



# MONEY SMART 2.0 LESSON GUIDE

for Grades 6-8



The National Theatre for Children

NTC Financial Literacy  
K-12 Curriculum

## LESSON 12 *Spend, Save or Give?*

### LESSON OVERVIEW

Gaining strides in their compounding financial knowledge, learners delve into personal decision making in this 12th and final lesson by applying their budgeting skills to determine when and how to **save**, **spend** or **give** with their money. Exploring **charitable giving** as part of a spending plan, learners discover how giving adds value to a financial life.

**TOPIC:** Personal Financial Choices

**CLASS TIME:** 55 minutes (excluding Expanded Information to Share activities)

**LEARNING OBJECTIVES:**

Students will be able to:

- Create a balanced budget that takes into consideration spending, saving and giving
- Analyze personal decision making when crafting a budget

**SUPPLIES:**

- Loose-leaf paper for stations
- Access to the internet (optional)

**PROCEDURE:**

- Make copies of student handout and group handouts
- Set up **Spend**, **Save** and **Give** stations
- Set up individual or group computers with access to the internet (optional)

**STUDENT HANDOUT:**

- Personal Budget

**GROUP HANDOUTS:**

- **Spend** (station set)
- **Save** (station set)
- **Give** (station set)

**CRITICAL THINKING QUESTIONS:**

- *How should spending, saving and giving be incorporated into a personal budget?*

**ASSESSMENT ACTIVITIES:**

**PRE-ASSESSMENT:**

- What Goes into a Budget? activity

**POST-ASSESSMENT:**

- Personal Budget handout
- Personal Budget Explanation: Quick-Write activity

# LESSON 12 *Spend, Save or Give?*

## INSTRUCTION STEPS

### WARM UP

#### WHAT GOES INTO A BUDGET? [5 MINUTES]

If necessary, introduce students to the vocabulary term **budget** (“spending plan”). Ask students: *Your parent or caretaker is creating a family budget. They have remembered to include how much money the family makes (income) and how much money the family spends on food and bills (expenses). What do you think is missing from your parent or caretaker’s budget?* Allow students to share answers. (Possible answers: spending on other things like mortgage or rent, clothing, entertainment; savings account(s); investing in stocks, bonds or mutual funds; charitable giving in the form of monetary donations)

### GUIDED EXPLORATION

#### SPEND, SAVE OR GIVE? – PERSONAL THINKING STATIONS [20 MINUTES]

Set up the classroom in three stations, with group handouts at each station:

- Station 1: **Spend**
- Station 2: **Save**
- Station 3: **Give**

(If you are concerned about the number of students at each station, the stations can be doubled to make two sets of stations, or six stations total.)

Instruct students that, at each station, they will view a slide that asks them to think about how they relate to the station. As they move to each station, they should talk about their answers with their station peers and/or record answers on a sheet of loose-leaf paper. Allow students five minutes at each station.

#### Grade Level Modifications:

**Beginner:** Limit the slide to one or two key questions. Allow these students to discuss their answers with a peer before recording their answers on loose-leaf paper.

**Advanced:** Ask students to develop one additional question related to spending, saving or charitable giving that can be used by the next group to visit the station.



### MONEY SMART TIP

Provide each station with a laptop or internet-connected device to allow students to do additional research with any remaining time.

## LESSON 12 *Spend, Save or Give?*

### INSTRUCTION STEPS

#### INDEPENDENT EXPLORATION

##### PERSONAL BUDGETING [20 MINUTES]

When they return to their seats, provide students with the **Personal Budget** student handout. Also give them a monthly income that they can use to create their budgets. (Note: You may want to give everyone in the class the same budget, say \$2,000, or you may want to vary the monthly budgets that students can work with.)

Using their responses to the station questions, students will fill out their **Personal Budget** student handout, factoring in expenses, savings and giving decisions. (Note: You might help students brainstorm some of the possible items on the budget.) See a possible student response to the **Personal Budget** student handout on the **Answer Key**.

##### Grade Level Modifications:

**Beginner:** Limit the number of expenses to the options and prices on the group handouts. Also, limit how students use their money for savings and giving. For savings, beginner students can focus on putting money into a simple savings account. For giving, beginning students can determine how much money they'd give away.

**Advanced:** Advanced students can have unlimited expenses and ways to save and give money. They might have a few methods of saving and a few methods of giving included in their personal budgets. Also, advanced students may want to provide one another with ongoing peer feedback to ensure that they include all expenses.

When students are finished with their budgets, they will choose one interesting part of it to present to the small groups from their stations. For example, some students may think that the way they factored giving into their budget is interesting, or how they limited their expenses to have more money in their savings accounts.

Students will then present their budget to their small group, focusing on what makes their budget interesting. Peers will use peer feedback norms to provide the students with budget "glows and grows." During "glows," peers will offer positive feedback on the budget. During "grows," peers will offer some suggestions or questions that might prompt change or improvement of the budget.

# LESSON 12 *Spend, Save or Give?*

## INSTRUCTION STEPS

### WRAP UP

#### **EXPLAINING MY BUDGET QUICK-WRITE** [10 MINUTES]

Have students respond to the prompt in writing: *Write an explanation of how you set up your budget and the decisions you made so that the budget will make sense to someone else.*

## LESSON 12 *Spend, Save or Give?*

### EXPANDED INFORMATION TO SHARE

**NOTE:** Use the following ideas to extend financial literacy concepts throughout the school year within core content areas through English Language Arts, Math, Social Studies and Economics, and Technology activities, projects and discussions. Duration of activities will vary.

#### ENGLISH/LANGUAGE ARTS

- **Writing Prompts**

- Imagine that you've just been gifted with \$1,000,000. How would you spend, save or give the money? What lessons have you learned about financial decision making that have influenced your choices?
- What do you think should be the most important part of financial decision making: spending, saving or giving? Write a convincing argument for your selection.

- **Additional Readings/Resources**

- *Tips for Teaching Kids About Charity* by The Balance: Tips for students about how to give to charity. [www.thebalance.com/how-to-teach-kids-about-charity-2085333](http://www.thebalance.com/how-to-teach-kids-about-charity-2085333)

#### MATH

- **Activity/Project Ideas**

- Imagine that you've just been gifted with \$1,000,000. Create a detailed budget about the amount of money you spend, save or give. Use financial calculators to determine interest gained on savings and potential risk or reward on investments.
- Investigate the finances of a variety of nonprofit organizations in your community. Complete calculations to determine how much of their budget is from charitable donations and what might happen if charitable donations decreased.

#### SOCIAL STUDIES AND ECONOMICS

- **Activity/Project Ideas**

- Research the incentives that the government has placed on charitable giving, such as tax deductions. Evaluate whom the government incentives are geared toward and whether or not the incentives increase charitable giving.

# LESSON 12 *Spend, Save or Give?*

## ANSWER KEY FOR STUDENT HANDOUTS

### Personal Budget

Answers will vary. Completed Sample:

Monthly Income (after taxes): \$2,150

### MY EXPENSES

Expense	Amount per Month
Rent	\$800
Utilities (gas, electric and water)	\$75
Phone	\$50
TV and internet	\$100
Bus pass	\$50
Food and household supplies	\$150
Going out to eat	\$100
Taking care of my pet cat (food, litter)	\$40
Entertainment	\$150
Magazine subscription	\$12
Renter's insurance	\$12

Money remaining after expenses are deducted:  $\$2,150 - \$1,539 = \$611$

### MY SAVINGS

How much of the remaining money do you plan to save? Explain your savings plan. \$500 in my savings account, because it will earn interest, but I can access it for emergencies.

### MY GIVING

How much of the remaining money do you plan to give? Explain your giving plan. \$50 to a group that provides after-school programs to kids (like the YMCA) because I benefited from those programs and it helped me become who I am today.

# Personal Budget

Name: \_\_\_\_\_

Monthly income (after taxes): \_\_\_\_\_

## MY EXPENSES

Expense	Amount per Month

Money remaining after expenses are deducted: \_\_\_\_\_

## MY SAVINGS

How much of the remaining money do you plan to save? \_\_\_\_\_

Explain your savings plan: \_\_\_\_\_

\_\_\_\_\_

## MY GIVING

How much of the remaining money do you plan to give? \_\_\_\_\_

Explain your savings plan: \_\_\_\_\_

\_\_\_\_\_



# Spend

**Directions:** Distribute one copy at each station for **Spend, Save or Give?** – **Personal Thinking Stations** activity.

Consider that some expenses are **fixed**, or never change from month to month, and other expenses are **variable**, or may vary from month to month. Categorize the expenses below as either fixed or variable.

Two-bedroom apartment rent \$800	Phone bill \$50	Entertainment (movies, travel, etc.) \$150
Going out to eat \$100	Renter's insurance \$12	Bus pass \$50
TV and internet \$100	Magazine subscriptions \$12	Utilities (gas, electric, water) \$75
Groceries \$150	Taking care of my cat (food, litter) \$40	

What other expenses might people have, aside from those listed above? Are those expenses fixed or variable?

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Of the variable expenses above, what could you do to decrease or increase your spending? What would your life be like if you increased or decreased spending?

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Are fixed expenses fixed for the rest of your life?

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# Save

**Directions:** Distribute one copy at each station for **Spend, Save or Give? – Personal Thinking Stations** activity.

What does it mean to save money?

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Why do people save money?

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What are some things you could do to save money?

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Are there certain methods for saving money that are better than others? Why?

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# Give

**Directions:** Distribute one copy at each station for **Spend, Save or Give? – Personal Thinking Stations** activity.

What are different ways that you can give back? (Hint: think beyond money)

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Why do people choose to give back?

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If you had lots of money, what organizations would you choose to give money to? Why?

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