation Game

Related Worksheet: allowance allocation

- Play a simulation game to help students practice making choices about where to place allowance money.

1-2 Reading

- Read about allowances and spending money to help students learn more.

1-3 Spending Diary

Related Worksheet: spending diary

- Use a diary technique to help students track how they spend their money.

1-4 Make A Spending Plan

Related Worksheet: spending plans

- Assist students in making a sample spending plan during math time.

1-5 Lesson One Quiz

allowances and spending plans teaching notes

allowance allocation

This activity helps students learn that money is a limited resource.

- Give each student a set of expenditure cards and 15 beans (or similar small objects).
- Explain that the beans represent their allowance (income).
- Ask the students to allocate their allowance to the expenditure categories on the cards by placing beans on squares.
- There are more squares than beans, so students must make choices of where to spend their allowance.
- Each card offers different amounts of spending choices. This helps students consider alternatives within each spending category.
- Discuss the choices they made.
- Optional: After students have allocated their allowance, take away four beans.
- This represents loss of income.
- It forces students to further refine their spending choices.



discussion



student activity 1-1

reading

Reading skills can be practiced through this activity while students are learning about allowances and spending plans.

- Provide books that focus on allowances and spending for the students to read.
- Borrow books from the school or public library.
- Here are some recommended titles:
- *Aldo Ice Cream*, by Johana Hurwitz, New York: Puffic Books, 1989. Nine-year-old Aldo discovers the pleasures of doing volunteer work to help the older citizens of the community. He also discovers the satisfaction of earning money on his own.
- *The Kids' Allowance Book*, by Nathan, Amy, New York: Walker and Company, 1998. A guide to all aspects of allowances, including how to get one, how to save it, and how to use it wisely.



discussion/reading

allowances and spending plans teaching notes

reading (continued)

- Benjy in Business, by Jean Van Leeuwen, New York: Dial Books for Young Readers, 1983. Eight-year-old Benjy tries various schemes to earn money to buy a baseball glove.
- Boys at Work, by Gary Soto, New York: Bantam Doubleday Dell Books for Young Readers, 1995. Companion to The Pool Party. When 10-year-old Rudy breaks an older boy's Discman at a baseball game, he and his friend Alex come up with a variety of ways to make money to pay for a new one.
- Budgeting, by Christina J. Moose, Vero Beach, FL: Rourke Publications, c1997. Explains the concept of a budget and how individuals, groups, and even governments need to plan to make the best use of their money.
- The Bunnysitters, by Kate Banks, New York: Random House, 1991. Hoping to make enough money so they can finish building a derby car, two boys offer to take care of a neighbor's rabbit.
- Do the Bright Thing, by Bill Myers, Wheaton, IL: Tyndale House, 1990. Eleven-year-old Nicholas and his best friend McGee, a cartoon character that has come to life, learn about the process and pay-off of making

spending diary

This activity helps students track how they spend their money.

- Ask students to keep a spending diary for one week.
- Give each student a diary form.
- After one week, use class time to look at expenses.
- Group similar expenses together.
- Decide on names for expense categories (for example: food, transportation, clothes, entertainment).



student activity 1-2

allowances and spending plans teaching notes

spending plans

Students focus on their own spending patterns and integrate them into a written plan.

- Use the information from the spending diary in Activity 1-3.
- Have each student total the amount spent in each category.
- Ask students to compare their income (allowance) to outgo (expenses).
- Subtract outgo from income.
- Is the answer positive or negative?
- What adjustments need to be made to keep the net balance positive?
- Discuss decreasing expenses or increasing income.
- Now ask students to put 10 percent of their income into a savings category and 10 percent into donations.
- Students will need to reallocate their expense plans.
- Discuss making changes in allowances as needs change.
- Give each student a spending plan form to put a personal spending plan in writing.
- Ask students to keep track of their spending for a month.
- Encourage them to continue working with a spending plan.
- Remind students that no two spending plans are exactly the same.



student activity 1-3

lesson one quiz



quiz 1-4

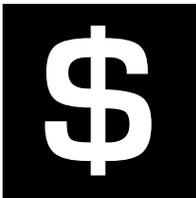


lesson 1 quiz: spending plans

circle the correct answer for each question.

1. Spending plans are decisions about how you spend your allowance.
True *
False
2. A written spending plan is the best way to manage an allowance.
True *
False
3. Spending plans should be discussed with parents.
True *
False
4. Everyone has the same spending plan.
True
False *
5. My spending plan must remain the same for an entire year.
True
False *
6. Giving to a church or charity can be part of my spending plan.
True
False *
7. Changes can be made in my written spending plan:
 - a. Only once a week
 - b. Only once a month
 - c. Only every six months
 - d. As my needs change *
8. Saving provides money for:
 - a. Emergency expenses
 - b. Unplanned expenses next year
 - c. Expenses in five years
 - d. All of the above *
9. A spending plan can be made by:
 - a. Keeping a diary of expenses *
 - b. Asking a friend to make it for you
 - c. Deciding what to purchase when you go to the store
 - d. Checking how much money is in your pocket
10. Which of the following is NOT a spending plan category:
 - a. Transportation
 - b. Entertainment
 - c. Candy bars *
 - d. Clothing

Student Activities



Lesson One

Allowances and Spending Plans



allowance allocation

directions

Your teacher will tell you how much "money" you have to spend. You may be using beans or other objects to represent money. Now, you need to make spending decisions in all of these categories. Place one bean in each square next to the option you choose in each category. Your goal is to spend something in each category, making sure you have enough money to cover all categories.

school lunches			
take packed lunch from home	<input type="checkbox"/>		
buy lunch at school	<input type="checkbox"/>	<input type="checkbox"/>	
buy lunch at nearby fast-food restaurant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

video games			
play with games you already have	<input type="checkbox"/>		
purchase used video games	<input type="checkbox"/>	<input type="checkbox"/>	
play video games at an arcade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
buy new video games	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



allowance allocation

movies

borrow from the public library

rent a video

go to half-price matinee

go to see full-price movie

sports equipment

use equipment that you already have

buy used sports equipment

buy new sports equipment

buy brand-name sports equipment



allowance allocation

clothes

wear what you already have

buy at a thrift store

buy at a discount store

buy at a department store

donations to church or other charity

less than five percent

five percent

ten percent



lesson 1 quiz: spending plans

circle the correct answer for each question.

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True
False
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True
False
3. Spending plans should be discussed with parents.
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 - d. Checking how much money is in your pocket
10. Which of the following is NOT a spending plan category:
 - a. Transportation
 - b. Entertainment
 - c. Candy bars
 - d. Clothing

name: _____

date: _____



spending diary

directions

For one week, keep track of how you spend your money. At the end of the week you may be surprised to see where your money goes. After you fill out this chart, answer the questions below.

day	item	amount spent

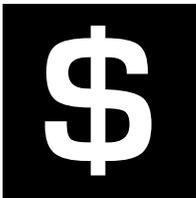
setting up a spending plan

What are the common categories for the expenses in you spending diary?

- 1.
- 2.
- 3.
- 4.
- 5.

how much did you spend in each category?

category	total amount spent



Lesson Two

Money Responsibility



websites for money responsibility

The internet is probably the most extensive and dynamic source of information in our society. The following web sites can provide students and others with current information, assistance, and data related to this lesson. Web addresses ending in “.com” are commercial; “.org” are nonprofit; and “.gov” are government.

Gazillionaire

gazillionaire.com

money responsibility lesson outline

overview

Successful money management includes keeping records of money spent. This includes having the skills to know how much money is available, how much money has been spent, and how much money must be saved for future needs.

This lesson introduces elementary-aged children to the concept of being responsible for managing money through accurate record-keeping. It provides them with activities that demonstrate the need to be accountable for how they spend and save money.

Failure to keep records and balances can lead to negative outcomes. Students need to understand the effects of their money-related behavior. Through educational experiences they can learn to be responsible for what they do with their money. This will help them become fiscally responsible adults.

goals

Recognize various tools and methods to keep a budget plan balanced. Think about what happens when attention to money is neglected.

lesson objectives

- Apply math skills to balance a spending plan.
- Recognize the importance of keeping purchase records.
- Gain an understanding of spending behavior outcomes.

student activities

2-1 Money Choices Discussion Cards

Related Worksheet: discussion cards

- Use pre-written examples to encourage students to think about difficult money situations.
- Discuss how to handle each situation.

2-2 Overspending

- Consider situations in which students spend more money than is available.
- Help students think about the consequences of overspending.

2-3 Keeping Records

Related Worksheet: keeping records

- Discuss how to organize receipts and keep expenditure pages.
- Explain the importance of other financial records and why they are needed.

2-4 Lesson Two Quiz

money responsibility teaching notes

money choices

This activity encourages students to think about real-life money choices and their results.

- Print money-choice scenarios on 3 x 5-inch index cards.
- Use the prepared situation statements or make your own situations.
- To have more scenarios, let each student make a card about a difficult choice situation they experienced.
- Have a student draw a card from the pile of cards and read it to the class.
- Ask the student to tell what he or she would do in this situation.
- Ask the rest of the class for other comments.
- Repeat with other students and choice cards.
- Discuss how these situations are similar to selections that the students make every day.



student activity 2-1

overspending

It is easy to overspend. This activity helps students think about the consequences of spending more money than they have available.

- Ask students if they have ever spent all of their allowance money early in the week and did not have enough left for other expenses later in the week.
- Have each student write down a situation where this happened.
- Next, ask the students to write about how they handled the situation.
- Have the students share their situations with the class.
- Discuss the impact of poor planning or not staying with a plan.
- Stress the importance of planning and following the plan.
- Explain that this can happen to adults and cause serious money problems.



discussion

money responsibility teaching notes

keeping records

Students learn the importance of keeping expenditure records in writing.

- Explain that written expenditure records help us know where our money goes.
- Ask students why it is important to keep receipts from purchases they make.
- List their answers on the board.
- Possible answers: Proof of purchase if they need to return an item Later they know how much they spent Gives them a historical record of their expenditures
- Discuss methods of keeping receipts.
- List possible places to keep them (for example, a set of envelopes, a shoe box, file folders).
- Explain that the records can help them make adjustments to their spending habits and their spending plans.



student activity 2-2

lesson two quiz



quiz 2-3

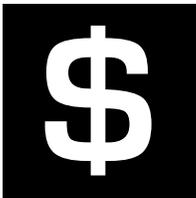


lesson 2 quiz: spending

circle the correct answer for each question.

1. If I overspend my allowance, I can expect my parents to give me more money.
True
False *
2. It is easier to return an item to the store if I have the sales receipt.
True *
False
3. Writing down my expenses helps me know my spending balance.
True *
False
4. It is OK to buy everything I want.
True
False *
5. I need to be sure my allowance money lasts for an entire week.
True *
False
6. Which of the following can be used to keep expense records organized:
 - a. Envelopes
 - b. File folders
 - c. Shoe boxes
 - d. All of the above *
7. I should keep sales receipts:
 - a. Until I leave the store.
 - b. Until I get home.
 - c. Until I enter it on my expense log.
 - d. As long as I need proof of purchase. *
8. Which of the following is a responsible spending practice?
 - a. Spending more money than I have planned.
 - b. Buying an item that looks good to me, even if I do not need it.
 - c. Buying an item that is included in my spending plan. *
 - d. Always shopping at the most expensive stores.
9. If you don't get a receipt, you should:
 - a. wait until you get home to write the amount down.
 - b. write the amount down before you leave the store. *
 - c. guess what you spent at the end of the week.
 - d. ignore the cost of the item.
10. Keeping records:
 - a. helps me know what I spend.
 - b. helps me stay within my spending plan.
 - c. makes me more responsible.
 - d. all of the above. *

Student Activities



Lesson Two

Money Responsibility



money responsibility

directions

Money choices are sometimes difficult. Consider each of these situations. You may want to print these and cut them out. Then you can mix them up and have someone else pick one randomly. Discuss the chosen card, then select another one. You will find that there will be many different opinions on some of these.

situation 1

You lend part of your allowance money to a friend. Your friend promises to pay you back tomorrow, but doesn't. It is a week later and you need the money. What should you do?

situation 2

You lend money to a friend. Your friend repays you the borrowed money. A week later, the friend repays you a second time. What would you do?

situation 3

You and your best friend go to the movies. Your friend wants to buy popcorn and doesn't have enough money. You have some extra money in your pocket. Describe what you would do and why.



money responsibility

situation 4

You spend all of your allowance on video games at the arcade on Tuesday afternoon. Now you don't have enough money for school lunches the rest of the week. How would you solve this problem?

situation 5

Walking home from school, you find a wallet with \$500 in it. The owner's identification is in the wallet. What would you do?

situation 6

You find a purse with \$300 in it, but there is no identification. What would you do?

situation 7

You and your friend go to the movies. The price for children 10 and under is half price. You just had your 11th birthday. The ticket seller thinks you are under 10. What would you do?



money responsibility

situation 8

You use the pay phone at school to call your mother. When you press the coin return, \$15.00 in coins falls out in front of you. What would you do?

situation 9

You put your allowance money in your pocket. That evening, you discover that the money is missing. You have lost it. What would you do?

situation 10

Your mother asks you to go to the store to buy two things she needs for supper. She gives you a \$20 bill. When you get home, what would you do with the change?



keeping records

directions

Use the cards below to help you track your weekly spending. List each item you buy on the card with the correct category. At the end of the week total up your spending on each card. You may be surprised to find where the majority of your money goes.

food		
date	item	amount paid
		weekly total

toiletries		
date	item	amount paid
		weekly total

name: _____

date: _____



keeping records

clothes		
date	item	amount paid
		weekly total

movies		
date	item	amount paid
		weekly total

name: _____

date: _____



keeping records

games		
date	item	amount paid
		weekly total

hobbies		
date	item	amount paid
		weekly total

name: _____

date: _____



keeping records

music		
date	item	amount paid
		weekly total

gifts		
date	item	amount paid
		weekly total

name: _____

date: _____



keeping records

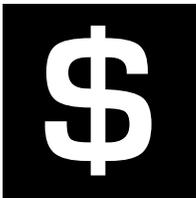
donations		
date	item	amount paid
		weekly total



lesson 2 quiz: spending

circle the correct answer for each question.

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True
False
2. It is easier to return an item to the store if I have the sales receipt.
True
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 - c. guess what you spent at the end of the week.
 - d. ignore the cost of the item.
10. Keeping records:
 - a. helps me know what I spend.
 - b. helps me stay within my spending plan.
 - c. makes me more responsible.
 - d. all of the above.



Lesson Three

Saving and Investing



websites for saving and investing

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KidStock

kidstock.com

Saving

moneyopolis.org

The Young Investor

younginvestor.com

Young Investors Network

smithbarney.com/yin

saving and investing lesson outline

overview

Part of learning about money management includes knowing where to put savings. The value of savings increases differently depending on how the money is managed. Placing savings in something beyond a savings account introduces students to the world of investments.

When they become adults, these students will have control over where they invest their money for retirement. It is important that they understand how to get the best growth for their money. At the same time, they need to understand the chances of losing that money in investments.

This lesson introduces students to the basics of how money grows through saving and investing. It introduces the concepts of financial risk and rates of return.

goals

Understand the different savings options that can increase the value of money. Perform activities associated with calculating interest rates and future values of money.

lesson objectives

- Consider alternative ways to help money grow through savings.
- Apply simple math concepts to determine the future value of money.
- Introduce students to the concept of investment risk.

presentations

3-A Calculating Simple Interest

student activities

3-1 Financial Institutions

Related Worksheet: savings alternatives

- List and discuss alternative places for saving money.
- Help students recognize the pros and cons of each alternative.

3-2 Interest Rates

Related Worksheet: interest rates

- Students learn to calculate future money values.
- Students compare the interest rates of different savings accounts.

3-3 Stocks and Ownership

Related Worksheet: trading stocks

- Students learn about stocks and company ownership by playing a stock simulation game.
- Provide an opportunity for students to practice investing in stocks with play money.

3-4 Lesson Three Quiz

saving and investing teaching notes

financial institutions

This activity introduces students to different places where they can put their money so that it earns interest.

- List local financial institutions.
 - Banks
 - Credit unions
 - Other
- Ask students to research different types of savings accounts at banks and credit unions.
 - Ahead of time, collect brochures on types of savings accounts from local financial institutions.
- Put the information on a classroom chart so students can compare the different choices.
 - Discuss the differences between accounts and institutions.
- Explain that some savings account choices make it easier to withdraw their money if they experience a money emergency. Other accounts have penalties for taking money out for emergencies.
 - Discuss how easy it is to obtain your cash on short notice.



student activity 3-1

interest rates

This activity allows students to practice their math skills to determine the amount of money earned from different interest rates.

- Ask students to calculate the future value of one dollar (\$1) placed in a savings account for one year.
 - Calculate the interest using differing interest rates. (Examples: five percent, eight percent, and ten percent).
 - Assume simple interest rates.
- Next, calculate each account balance based on length of time held in the account.



student activity 3-2

saving and investing teaching notes

- Calculate the amount in each percentage column for three years, five years, and ten years.
- Discuss the importance of long-term savings to provide money for future needs.

stock ownership

This activity introduces students to the riskier world of investments through stock ownership.

- Explain to students that buying a share of stock is another way to increase their money's value.
- Tell students that when they buy a share of stock, they own part of that company.
- When the company makes money, they receive part of the profit as a dividend.
- Another way their money increases (or decreases) in value is when the price of a share of the stock changes.
- Ask students to list their favorite:
 - Fast food restaurant;
 - Brand of jeans;
 - Soft drink;
 - Toy maker; and
 - Computer.
- Help the students identify the stocks and symbols associated with their favorites.
- Divide the class into teams.
 - Ask each team to pick one stock from the list and pretend to purchase it.
 - Give each team a \$1,000 account (on paper) to purchase stock.
- Keep a classroom chart for each stock.
 - Each day, record the price of one share of stock for each company selected.



student activity 3-3

saving and investing teaching notes

stock ownership (continued)

This activity introduces students to the riskier world of investments through stock ownership.

- Check the previous day's closing prices on the Internet or in the newspaper.
- Order copies of the annual reports for the companies selected. (This can be done via the Wall Street Journal Web site).
 - Let the students read more about the companies they selected.
- Record any dividends paid for each stock during this activity period.
- Allow students to buy or sell shares.
- Track the prices for four weeks.
 - Compare the team account balances at the end of the four weeks.
- Discuss the need to own stocks over a long term for the best investment.

lesson 3 quiz



quiz 3-4



interest rates

directions

The longer your money sits in the bank, the more money it will earn for you. The money earned is called interest. The higher the interest rate, the more money you earn. Fill in the chart below, assuming you are figuring out the money earned on a deposit of \$1 (for simple interest).

Teacher: Figures based on simple annual interest. There may be some differences due to rounding.

Future Value of money: \$1.00

	5%	8%	10%
1 year	\$1.05	\$1.08	\$1.10
3 years	\$1.16	\$1.26	\$1.33
5 years	\$1.28	\$1.47	\$1.61
10 years	\$1.63	\$2.17	\$2.71

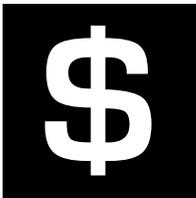


lesson 3 quiz: investing

circle the correct answer for each question.

1. Placing money into a savings account can increase my money.
True *
False
2. The longer my money is in a savings account, the more money it will earn.
True *
False
3. Different savings accounts pay different amounts of interest.
True *
False
4. If the price per share of stock increases, I can sell it for more money than I paid for it.
True *
False
5. Compound interest makes money grow faster.
True *
False
6. Which of the following increases the value of my money in stocks?
 - a. Increase in price per share *
 - b. Dividends
 - c. Stock splits
 - d. All of the above
7. Owning shares of stock:
 - a. can increase the value of my money
 - b. can decrease the value of my money
 - c. can provide income from dividends
 - d. all of the above *
8. Which of the following is the best way to increase the value of a savings account?
 - a. Make few withdrawals from the account
 - b. Make regular deposits into the account
 - c. Leave the money in the account for as long as possible
 - d. All of the above *
9. Which of the following is not a place to find information about stocks?
 - a. annual reports
 - b. newspaper financial page
 - c. cookbook *
 - d. internet
10. The best way to grow my money is to:
 - a. make a variety of investments *
 - b. save my money in a closet
 - c. loan it to a friend
 - d. buy new clothes

Student Activities



Lesson Three

Saving and Investing

name: _____

date: _____



interest rates

directions

The longer your money sits in the bank, the more money it will earn for you. The money earned is called interest. The higher the interest rate, the more money you earn. Fill in the chart below, assuming you are figuring out the money earned on a deposit of \$1 (for simple interest).

Future Value of money: \$1.00

	5%	8%	10%
1 year			
3 years			
5 years			
10 years			

name: _____

date: _____



tracking stocks

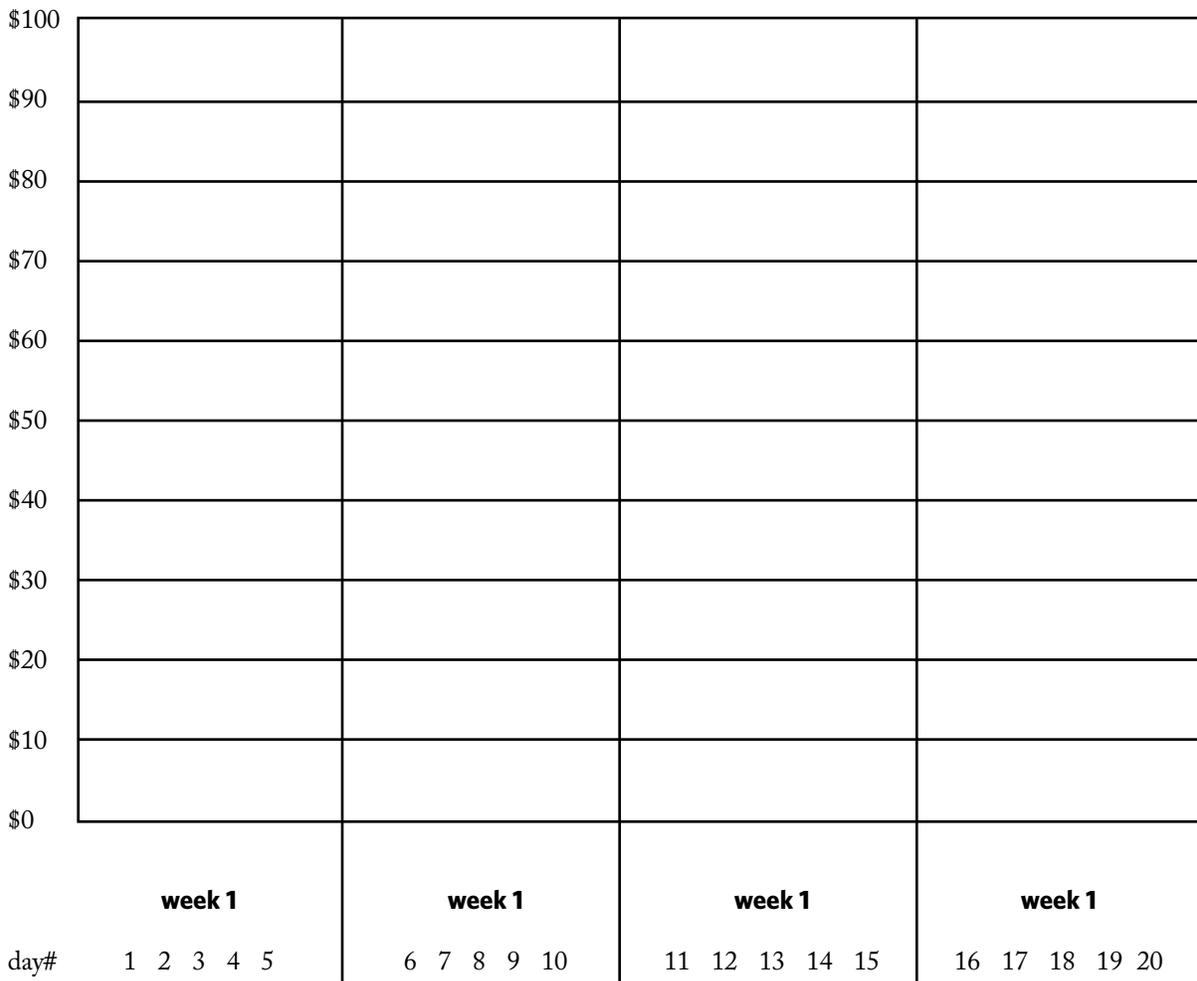
directions

Pick a company's stock, and chart its value daily for a month. You will see that stock values change over time.

Company:

Symbol:

Month:

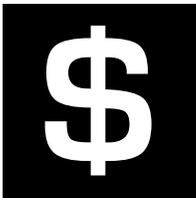




lesson 3 quiz: investing

circle the correct answer for each question.

1. Placing money into a savings account can increase my money.
True
False
2. The longer my money is in a savings account, the more money it will earn.
True
False
3. Different savings accounts pay different amounts of interest.
True
False
4. If the price per share of stock increases, I can sell it for more money than I paid for it.
True
False
5. Compound interest makes money grow faster.
True
False
6. Which of the following increases the value of my money in stocks?
 - a. Increase in price per share
 - b. Dividends
 - c. Stock splits
 - d. All of the above
7. Owning shares of stock:
 - a. can increase the value of my money
 - b. can decrease the value of my money
 - c. can provide income from dividends
 - d. all of the above
8. Which of the following is the best way to increase the value of a savings account?
 - a. Make few withdrawals from the account
 - b. Make regular deposits into the account
 - c. Leave the money in the account for as long as possible
 - d. All of the above
9. Which of the following is not a place to find information about stocks?
 - a. annual reports
 - b. newspaper financial page
 - c. cookbook
 - d. internet
10. The best way to grow my money is to:
 - a. make a variety of investments
 - b. save my money in a closet
 - c. loan it to a friend
 - d. buy new clothes



Lesson Four

Comparison Shopping

comparison shopping websites



websites for comparison shopping

The internet is probably the most extensive and dynamic source of information in our society. The following web sites can provide students and others with current information, assistance, and data related to this lesson. Web addresses ending in “.com” are commercial; “.org” are nonprofit; and “.gov” are government.

Springboard: Credit Education

ncfe.org

The Internet's #1 Education Site
for K-8 Kids and Teachers

funbrain.com

comparison shopping lesson outline

overview

This lesson introduces students to the concepts associated with comparison shopping and choosing the best option. The activities in this lesson will introduce students to the difference between needs versus wants. Students will also learn to scrutinize advertising to discover messages that may affect their decisions.

Armed with these skills, students will be better consumers. They will develop healthy spending habits and learn to avoid spending traps.

goals

Recognize the need to conduct research before making a purchase decision.

lesson objectives

- Understand how to carefully consider alternatives before making a purchase.

student activities

4-1 Needs and Wants

- Help students recognize the difference between needs and wants.

4-2 Comparison Buying

Related Worksheet: comparison shopping

- Apply math skills to compare possible alternatives for one purchase decision.
- Help students apply this knowledge to real purchase selections.

4-3 Advertisement Comparison

- Help students analyze newspaper advertisements.
- Ask students to list television advertisements.
- Discuss the pros and cons of each advertisement.

4-4 Lesson Four Quiz

comparison shopping teaching notes

needs and wants

This activity will help students learn the difference between essentials and items they desire

- Ask students to list items they plan to buy during the next week or month.
- Put the list on the board.
- Ask students which items on the list are essential (needs) and which they desire but could live with out (wants).
- Explain that this is the difference between needs and wants.
- Discuss that a need for one person may be only a want for another person. Lists will vary for everyone.
- Ask students to make their own lists of needs and wants. (Optional: Provide a ready-made list of items children in this age group buy. Have the students arrange the items into two lists: needs and wants.)



discussion

comparison buying

This activity encourages students to consider several alternatives before making a selection.

- Compare the costs of items students purchase on a regular basis.
- Create a chart to compare soft drinks.
- Have the students calculate the unit price for each alternative.
- Discuss the different choices.
- Ask them which selection they would make and why.
- Remind them that there are no right or wrong answers.
- Encourage them to think about the differences in relation to money expenditures.
- Repeat this activity using clothes (example: a pair of jeans or shoes).



student activity 4-1

comparison shopping teaching notes

advertisement analysis

Students are encouraged to think about advertisements and what they mean.

Option A: Bring several newspaper advertisements and advertisement supplements to class.

- Ask each student to find and analyze one ad.
- Have students with similar products compare their ads.
- Discuss how students can use advertisements to comparison-shop and find the best price for items they plan to purchase.

Option B: Ask students to watch television advertisements during their favorite evening programs.

- Have students report on the advertisements:
 - Length of the advertisement
 - Item promoted
 - Facts presented (price, color, size, etc.)
 - Other messages presented (opinions, something the product will do for you, etc.)
- Discuss the messages being conveyed with the television advertising.
 - Help students sort truth from subtle messages.
- Discuss how advertisements affect the way students spend money.
 - Consider whether the product will be worth the cost.



discussion

lesson four quiz



quiz 4-2

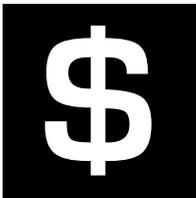


lesson 4 quiz: shopping

circle the correct answer for each question.

1. Wise shoppers take time to compare two or three alternatives before spending money.
True *
False
2. Taking time to read newspaper ads can save money when shopping.
True *
False
3. We can look at advertisements and learn how they make us want an item.
True *
False
4. My needs should take priority over my wants when shopping.
True *
False
5. Television commercials for food products are always factual.
True
False *
6. Television ads influence spending decisions by:
 - a. using special music
 - b. using pretty pictures
 - c. making me think I need the item
 - d. all of the above *
7. A spending need is:
 - a. something that looks good to me
 - b. something that I need to exist *
 - c. something my friend has
 - d. the first thing I see in the store
8. The best spending choice is:
 - a. always shop at brand-name stores
 - b. buy the same thing my friends buy
 - c. compare my choices before I buy *
 - d. always borrow from friends

Student Activities



Lesson Four

Comparison Shopping



comparison shopping

directions

Compare your options of buying soft drinks and clothing items using the charts below.

soft drink		
	cost	cost per item
vending machine		
brand name at convenience store		
brand name at grocery store		
brand name at discount store		
generic brand		
other:		
other:		
other:		

clothes		
	cost	cost per item
brand name designer		
lesser brand		
discount store		
thrift store		
yard sale		
other:		
other:		
other:		



lesson 4 quiz: shopping

circle the correct answer for each question.

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