



What Money Can Really Do

This program was designed with children in mind, specifically 1st and 2nd graders. It is meant to introduce children to money and how it works. In the lesson, we will talk about:

» Key Topics

- **What money is**
- **Different types of money**
- **How money is used**
- **Where money comes from**
- **What a bank is**
- **How to save money**

With some fun pictures and examples, you will learn what your money can really do. Are you ready? Let's get started!

» Table of Contents

What is Money?	2
How Money Works	8
How to Save Money	12
Glossary	14

What Money Can Really Do

» What is Money?

American Money

In America, we have a lot of different names for our paper money, like dollars, bills and bucks. Most of the time, we will call a dollar bill by its value, such as a \$20 bill. Here are some examples of American dollar bills:



= \$1



= \$5



= \$10



= \$20



= \$50



= \$100

What Money Can Really Do

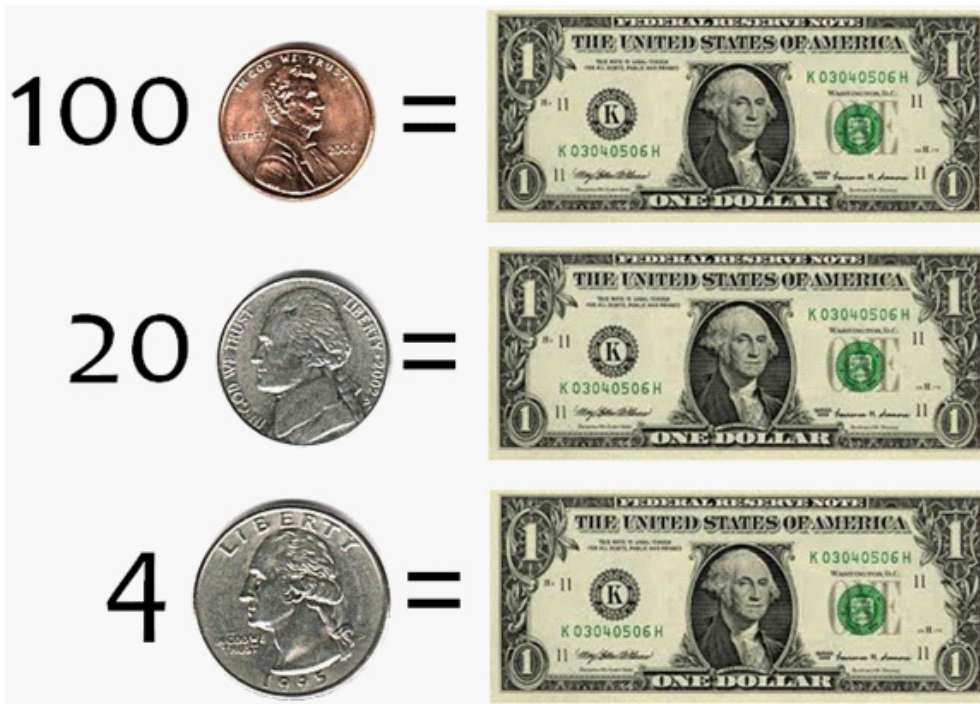
» What is Money?

We also have different names for our coins (or **change**) based on how much they are worth. Here are the coins and their values:



Using Coins to Make Dollars

Every \$1 = 100 cents. How you come up with 100 cents depends on the coins you have. For example:



You can combine coins in all different ways to make \$1, as long as they add up to 100 cents. See how many combinations you can come up with!

What Money Can Really Do

Exercise 1

Choose the best answer.

1. Match the name of the coin to its picture. We've done the first one for you.



The image shows a vertical stack of five US coins. From top to bottom, they are: a penny (copper), a nickel (silver), a dime (silver), a quarter (silver), and a half dollar (silver). To the right of the coins are five labels: Dime, Nickel, Penny, Half Dollar, and Quarter. A thin grey line connects the top of the penny coin to the word 'Penny'.

Dime

Nickel

Penny

Half Dollar

Quarter

What Money Can Really Do

Exercise 1

Choose the best answer.

2. How much is each coin worth?



= __ cents



= __ cents



= __ cents



= __ cents



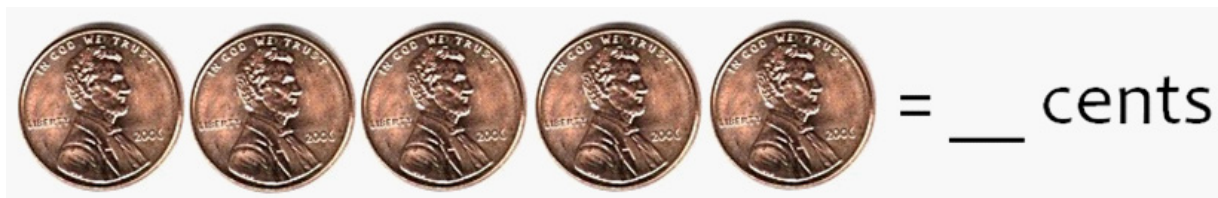
= __ cents

What Money Can Really Do

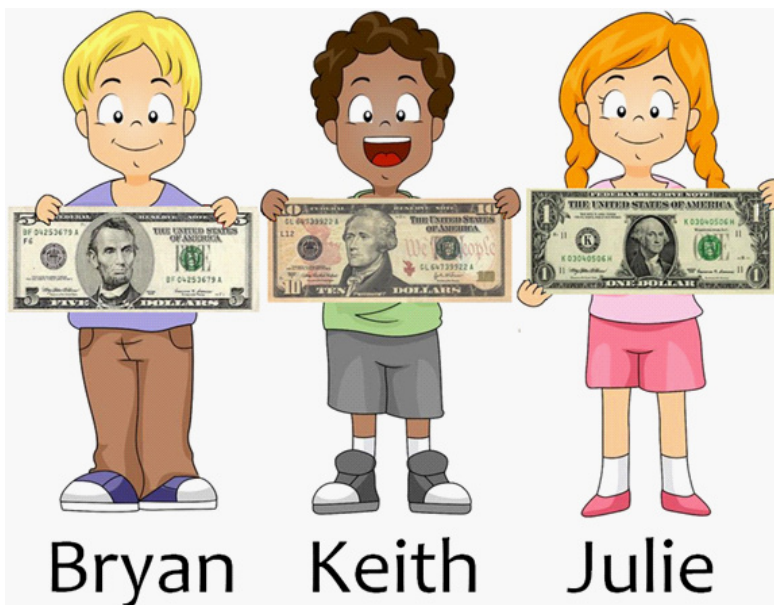
Exercise 1

Choose the best answer.

3. Count the coins to figure out how many **cents** are in each:



4. Which kid has the **most** money? Circle the name.



What Money Can Really Do

Money is used to buy things. Your clothes, schools supplies, and food were all paid for with money. Some people collect money because they like the way it looks. Most people use it to pay bills or buy stuff they need.

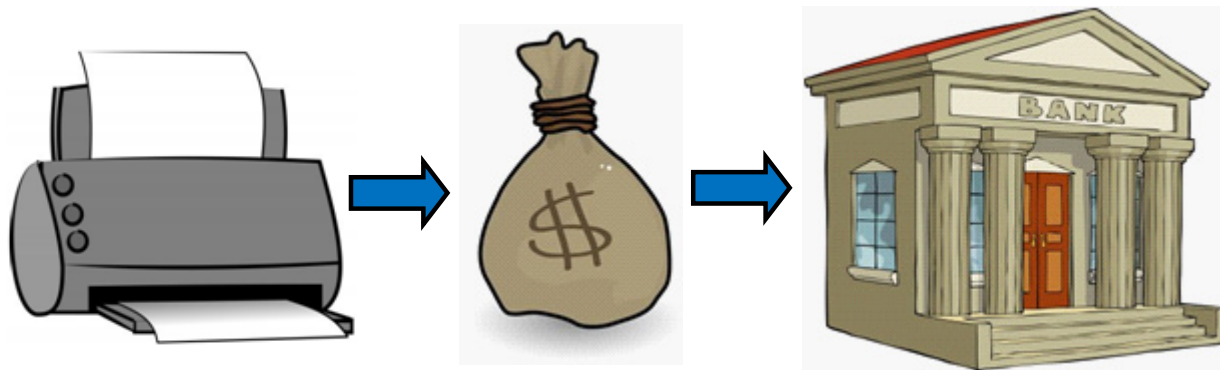
If you have ever gone to the store and used a dollar or coin to pay for an item, you have used money.

The more something costs, the more money you have to pay. The **cost** of an item is the price someone has placed on it.



Where Does Money Come from?

Money comes from a special factory run by the government. This is where they print the dollar bills and press the coins. Once the money is printed, it goes to banks so people can have it.



A **bank** is a big building where money is stored. People create accounts at the bank to store their money and save it. These are called checking accounts and savings accounts.

What Money Can Really Do

People also go to banks to cash **checks**, which are pieces of paper that represent money. The amount written on the check is the amount of money it is worth.

Example:



This check is worth \$100, as you can see by the money in the box on the right. If John Smith goes to cash the check at his bank, he will get \$100 back. This money can go to his account, or he can get a \$100 dollar bill for it.

How Do People Get Money?

Money comes from a special factory run by the government. This is where they print the dollar bills and press the coins. Once the money is printed, it goes to banks so people can have it.

Money does NOT grow on trees!

You may get money through your **allowance**, if your parents give you money for doing chores around the house. You might also get money from gifts or from things you sell to your friends, like friendship bracelets.



How Do People Store Money?

Most people store money in a bank account because the bank keeps their money protected. However, you can also store money in a piggy bank, a shoe box or anything else you want. If you put it somewhere safe, your money will be protected.

What Money Can Really Do

Exercise 2

Choose the best answer.

1. How much money is this check worth?



Jane Doe
123 Main ST.
Anytown, NV 99999

1000

DATE 2-14-2013

PAY TO THE ORDER OF Toys-R-Us \$ 30.00

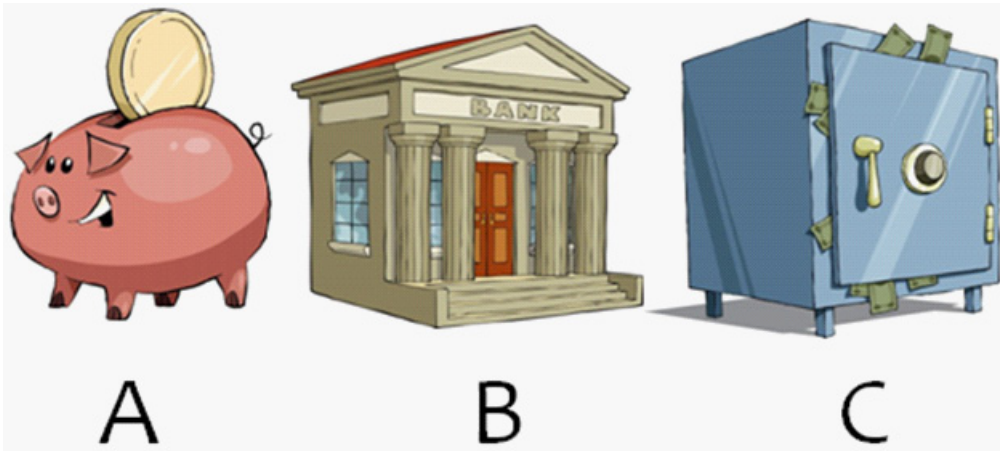
Thirty dollars ⁰⁰/₁₀₀ DOLLARS

MEMO Bicycle Jane Doe

⑆999999999⑆ 999999999999 1000

= \$ _____

2. Where can you store money?



A B C

All of these!

D

What Money Can Really Do

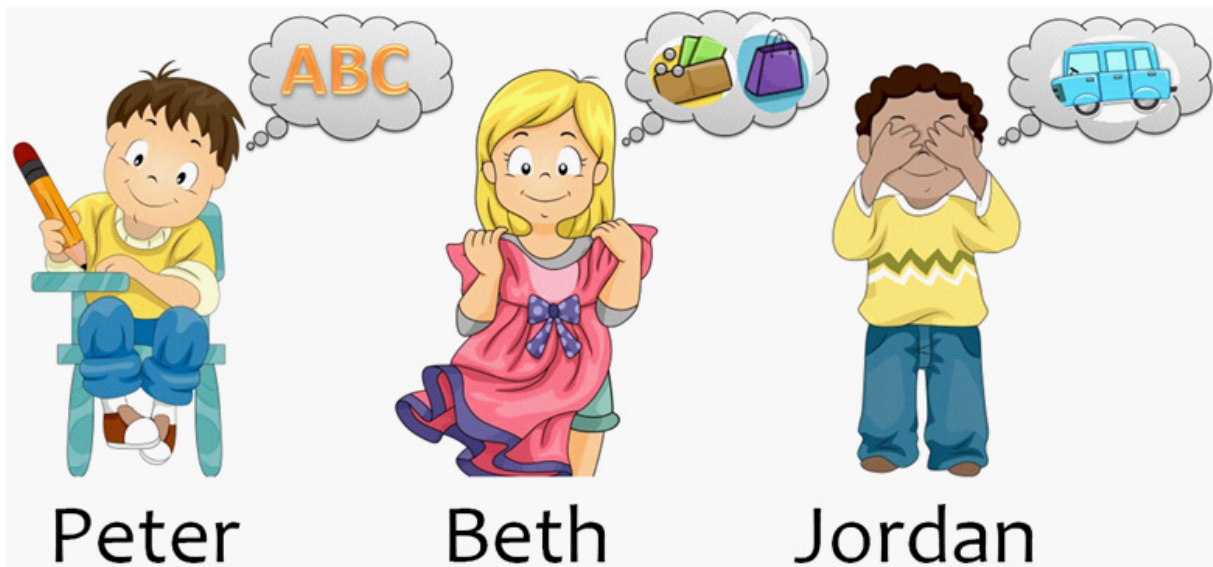
Exercise 2

Choose the best answer.

1. Circle the item that costs the **least** amount of money.

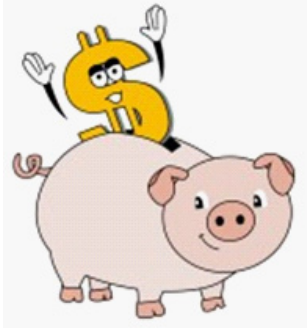


2. Which kid is thinking about money?



What Money Can Really Do

» How to Save Money



You do not have to spend your money the second you get it. You can **save** your money to buy something special in the future. This means that you will store your money somewhere to add to it later on. Once you have enough saved, you can buy whatever you want.

The best way to save money is to have a **savings goal**. This is a certain amount of money you want to save to buy a certain item. If you want to buy a bike that costs \$100, you know you need to save \$100 before you can get it. If you know what your allowance is every week or month, you can add up your allowances to see how long it will take to get the bike.

Example:

Let's say that you want to buy a really cool skateboard from the store. The skateboard costs **\$20**.

You get \$5 for your allowance every week.

If you save your allowance the first week, you will have \$5 saved. If you do the same for the second week, you will have \$10. After the third week, you will have \$15 and after the fourth week, you will have \$20.

That means it will take **4 weeks** to hit your savings goal, if you save your allowance every time.



Should You Save Money?

Every time you get money, you have to consider the **tradeoff**. Should you spend your money, or should you save it? That is up to you!

When you get older, you will have to worry about bills that your money pays for. For now though, you just have to figure out if you want to save for something big or buy something now. If you really have your heart set on something, take the time to save for it. Being patient will pay off.

If you just want to buy pickles at school every day, you can do that too! That is what is so great about money.

Money can buy you anything you dream of!



What Money Can Really Do

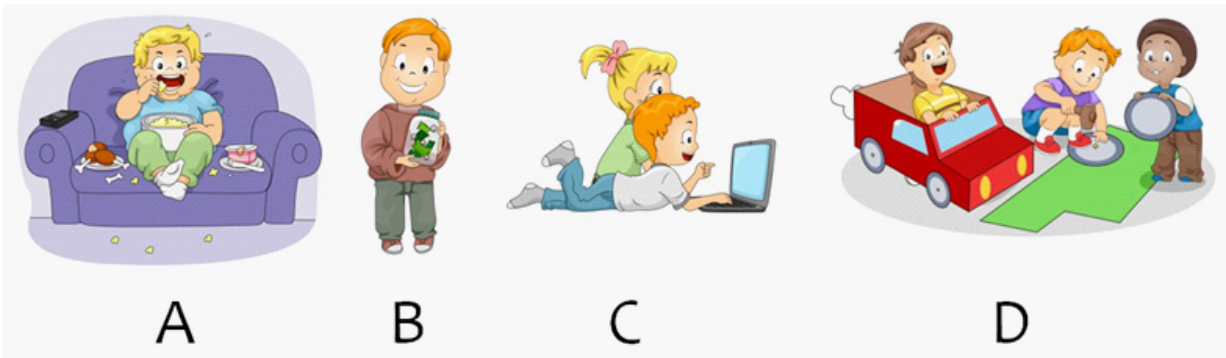
Exercise 3

Choose the best answer.

1. If your allowance is \$5 a week, how many weeks would it take to save \$15?

- A: 1 week
- B: 2 weeks
- C: 3 weeks
- D: 4 weeks

2. Which kid is saving money?



What Money Can Really Do

» Glossary

Coins: Round pieces of money, like quarters, dimes and nickels – also called change.

Currency: Another word for money.

Dollar Bills: Pieces of money made of paper, named for their values.

Cost: How much you have to pay for an item.

Bank: A place where people store money, cash checks and more.

Checks: Information written on paper that represents money in a bank account.

Allowance: Money your parents give you for doing chores around the house.

Save: Putting money away for a later time.

Savings Goal: A plan you make to save money for something you want.

Trade Off: An exchange of one thing in return for another.