

Love Kids.
Love Math.

Personal Financial Literacy, Grades 3-5

CORNERSTONES 4
Success

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| Kindergarten | | Grade 1 | | Grade 2 | | Grade 3 | | Grade 4 | | Grade 5 | | Grade 6 | |
|--|--|---|--|---|---|---|--|---------|--|---------|--|---------|--|
| Considering Income and Careers | | | | | | | | | | | | | |
| (9) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (9) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (11) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (9) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (10) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (10) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (10) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to: | (14) Personal financial literacy. The student applies mathematical process standards to develop an economic way of thinking and problem solving useful in one's life as a knowledgeable consumer and investor. The student is expected to: | | | | | | |
| (A) identify ways to earn income. | (A) define money earned as income. | (A) differentiate between producers and consumers and calculate the cost to produce a simple item. | (A) explain the connection between human capital/labor and income. | (A) distinguish between fixed and variable expenses. | (A) define income tax, payroll tax, sales tax, and property tax. | (A) compare the annual salary of several occupations requiring various levels of post-secondary education or vocational training and calculate the effects of the different annual salaries on lifetime income. | | | | | | | |
| (D) distinguish between wants and needs and identify income as a source to meet one's wants and needs. | (B) identify income as a means of obtaining goods and services, oftentimes making choices between wants and needs. | (F) differentiate between money received as income and money received as gifts. | (B) describe the relationship between the availability or scarcity of resources and how that impacts cost. | (B) calculate profit in a given situation. | (B) explain the difference between gross income and net income. | | | | | | | | |
| (B) differentiate between money received as income and money received as gifts. | (C) list simple skills required for jobs. | | | | | | | | | | | | |

| Kindergarten | | Grade 1 | | Grade 2 | | Grade 3 | | Grade 4 | | Grade 5 | | Grade 6 | |
|---|--|---|--|--|--|---|--|--|--|--|--|---|--|
| Considering Saving and Investing | | | | | | | | | | | | | |
| <p>(9) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p> | | <p>(9) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p> | | <p>(11) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p> | | <p>(9) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p> | | <p>(10) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p> | | <p>(10) Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:</p> | | <p>(14) Personal financial literacy. The student applies mathematical process standards to develop an economic way of thinking and problem solving useful in one's life as a knowledgeable consumer and investor. The student is expected to:</p> | |
| | | <p>(C) distinguish between spending and saving.</p> | | <p>(A) calculate how money saved can accumulate into a larger amount over time. (B) explain that saving is an alternative to spending.</p> | | <p>(E) list reasons to save and explain the benefit of a savings plan, including for college. (C) identify the costs and benefits of planned and unplanned spending decisions.</p> | | <p>(C) compare the advantages and disadvantages of various savings options.</p> | | | | | |

| Kindergarten | | Grade 1 | | Grade 2 | | Grade 3 | | Grade 4 | | Grade 5 | | Grade 6 | |
|-----------------------------|--|---------|--|---|--|--|--|---|--|---|--|--|--|
| Considering Credit and Debt | | | | | | | | | | | | | |
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| | | | | (D) explain that credit is used when wants or needs exceed the ability to pay and that it is the borrower's responsibility to pay it back to the lender, usually with interest. | | (E) describe the basic purpose of financial institutions, including keeping money safe, borrowing money, and lending. | | (C) identify the advantages and disadvantages of different methods of payment, including check, credit card, debit card, and electronic payments. | | (B) distinguish between debit cards and credit cards. | | | |
| | | | | (D) identify examples of borrowing and distinguish between responsible and irresponsible borrowing. | | | | | | | | (D) explain why it is important to establish a positive credit history. | |
| | | | | (E) identify examples of lending and use concepts of benefits and costs to evaluate lending decisions | | | | | | | | (E) describe the information in a credit report and how long it is retained. | |

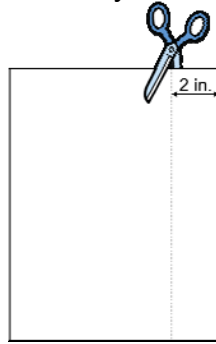
| Kindergarten | | Grade 1 | | Grade 2 | | Grade 3 | | Grade 4 | | Grade 5 | | Grade 6 | |
|---|--|--|--|--|---|---|---|---|--|---|--|---------|--|
| Considering Planning and Money Management | | | | | | | | | | | | | |
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| | | (D) consider charitable giving. | | (F) identify decisions involving income, spending, saving, credit, and charitable giving. | | | (D) describe how to allocate a weekly allowance among spending; saving, including for college; and sharing. | | | (D) develop a system for keeping and using financial records. | | | (A) compare the features and costs of a checking account and a debit card offered by different local financial institutions. (C) balance a check register that includes deposits, withdrawals, and transfers. |
| | | | (C) distinguish between a deposit and a withdrawal. | | | | | | | | | | (E) describe actions that might be taken to balance a budget when expenses exceed income. (F) balance a simple budget. |

Personal Financial Literacy: Vocabulary

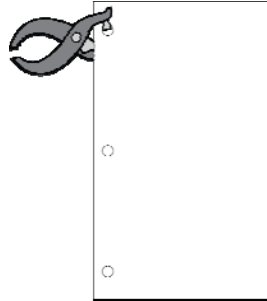
| Explicit Vocabulary | Implicit Vocabulary |
|---------------------|---------------------|
| | |

Flip Book

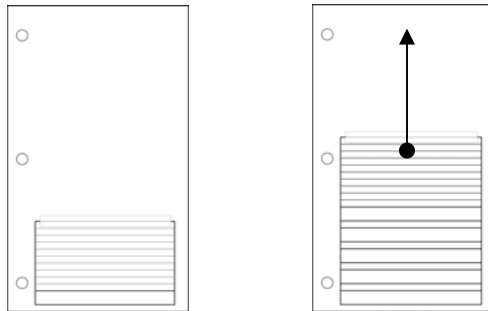
- 1 Cut vertically to remove approximately 2" from a sheet of cardstock.



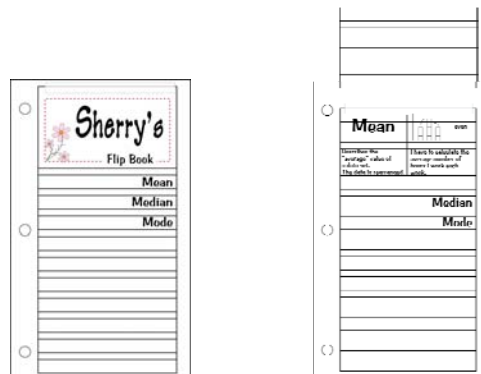
- 2 On the left hand side of the cardstock make 3 holes to fit in a 3-ring binder.



- 3 Tape a 3" by 5" index card upside down to the bottom of the cardstock. Continue layering with additional index cards.



- 4 Decorate the first index card and title the flip book.



Student Name: _____ Date: _____

Available or Scarce?

Scarcity: Occurs when human wants exceed the available resources to satisfy those wants.

Tell your partner what you think "scarcity" means in your own words. Listen to how your partner explains the meaning in his/her own words. Work together to write your own definition of "scarcity" below:

| Circle whether the resource is readily available or scarce. | | | Explain how this could impact the cost. |
|---|-----------|--------|---|
| A brand new video game was just released. It is very hard to find. Is the video game available or scarce? | available | scarce | |
| Food Mart received an extra shipment of apples. They need to get rid of the apples quickly. Are the apples available or scarce? | available | scarce | |

Describe something that you have wanted but was scarce?

Student Name: _____ Date: _____

Planned or Unplanned Spending

Cut apart the **Spending Cards**. Determine whether each expense could best be described as planned or unplanned. Attach the cards under the appropriate categories.

Planned Expenses

Unplanned Expenses

Choose one of the cards from either column above. Draw a star on the card you chose. Use your selected card to complete each of the following sentences:

1. The costs of this expense . . .

2. The benefits of this expense . . .

Spending Cards

Cut along the bold dotted lines. Five sets of cards are provided.

| | | | |
|---|---|---|--|
| Purchasing a new tire after having a flat | Paying for a doctor visit when you are sick | Purchasing a new sofa to redecorate the living room | Purchasing a new furnace when the old one breaks |
| Paying for the hotel on a summer vacation | Purchasing food for a party you are hosting | Paying the fine for a speeding ticket | Paying a down payment on a new car |
| Purchasing a new tire after having a flat | Paying for a doctor visit when you are sick | Purchasing a new sofa to redecorate the living room | Purchasing a new furnace when the old one breaks |
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| Paying for the hotel on a summer vacation | Purchasing food for a party you are hosting | Paying the fine for a speeding ticket | Paying a down payment on a new car |

Student Name: _____ Date: _____

Financial Decisions

Cut apart the **Decision Cards**. Determine which category most appropriately describes each decision. Attach the cards when you have found the correct placement.

| | |
|----------|--|
| Income | |
| Spending | |
| Saving | |
| Credit | |
| Charity | |

Communicating about Mathematics

Choose a category from the list above and create a second card that would fit the category.



Decision Cards

Cut along the bold dotted lines. Two sets of cards are provided.

Option A: Basic gym membership for \$50 per month
Option B: Gym membership plus one class for \$80 per month

Option A: Donate to the local food pantry
Option B: Donate to a medical fund for injured firemen

Option A: Earn \$15 an hour for 40 hours per week
Option B: Earn \$12 an hour for 50 hours per week

Option A: Begin a fund with \$100 up front and add \$10 per week
Option B: Begin a fund with \$50 up front and add \$15 per week

Option A: Purchase an appliance using the store payment plan
Option B: Purchase an appliance using a credit card

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Option B: Gym membership plus one class for \$80 per month

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Option A: Purchase an appliance using the store payment plan
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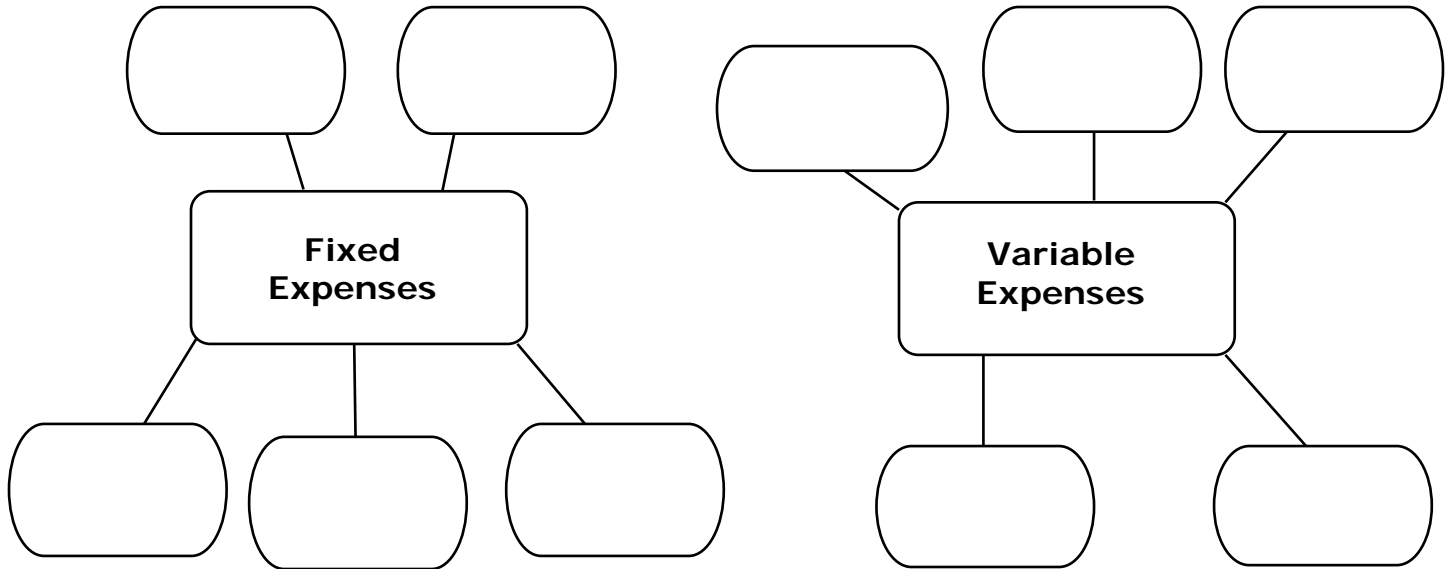
Fixed and Variable Expenses

Talk with your partner about what you think it means for something to *vary*. What are some synonyms for the word *vary*?

If something does NOT vary, we can use the word *fixed* to describe it.

Place the words from the **Word Bank** in the appropriate category below.

- Complete any remaining spaces with your own examples.
- Justify each of your answers to your partner.



| Word Bank | |
|------------|-----------------------|
| auto loan | groceries |
| mortgage | magazine subscription |
| water bill | electric bill |

Student Name: _____ Date: _____

Profit Comparisons

Use the definition of profit provided below to match each company with the description that best describes its profit. Record the profit next to each company.

Profit: The difference between the amount of money earned and the expenses required in earning the money.


| | |
|--|--|
| <p>Barker’s Baseball Supplies Mr. Barker’s supplier charged him \$386.10 for an order of baseball bats. He sold the bats for \$661.50. How much profit did Mr. Barker make on the bats?</p> | <p>Kali’s Lawn Service Kali mowed 15 lawns for \$25 each. She spent \$16.08 on fuel for her lawn mower. How much profit did Kali make mowing the 15 lawns?</p> |
| <p>Miguel’s Photography Miguel spent \$54.17 on supplies and props for three photo shoots. He received a total of \$446.34 in payments for the shoots. What was Miguel’s profit?</p> | <p>Carol’s Homemade Burgers Carol made a total of \$283.30 selling burgers today. The supplies to make the burgers cost Carol \$89.20. What was Carol’s profit?</p> |


| Description | Company Name | Profit |
|--|--------------|--------|
| This company has the greatest profit. | | |
| This company has the least profit. | | |
| This company’s profit has a 9 in the tenths place. | | |
| This company’s profit is a multiple of 5. | | |

Student Name: _____ Date: _____


Spending My Allowance

The students in Ms. Umbach's class used a strip diagram to describe how they would allocate a weekly allowance of \$10. Some of the responses are shown below.

| | | | | |
|---|--------------------|---------------------------|-------------------------------|-------------------|
|  Bill | Spending \$2.50 | Savings for Car \$2.50 | Savings for College \$2.50 | Sharing \$2.50 |
|---|--------------------|---------------------------|-------------------------------|-------------------|

| | | | | |
|---|--------------------|--|-------------------|-------------------|
|  Fran | Spending \$5.00 | | Savings \$2.50 | Sharing \$2.50 |
|---|--------------------|--|-------------------|-------------------|

| | | | | |
|---|-----------------|--|----------------|----------------|
|  Jack | Spending \$7 | | Savings \$2 | Sharing \$1 |
|---|-----------------|--|----------------|----------------|

| | | | | |
|--|-----------------|-----------------------------|----------------------------|----------------|
|  Tasha | Spending \$5 | Savings for Vacation \$2 | Savings for College \$2 | Sharing \$1 |
|--|-----------------|-----------------------------|----------------------------|----------------|

Draw a picture of yourself in the space below and use the strip diagram to show how you would allocate a weekly allowance of \$10.

Me

| |
|--|
| |
|--|




Student Name: _____ Date: _____

Gross and Net Income: Who's Correct?

Mrs. Carter is teaching her class about gross income and net income. She gave the following information to her students.

| | |
|---|--|
| <p>Gross income is the amount of money a person makes before taxes and other deductions are applied.</p> | <p>Net income is the amount of money a person makes after taxes and other deductions are applied.</p> |
|---|--|

Tina, Antoine, and Maria each drew their own conclusions from this information.

| | | |
|--|---|---|
|  <p>Tina thinks net income will sometimes be more than gross income, and sometimes it will be less.</p> |  <p>Antoine believes net income will always be more than gross income.</p> |  <p>Maria thinks gross income will always be more than net income.</p> |
| <p>Who is correct and why?</p> | | |

Student Name: _____ Date: _____

Comparing Payment Methods

Place a check beneath each payment method to which the statement could apply. You may have more than one check for each statement.

| | Cash | Check | Credit Card | Debit Card | Electronic Payment |
|--|------|-------|-------------|------------|--------------------|
| Paying with this method can have hidden fees. | | | | | |
| There is a higher risk of fraud when paying with this method. | | | | | |
| This method of payment can result in interest charges. | | | | | |
| This method of payment may not be accepted in some places. | | | | | |
| It may take hours or days for payments to post using this method of payment. | | | | | |
| This payment method provides convenience. | | | | | |
| This method of payment gives a record of each transaction. | | | | | |

Compare your list with a partner. Discuss similarities and differences in your answers. Justify your choices with reasons and/or example.

Student Name: _____ Date: _____

Balancing a Budget

The list below shows several actions that one might take to balance a budget if his or her expenses are more than his or her income.

Choose two items from the list and explain why these steps could be helpful in balancing a budget. Also include any disadvantages that can accompany these decisions.

- Sort all expenses into categories of wants versus needs.
- Eliminate expenses for unused services.
- Obtain a second income, such as a part-time job.
- Limit activities such as dining out or entertainment.

My first choice is _____

because _____

Some disadvantages of this decision could be _____

My second choice is _____

because _____

Some disadvantages of this decision could be _____

Balancing a Budget

- Separate the Income Cards from the Expense Cards.
- Randomly select 3 Income Cards and 3 Expense Cards
- Record the item description and the amounts below.
- Add up the Income column and add up the Expense column.

| Item Description | Income Amount | Expense Amount |
|------------------|---------------|----------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| TOTALS: | | |

Is your expense total more than your income total?

YES

NO

How much less do you need to spend in order to have \$3 each week to place in savings?

How much money do you have left over to put in savings?

Student Name: _____

Date: _____

Budget Cards




Cut along the dotted lines. Two sets of cards are provided.

| | | |
|---|--|--|
| <p>Income</p> <p>Allowance \$15.00</p> | <p>Income</p> <p>Lunch Money \$10.00</p> | <p>Income</p> <p>Mowing Lawns \$20.00</p> |
| <p>Income</p> <p>Babysitting \$18.00</p> | <p>Income</p> <p>Dog Walking \$11.00</p> | <p>Income</p> <p>Car Washing \$12.00</p> |
| <p>Expense</p> <p>Lunch \$8.50</p> | <p>Expense</p> <p>Pay Back a Friend \$7.00</p> | <p>Expense</p> <p>Clothes \$25.00</p> |
| <p>Expense</p> <p>Candy Store \$5.00</p> | <p>Expense</p> <p>Movies with Friends \$12.25</p> | <p>Expense</p> <p>Snacks \$9.00</p> |
| <p>Income</p> <p>Allowance \$15.00</p> | <p>Income</p> <p>Lunch Money \$10.00</p> | <p>Income</p> <p>Mowing Lawns \$20.00</p> |
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|---|---|
| <p>Smarter Texas Home Page</p> <p>http://smartertexas.org/</p> |  |
| <p>Personal Financial Literacy Grade Level Resources</p> <ul style="list-style-type: none">• 7-8 Lessons• 4-6 Lessons• 2-3 Lessons• K-1 Lessons• K-12 Math PFL TEKS and Social Studies Economics TEKS Correlation Chart |  |
| <p>Assessment Resources</p> |  |

