

Exploring ways we use money

Students listen to scenarios about using money, move to one corner of the room or another to identify what people in the scenario were doing (saving, spending, earning, borrowing), and discuss the example.

Learning goals

Big idea

It's important to know some of the different ways people use money.

Essential questions

- How do people use money?
- Why is it important to understand why we use money?

Objectives



- Understand the different ways people use money
- Provide personal examples of how people use money

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: Elementary school (K-1)

Age range: 5-7

Topic: Earn (Making money), Save and invest (Saving for long-term goals, Saving for short-term goals), Spend (Buying things, Giving to others), Borrow (Getting loans)

School subject: English or language arts, Physical education or health, Social studies or history

Teaching strategy: Gamification, Personalized instruction

Bloom's Taxonomy level: Understand, Apply

Activity duration: 15-20 minutes

National Standards for Personal Financial Education, 2021

Earning Income: 4-2, 4-5, 4-6

Spending: 4-1, 4-2, 4-3

Saving: 4-1, 4-2, 4-3

Managing Credit: 4-2, 4-3

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

What students will do

- Listen to scenarios about people using money.
- Walk to a corner with the correct sign to identify how the person in the scenario was using money.
- Discuss examples of how people in their life have used money in a similar way.

Preparing for this activity

- While it's not necessary, completing the "Earning money" activity first may make this one more meaningful.
- Print the answer guide in this guide, or prepare to access it electronically, so you can read scenarios to the students and share the answers.
- Print each of the "Ways we use money" signs in this guide on a sheet of paper large enough for students to see from across the room.
 - Tape each sign in a different corner of the room.

What you'll need

THIS TEACHER GUIDE

- Exploring ways we use money (guide)
[cfpb_building_block_activities_exploring-ways-we-use-money_guide.pdf](#)
- "Ways we use money" signs (in this guide)
- Paper
- Tape

Exploring key financial concepts

Money is an important part of our lives. People use money in many different ways. When we buy something at a store or online, we spend money. When we get a loan from a bank or a friend, we borrow money. People also work to earn money. Another important way we use money is to save it. People save money so that they can use it at another time. It's important to know how people use money so that you can make smart decisions about your money in the future.

TIP

Because financial products, terms, and laws change, students should be encouraged to always look for the most up-to-date information.

Teaching this activity

Whole-class introduction

- Tell students that they'll play a game about some of the ways people use money.
- Be sure students understand key vocabulary:
 - **Borrow:** To receive something on loan with the understanding that you will return it.
 - **Earn:** To receive money in exchange for goods or services.
 - **Lend:** The act of giving something to someone with the understanding that they will give it back to you.
 - **Money:** You can use money to buy goods and services. Money looks different in different places around the world.
 - **Save:** Setting something, like money, aside to use in the future.
 - **Spend:** The act of using money to buy goods or services.

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

Group work

- Ask students to stand up.
 - Tell them to look around the room at the words you've taped into four corners.
 - If you feel it's needed, you can review the key vocabulary again to be sure students know what each word means.
- Divide the students into six groups.
- Explain that you'll read about different people doing something with money.
- Explain that after you read about a person, a group will walk to the corner of the room with the word that best describes how that person was using money.
 - Tell students that more than one word may apply sometimes.
- Read aloud the first scenario in the answer guide.
 - Repeat the scenario if needed.
- Ask the first group of students to walk to the corner of the room with the word that best describes how the person you read about was using money.

- Once the students have taken their position, ask one student from the group to share why they chose that word.
 - Give groups who chose the wrong word the opportunity to walk to the corner with the correct word.
 - Ask students to share an example of when someone in their life has used money as the person you read about did.
- Repeat this process with the remaining scenarios and the remaining groups.

Wrap-up

- Ask students to return to their seats.
- Invite students to share ways they think they might use money in the future.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topics of earning, including making money; saving, including saving for long-term goals and saving for short-term goals; spending, including buying things and giving to others; and borrowing, including getting loans. Suggested activities include [“Exploring needs and wants”](#) and [“Coloring your savings.”](#)

Measuring student learning

Students’ answers to the scenarios and during discussion can give you a sense of their understanding.

This answer guide provides possible answers for the scenario questions. **Keep in mind that students’ answers may vary.** The important thing is for students to have reasonable justification for their answers.

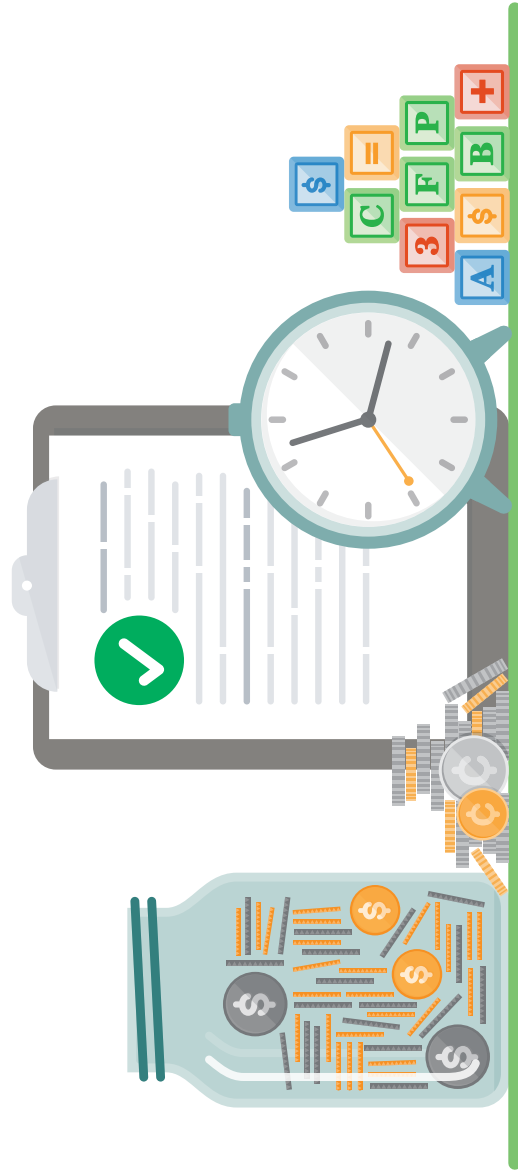
Answer guide

Scenario	Answer
1. Jamal pulled weeds in his neighbor's garden. When he finished, his neighbor gave him \$7 for his work. What did Jamal do with money?	Earn
2. Hannah went to the grocery store and paid \$12 for bread, peanut butter, and jelly. When she got home, she made PB&J sandwiches for lunch. What did Hannah do with money?	Spend
3. Frances wanted to get a new scooter, but she didn't have enough money. She got a loan from her big brother and promised to pay it back in two months. What did Frances do with money?	Borrow
4. Oliver's uncle gave him \$10 for his birthday. Oliver put the \$10 in his piggy bank. When Oliver has enough money, he wants to get a new skateboard. What did Oliver do with money?	Save
5. Jack wanted to make money so that he could buy a set of crayons. He swept the kitchen floor and cleaned the windows in his house. His mom gave him \$5 for doing extra chores. What did Jack do with money?	Earn
6. Gabby and Ariel were at the shopping mall. Gabby wanted to buy a sweater, but she didn't have enough money for it. Ariel loaned Gabby \$20 so that she could buy the sweater. What did Gabby do with money?	Spend or borrow

Ways we use money signs

Print each sign below on paper large enough for students to see from across the room.

EARN



SAVE



BORROW



SPENDING

