

For Activity 2:

- Prepare copies of **Activity Sheet 3.1** and **Activity Sheet 3.2**, or assemble an assortment of play money.
- Place an assortment of real money in a purse or wallet.
- Place the exact same assortment of coins and paper money (from **Activity Sheets 3.1** and **3.2**) in an envelope for each student.
- Distribute a copy of **Activity Sheet 3.3** to each student.

ADDITIONAL RESOURCES



To download visuals, find related lessons, correlations to state standards, interactives, and more visit <http://fffl.councilforeconed.org/k-2/lesson3>.

PROCEDURE

Read and Discuss the Story:

1. Using the storybook, read **Story 3**, “What Is Money?” to the students.
2. After reading the story, or in the course of reading it, ask the following questions:
 - a. What are the two types of money that Nicholas explained to Christopher? (**Coins and paper money.**)
 - b. What are the different coins mentioned in the story? (**Pennies, nickels, dimes, quarters, and gold-colored dollar coins.**)
 - c. What is the value of a penny? (**One cent.**)
 - d. What is the value of a nickel? (**Five cents.**)
 - e. What is the value of a dime? (**Ten cents.**)
 - f. What is the value of a quarter? (**Twenty-five cents.**)
 - g. How many pennies did Nicholas say are in a dollar? (**100**)
 - h. How are coins and paper money different? (**Coins in our country are round like circles, made from metal, come in different sizes, and usually buy less than paper money. Paper money is in the shape of a rectangle and usually buys more than a coin.**)

i. According to Nicholas, how can people use their money? (**They can exchange it for something they want, or they can save it.**)

j. What did Nicholas decide to do with his money? (**Save it for now.**)

k. Why did Mom give Carlos money? (**Topay for the pizza and its delivery.**)

l. Is pizza a good or a service? (**A good.**)
Is pizza delivery a good or a service? (**A service.**)

3. Have the students describe sources from which they have received money—e.g., from an allowance, from earnings money, from gifts, or other sources. Remind the students of the paper chain they made in **Lesson 1** showing gift money and income they have received.

Activity 1: Guessing Game

1. Have the students sit in a circle on the floor, or arrange their desks in a circle. Be sure that all students have a pencil and a small piece of paper with them.
2. Using real money, hold up the prepared coin can with the assortment of coins in it as described in the **Materials** section on pg. 18. Identify this as Nicholas’s coin can. Remind the students that Nicholas was saving his coins in the can until he could decide what he wanted most.
3. Tell the students that they will now try to determine how many coins are actually in the can. Reassure them that there is no paper money in the can. Let the students pass the can around, shaking it and feeling its weight. Have them guess the number of coins in the can. They should write the number they guess on their piece of paper.
4. Ask a student to tell the class what his or her guess was. Guide the class to a more accurate estimate by responding “higher” (more) or “lower” (less) each time a student suggests an answer. When the correct number has been guessed (**19**), write that number on the board. Tell the students to look at the numbers they guessed and wrote down. Then ask them to line up, using their guessed answers (lowest guess first, then next-lowest, and so on). Ask:

- a. How many had a guess less or lower than the correct number? **(Answers will vary.)**
 - b. How many guessed a number higher or more than the correct answer? **(Answers will vary.)**
 - c. Whose guess is closest. **(Answers will vary.)**
5. On the board or a piece of posterboard, draw a chart similar to the one below. Tell the students that these coins are in the can. (Note: there will be more of some coins than of other coins.) Explain that value refers to the worth of the coin or how far the money will go in buying the goods and services people want. Ask if the value of each of the coins is the same. **(No.)**
6. Have the students take coins from the can, one at a time. They should identify each one and its value. Then they should tape it under the correct heading. When the chart is completed, have the students count the number of coins to verify that 19 is the correct answer. Then work with the students to tally the total value of all the coins. **(\$2.00)** Point out that the gold-colored dollar is worth as much as all the other coins put together. Ask:
- Does the can hold enough money to buy all the goods and services that Nicholas wants? **(Students should reply that Nicholas probably wants too many things to be able to buy them all with this much money.)**
 - Where could Nicholas keep his money if he wanted it to be safer than it is in his drawer at home? **(He could deposit it in the bank.)**

Part of Carlos’s job was to collect money from the people who received pizza. This made counting money part of his human capital (work skills).

- Carlos also received income from his job, so he needed to understand the value of money in order to make good decisions.
2. Suggest that Carlos probably put the money he received as payment for the pizza into his pockets or his wallet to keep it safe until he returned to the restaurant. Distribute the envelopes containing play money taken from **Activity Sheets 3.1** and **3.2**. Have the students pretend that they are delivering pizza and that these are their pockets.
 3. Remind the students that in the story Carlos earned income by doing work. Suggest that he probably received some of this income as coins and bills, which he put into his pockets.
 4. To help the students identify denominations of coins and paper money, take a coin or paper bill from your purse or wallet. Have them take the corresponding piece of play money from their envelope and put it on their desks.
 5. Ask the students to verbally identify the coin or bill in question and state its value. (You may want to challenge students by putting together a combination that represents a larger amount of money.)

COINS AND THEIR VALUE				
Pennies	Nickels	Dimes	Quarters	Dollars
1¢	5¢	10¢	25¢	\$1.00 (100¢)

Activity 2: Pizza Pocket Practice

1. Remind the students that in the story Carlos delivered pizza and had to handle lots of money. Ask: Why do you think it is necessary for Carlos to know how to recognize and count coins and bills? Make sure they understand the following:

6. Repeat this process until the students readily recognize and identify the different denominations of money.
7. Examine a penny and dime with students. Ask:
 - a. Which coin is bigger? **(The penny.)**
 - b. Which coin is smaller? **(The dime.)**

- c. Which coin gives people more ability to buy things? **(The dime.)**
- d. Which coin has more value? **(The dime.)**
8. Make further comparisons, holding up two other coins or two pieces of paper money with different values. Ask:
- a. Which coin or bill they would choose? **(Answers will vary.)**
- b. Why? **(Responses should be “Because it is worth more” or “I could buy more with it.”)**
9. Remind the students that Nicholas’s mother used coins and paper money to pay for the pizza delivery. Ask:
- a. Why do you like to have money? Why is it valuable? **(Answers should include the point that money helps them buy the goods and services they want.)**
- b. What do you do with your money? **(Answers will vary.)**
- c. Have you bought anything lately? What was it and how much did it cost? **(Answers will vary.)**
10. Distribute a copy of **Activity Sheet 3.3** to each student. Instruct them to design a coin, drawing their design on the sheet. On the lines below the coin, the students should write an explanation of the design they have drawn, what is the value of the coin, and why they have given the coin this stated value.

CLOSURE

Use the following questions to review the concepts presented in this lesson:

- Name two types of money. **(Coins and paper money.)**
- What are two reasons why people receive money? **(People receive money as income from work, and from gifts.)**
- What determines how many goods and services people can buy with a coin? **(The value of the coin determines its buying power. Advanced students may indicate that the**

prices of goods and services also affect how many goods and services a coin can buy.)

- Which coin buys more: a nickel or a quarter? **(A quarter, because it is worth twenty-five cents and a nickel is worth five cents.)**
- Which has more value: a one-dollar bill or a gold-colored dollar coin? **(They have the same value because they are the same amount: one dollar, or 100 cents.)**

EXTENSION

Science:

Ask the students, “Can money really grow on trees?” Acknowledge the point that paper money does, in part, come from plants, but money cannot be grown on trees. Make two large, tree-shaped charts, labeling one “Money Tree” and the other “Living Tree.” On each tree, list students’ responses to the question, “What do we need to grow this tree?” Scientific responses for the living tree will include specifics, such as sun and water. Guided responses for the money tree will include income, savings, and investments.

Music and Mathematics:

Teach the following song to students, using the traditional tune. Change the money amounts to help students learn to count money, counting by ones, twos, fives, and tens.

Ten Little Pennies

(Tune: *Ten Little Indians*)

Verse 1:

(Put ten pennies on the overhead projector and have the students count them and then sing this verse.)

*One little, two little, three little pennies,
Four little, five little, six little pennies,
Seven little, eight little, nine little pennies,
Ten pennies make one dime.*

Verse 2:

(Put ten dimes on the overhead projector and have the students count them, by tens and then by ones, to see that they add up to a dollar; then have the students sing this verse.)

*One little, two little, three little dimes,
Four little, five little, six little dimes,
Seven little, eight little, nine little dimes,
Ten dimes make one dollar.*

Verse 3: (Put twenty nickels on the overhead projector and have students count them by fives to see that they add up to a dollar. Then group the nickels in twos and count each pair by tens. Then sing this verse.)

*Two little, four little, six little nickels,
Eight little, ten little, twelve little nickels,
Fourteen little, sixteen little,
eighteen little nickels,
Twenty nickels make one dollar.*

Art:

Using salt dough, students may create coins, replicating the process used to make coins currently in circulation. After dough has been rolled out, students can use a small, circular shape, such as the end of a small plastic bottle or bottle caps, to punch out circles resembling coins. These dough circles simulate the blanks used in preparing real coins. Coin stamps may then be used to mark the coins after they have dried. For a creative follow-up, students may decorate the coins for use as classroom tokens. You may use cookie dough to produce “cookie coins.”

Multicultural:

Money looks different and has different names in different cultures. Examination of coins and currencies from other countries is a good way to introduce other nations and cultures. Have the students ask their parents and friends who have foreign currency for permission to bring examples to show to the class. Using a major newspaper, show students the names of currencies

throughout the world and the number of goods and services they can buy with a unit of each, compared with the United States dollar.

Children’s Literature:

- Berger, Melvin & Gilda (1999). *Round and Round the Money Goes*. Nashville: Ideal Children’s Books; Econo-Clad Books; ISBN: 0-78573-341-8. The story explains the development of money from its origins to modern usage as cash, checks, and credit cards. It is told in language appropriate for children ages 5-9.
- Maccarone, Grace (1998). *Monster Money* (Level 1—Pre-School to Grade 1; Level 2—Kindergarten to Grade 2; Level 3—Grade 1 to Grade 2; Level 4—Grade 2 to Grade 3). Scholastic; ISBN: 0-59012-007-7. This delightful book for young children is about monsters who are consumers, and more.
- Silverstein, Shel (1974). “Smart,” a poem from *Where the Sidewalk Ends*. Harpercollins Juvenile Books; ISBN: 0-06025-667-2. The boy gets a dollar from his dad, and he makes a series of bad trades.
- Wells, Rosemary (1997). *Bunny Money*. Dial Books for Young Readers; ISBN: 0-80372-146-3. Max and Ruby go to town to get presents; they learn about the value of money in their own way.

Pocket Change

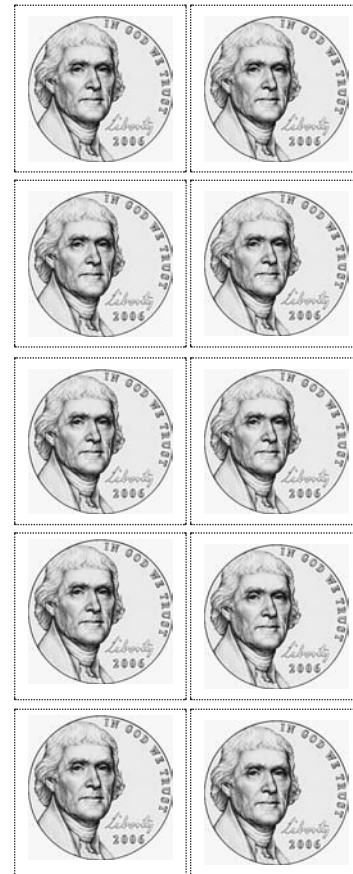
QUARTERS



PENNIES



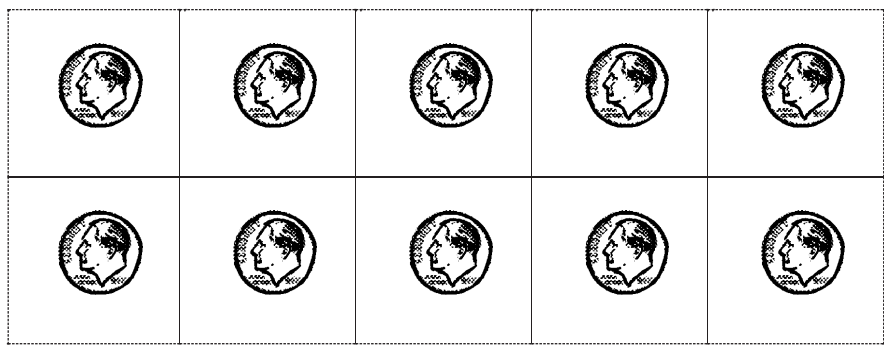
NICKELS



GOLD COLORED DOLLAR



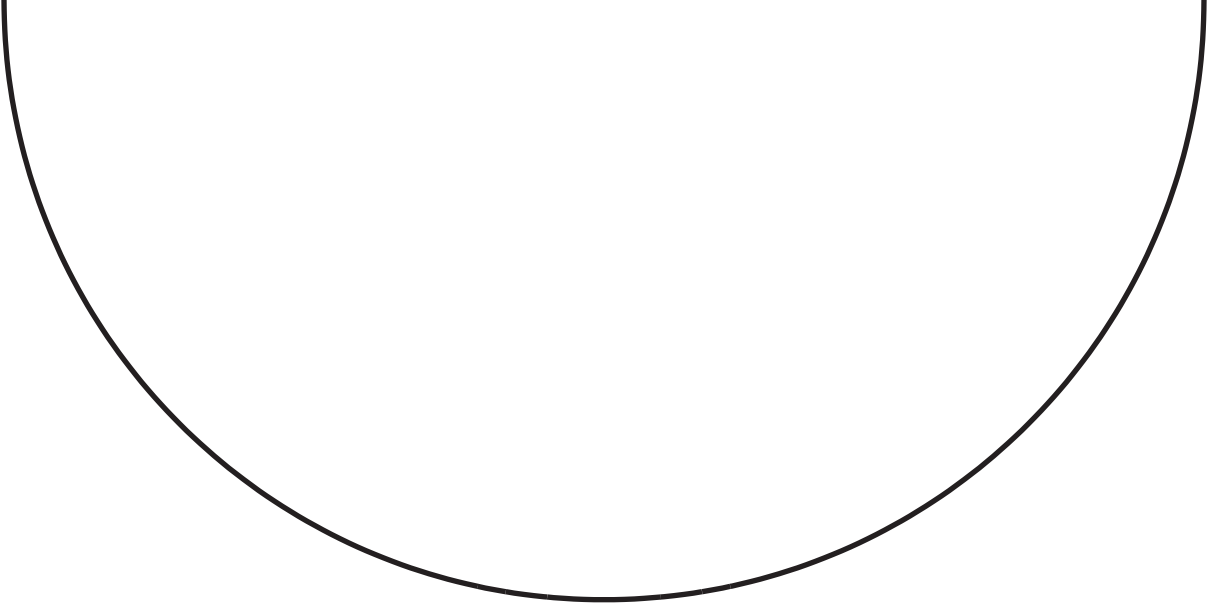
DIMES



Paper Money



Design a Coin



For Younger Students (kindergarten through grade 1):

- Using the directions given below, administer Test 1 only.

For Older Students (grades 1 and 2):

- Use **Test 1** and **Test 2**. Even if students are good readers, the teacher should read the questions aloud and allow time for the students to mark the correct pictures. (This is to be certain that you are testing economics concepts, not reading skills.) Use the directions given below for Test 1, but use the numbers for each question without calling attention to the pictures at the beginning of the line (heart, etc.).

DIRECTIONS FOR TEST 1

For each row, read the following statements aloud to students. If necessary, identify the pictures.



1. Put your finger on the heart. On this row, mark the picture that shows someone earning income.



2. Put your finger on the happy face. On this row, circle the picture that shows someone using work skills (human capital).



3. Put your finger on the arrow. On this row, circle the picture that shows an entrepreneur.



4. Put your finger on the box. On this row, circle the picture that shows paper money.



5. Put your finger on the moon. On this row, circle the picture that shows someone providing a service.

DIRECTIONS FOR TEST 2






Part A: Write the letters “G” or “S” on the line under each picture. Write “G” for pictures of goods, and “S” for pictures of services. If necessary, identify the pictures.

Part B: Circle the hand of the person with enough money to purchase the juice.

Part C: Circle three resources that an entrepreneur could use to make bread. If necessary, identify the pictures.

ANSWER KEY:

Test 1:

1. ( Row) – (b) the boy mowing the lawn
2. ( Row) – (a) person working at the computer
3. ( Row) – (c) the hot dog vendor
4. ( Row) – (b) the dollar bill
5. ( Row) – (c) the man washing a car

Test 2:

- A.
- | | |
|-----------------------|------------------|
| 1. – S (mail carrier) | 4. – G (apple) |
| 2. – G (bicycle) | 5. – S (sweeper) |
| 3. – S (haircut) | 6. – G (house) |

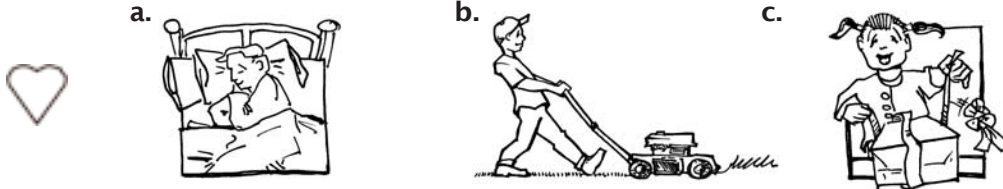
B. The hand with two quarters in it

C. The stove, the sack of flour and cook

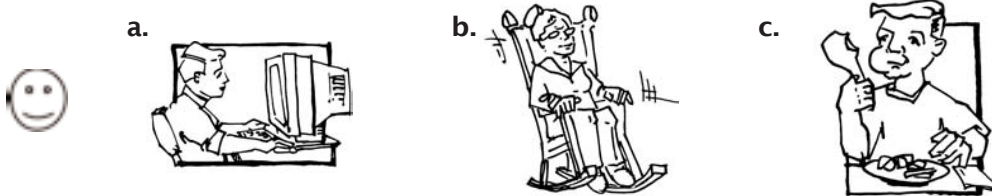
NAME _____

Test 1

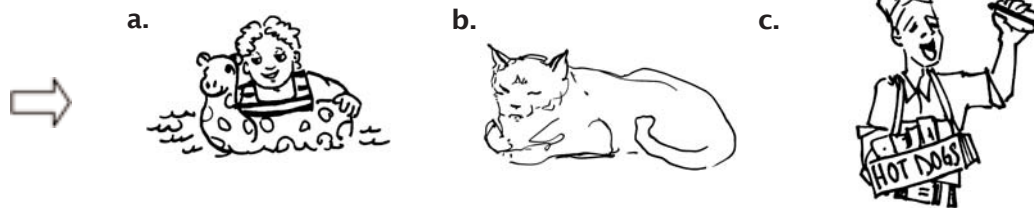
1. Circle the picture that shows someone earning income.



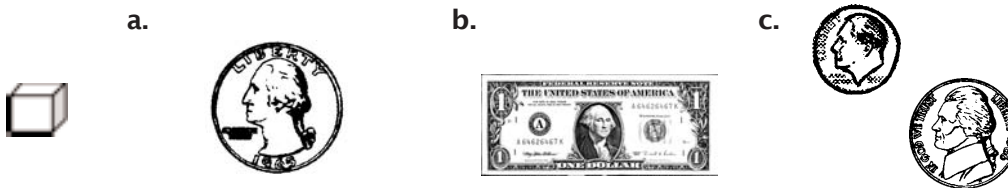
2. Circle the picture that shows someone using work skills.



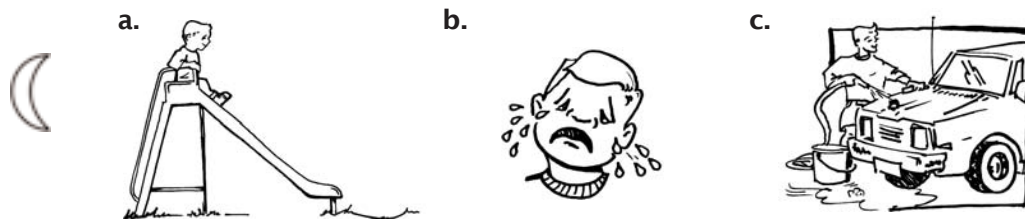
3. Circle the picture that shows an entrepreneur.



4. Circle the picture that shows the paper money.



5. Circle the picture that shows someone providing a service.



NAME _____

Test 2

A. Write the letters “G” or “S” on the line under each picture below. Write “G” for pictures of goods, and “S” for pictures of services.



1. _____



2. _____



3. _____



4. _____



5. _____



6. _____

B. Circle the hand of the person with enough money to buy the juice.



C. Circle three resources that an entrepreneur could use to make bread.

