



ELEMENTARY SCHOOL | GRADES 3–5

## Financial Sense Classroom Series | Spending

### Title

# The Spending Journey

## LEARNING OBJECTIVE(S)

Students will:

- Contemplate their own spending choices.
- Analyze factors that influence spending decisions.
- Write a story that demonstrates their understanding of spending choices and incorporates narrative elements.

## CONTENT CONNECTIONS

- **Language Arts:** Narrative writing, including event sequencing, use of transitions, and strong conclusions
- **Personal Finance:** Spending money, including factors that influence spending decisions, opportunity cost, scarcity, payment methods, and personal differences in making spending choices

## Overview

*What factors influence a person's spending decisions?* In this lesson, students engage with the concept of spending money through a series of activities designed to illuminate the complexities of financial decisions. After a brief discussion of personal reflections on spending choices, students respond to a series of spending decisions by physically moving to their chosen answer. Students watch a short, animated video to deepen their understanding and learn new vocabulary terms. In small groups, they rotate through various stations exploring different aspects of spending. The activity culminates in students writing a story about someone who makes a spending choice.

## Common Core ELA Standards

- CCSS.ELA-LITERACY.W.3-5.3: Write narratives to develop real or imagined experiences or events using effective technique, descriptive details, and clear event sequences.
- CCSS.ELA-LITERACY.W.3.3.A: Establish a situation and introduce a narrator and/or characters; organize an event sequence that unfolds naturally.
- CCSS.ELA-LITERACY.W.4-5.3.A: Orient the reader by establishing a situation and introducing a narrator and/or characters; organize an event sequence that unfolds naturally.
- CCSS.ELA-LITERACY.W.3.3.B: Use dialogue and descriptions of actions, thoughts, and feelings to develop experiences and events or show the response of characters to situations.
- CCSS.ELA-LITERACY.W.4.3.B: Use dialogue and description to develop experiences and events or show the responses of characters to situations.
- CCSS.ELA-LITERACY.W.5.3.B: Use narrative techniques, such as dialogue, description, and pacing, to develop experiences and events or show the responses of characters to situations.

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- CCSS.ELA-LITERACY.W.3.3.C: Use temporal words and phrases to signal event order.
- CCSS.ELA-LITERACY.W.4.3.C: Use a variety of transitional words and phrases to manage the sequence of events.
- CCSS.ELA-LITERACY.W.5.3.C: Use a variety of transitional words, phrases, and clauses to manage the sequence of events.
- CCSS.ELA-LITERACY.W.3.3.D: Provide a sense of closure.
- CCSS.ELA-LITERACY.W.4-5.3.D: Use concrete words and phrases and sensory details to convey experiences and events precisely.
- CCSS.ELA-LITERACY.W.4-5.3.E: Provide a conclusion that follows from the narrated experiences or events.

## National Standards for Personal Financial Literacy

- II. Spending 4-1 People differ in their preferences, priorities, and resources available for consuming goods and services.
- II. Spending 4-2 Money can be spent to increase one’s own or another individual’s personal satisfaction or to share the cost of goods and services.
- II. Spending 4-3 When people make a decision to use money for a particular purpose, they incur an opportunity cost in that they cannot use the money for another purpose.
- II. Spending 4-4 Purchasing decisions have costs and benefits that can be different for different people.
- II. Spending 4-5 Price, spending choices of others, peer pressure, and advertising about a product or service can influence purchase decisions.
- II. Spending 4-6 Payment methods for making purchases include cash, checks, debit cards, and credit cards.

## Materials

- **Tape**—to hang signs around the room
- **Pick a Path Classroom Signs**—one copy of each, hung on opposite sides of the room in advance
- **Pick a Path Student Prompts**—one copy for reference
- **A Spender’s Journey Station Signs**—one copy of each
- **A Spender’s Journey Student Capture Sheet**—six copies if using a group notetaker or one copy per student for individual notetaking/submission
- **Six blank pieces of paper and extra tape**—place these at the Opportunity Oasis station
- [Financial Sense: Spending Video](#)

## Engage

- Ask students if they have ever had to make a choice about how to spend money. Share a personal story about a time when you were faced with a spending decision, or invite several students to share choices they made.
- Let students know that you are going to give them a series of choices that relate to spending money. Point out the **Pick a Path Classroom Signs** on opposite sides of the room, and tell students each sign represents one of the two “paths” they can choose: Canyon Crossing or River Ridge.
- Select at least four choices from the **Pick a Path Student Prompts**, and

### FACILITATOR TIPS

When using outside of the classroom:

- If the technology is not available to watch the video as a group, explain the main concepts and provide the key vocabulary to students.

## Pathway to Financial Success

In Schools

direct students to move to the sign that best represents their choice for each one. Call on students after each choice to share their thoughts on the decision they made and notice any patterns in student selections.

- Invite students to consider if their answers might have been different had you given them the list of scenarios on a handout and had them answer privately. Did seeing their classmates select a specific answer influence their response in any way? If so, how?

## Teach

- Introduce and then play this short, animated video about spending: [Financial Sense: Spending](#) (1:06), asking students to actively listen for key messages and important vocabulary, such as “scarcity.”
- Ask students to identify any key concepts or vocabulary terms they may have heard in the video.
- Inform students that they are going to work in small groups to take a “spending journey” that will explore choices people make when spending money.
- Hang the **A Spender’s Journey Station Signs** around the room or give them to students to hang. Explain each station as you go, calling attention to what is expected at each one. Be sure to point out that groups will be creating a choice for the next group to visit the Opportunity Oasis station. The first group will not have one to answer, but they will get to answer the one created by the last group at the end.
- Divide students into six groups. Distribute a copy of the **A Spender’s Journey Student Capture Sheet** to each student or to each group if you are assigning a group notetaker.
- Assign each group a starting station.
- Allow time for students to complete the station (about 5 minutes) and then direct them to rotate. Tell them which direction they should move in around the room. Continue to have the groups rotate until each group has visited all six stations.
- Debrief the activity by calling on groups to share key takeaways from various stations. Since students create a scenario for the next group at the Opportunity Oasis station, let groups share how they answered and see if the responses match up with what was predicted. The last group to visit this station should read their scenario for the first group to decide since they did not have a choice awaiting them at the beginning. If any students need an example of a payment method being used for the Payment Plaza station, provide a personal example.

### FACILITATOR TIPS

When using outside of the classroom:

- If the technology is not available to watch the video as a group, accommodate by providing the following information before students begin the stations activity:
- Explain how and why apples are described as a need and cake is described as a want.
- Explain the vocabulary term, “scarcity.”

## Conclude

- Point out the personal nature of spending choices and how—even when faced with the same or very similar factors—people often make different decisions.
- Distribute a copy of **The Story of a Spender Student Capture Sheet** to each student.
- Provide directions about the length of the story students should write and any other factors you will consider when reading them, such as developing a sequence of events that unfolds naturally, signaling event order with transitional words, incorporating dialogue, etc.

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- Make sure students understand the expected length of their stories and the time that will be given to write them. This activity can be facilitated as a quick write at the end of the session, a homework response over the course of a day, or a longer writing workshop spanning multiple class sessions.
- Allow an opportunity for students to share their stories with a classmate or the entire class, if desired.

### Extend

- **Opinion Writing:** Direct students to respond to the statement: "You don't need to spend money to have fun." Do they agree or disagree? Encourage them to use examples from personal experiences and the activity to support their argument.
- **Research:** Challenge students to investigate factors that affect spending decisions. Direct them to ask friends and family members about times they have been influenced to purchase something by things like advertisements, peer pressure, or a sales price or coupon.
- **Role-play:** In groups, students role-play different spending scenarios, each member advocating for a different decision. Afterwards, discuss as a class the various perspectives and decision-making processes.
- **Mathematics:** Challenge students to create a simple monthly budget using fractions. What fraction of a budget should be devoted to each budget category, such as housing, food, transportation, saving for the future, clothing, and fun experiences? The total of their fractions cannot exceed one (1). Alternately, a hundreds chart can be used and colored in to represent the percent of a total budget that students would allocate to each category.
- **Family:** Encourage students to discuss how family spending decisions are made. Do they use a budget, have specific spending priorities, or use any tools or strategies to keep track of their spending?

# CAMRYON CROSSING

# RIVER RIDGE

# Which Path?

**Directions:** Select prompts from the list below and direct students to move to the path sign that reflects their personal choice. Remind students that there are no right or wrong answers in this activity.

CANYON CROSSING	OR	RIVER RIDGE
Spend money on a music subscription service	or	a TV-streaming service (shows and movies)?
Buy a new backpack each year	or	reuse the one you have until it wears out?
Use birthday money on a day out with friends	or	buy a new video game?
Pay for tickets to go see a movie	or	save the money for a concert ticket?
Purchase several fast-food meals	or	pay to take a cooking class?
Have one pair of expensive, popular shoes	or	several pairs of less expensive and less popular shoes?
Get holiday gifts for friends	or	save for a family vacation?
Receive cash as a gift	or	get a gift card to a store you like?
Spend money on candy and snacks	or	buy things for a favorite hobby or activity?
Use money to join a sports team	or	buy something you really want, like a bike?
Ask for money for a summer camp registration	or	lessons to get better at something you enjoy?
Receive a \$20 gift card to someplace you don't know	or	get one for \$10 for a place you really like?
Get a low-cost pet now (like a hamster, fish, or rabbit)	or	save up for a larger pet like, a dog?
Purchase a popular toy	or	donate money to an animal shelter?
Buy a new game	or	get several add-ons in one you already have?

**Directions:** Lorem Ipsum Dolor

# NECESSITY NOOK

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People often think of food as a need because we can't survive without eating. In the video, you saw an example of choosing between two foods. It showed a slice of cake as a want and an apple as a need.

1. Do you agree with the apple being called a need and the cake being a want? Why or why not?
2. How do you decide if a certain food is a want or a need?
3. List three other choices between a want and a need. Try to pick choices that do not involve food.



# SCARCITY SPRINGS

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Think back to the video. It talked about the amount of money you have as being limited. The same can happen with things like time and even pizza. This was described as “scarcity.”

1. Write a definition of the term scarcity based on what you know right now.
2. Share two examples of choices people make because the quantity of something is limited.

# BUDGETING BAY

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Imagine you have been given a budget of \$50 to plan a classroom celebration.

1. Decide which of the following items you would purchase. You can buy more than one of any item. Just make sure you don't go over the spending limit.

Large cheese pizza: \$10

Pack of 20 plates: \$3

Pack of balloons: \$4

24-pack of bottled water: \$5

2-liter bottle of soda: \$3

Large pepperoni pizza: \$12

Pack of 50 napkins: \$2

Large bag of chips: \$5

12-pack of soda: \$8

24-pack of cups: \$3

2. What do you wish you could have bought but couldn't because of the spending limit?

# OPPORTUNITY OASIS

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When a person makes a choice, whatever isn't selected is called the **OPPORTUNITY COST**. For example, if a person chooses to spend money going out to eat instead of getting a haircut, the haircut is their opportunity cost.

1. Create a scenario that gives the next group to visit the situation a choice. Write it on a new piece of paper and tape it below this sign.
2. What do you think they will choose and what do you predict will be their opportunity cost?

# INFLUENCE ISLAND

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Spending decisions can be influenced by many different factors, including price, the spending choices of others, peer pressure, and advertising.

1. List personal examples of spending choices that have been influenced by something or someone. Each group member should provide at least one example.
2. What can you do to avoid being influenced by others to make poor spending choices?

# PAYMENT PLAZA

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There are many ways to pay for things—everything from cash to digital payments using a phone or watch. Give an example of a time you have seen someone use these or other payment methods to make a purchase or a situation where you can imagine the payment method being used. If you aren't sure or haven't seen them used, write "want an example" for that payment method.

1. Cash (bills and coins)
2. A physical credit card that keeps track of how much you spend and sends you a bill to pay each month
3. A physical debit card that automatically takes the money from your bank account
4. A digital payment that uses a phone or watch instead of a physical credit or debit card
5. A gift card you received from someone

# A Spender's Journey

**Directions:** As you visit each station, answer the questions as a group and take notes.

## NECESSITY NOOK

Do you agree with the apple being called a need and the cake being a want? Why or why not?

How do you decide if a certain food is a want or a need?

List three other choices between a want and a need. Try to pick choices that do not involve food.

## SCARCITY SPRINGS

Write a definition of the term scarcity based on what you know right now.

Share two examples of choices people make because the quantity of something is limited.

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## BUDGETING BAY

List the items your group decided to purchase.

What do you wish you could have bought but couldn't because of the spending limit?

## OPPORTUNITY OASIS

What scenario did you give to the next group?

What do you think they will choose and what do you predict will be their opportunity cost?

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## INFLUENCE ISLAND

List examples of spending choices that have been influenced by something or someone.

What can you do to avoid being influenced by others to make poor spending choices?



<b>Payment Method</b>	<b>Example of When This Payment Method Might Be Used</b> Note: If you cannot think of an example, write “need an example” in the blank.
Cash	
Credit card	
Debit card	
Digital payment	
Gift card	

# The Story of a Spender

**Directions:** Write a story about someone who faces a decision about spending money. Be sure to include at least three of the following in your story. Circle the ones you have included.

- Deciding between a want and a need
  - Being influenced by something or someone
  - Taking note of the choice's opportunity cost
  - Selecting a payment method
  - Being given a budget or spending limit
  - Facing scarcity or something being in limited supply
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