Personal Financial Literacy

For Grade 2 Classrooms

Texas Council on Economic Education

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These lessons are a part of the Texas Council on Economic Education Smarter Texas program and based on the 2012 Math Personal Financial Literacy Texas Essential Knowledge and Skills

Texas Council
on
Economic Education

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Empty Pockets

Lesson Description	This lesson includes a brief introduction to the magical kingdom of Moneia (pronounced Mon-ē-ǎ) that is carried throughout the grade 2 financial literacy lessons.
	The lesson begins with a short story, "Empty Pockets." In the story, Mother Kangaroo shares a problem her little Joey has with Barkley, the wisest tree in the forest. Little Joey spends all of his money and never saves any for emergencies or for larger purchases. Barkley offers advice for addressing Joey's problem by giving Joey some of his bark to construct a special box just for keeping his savings. Students glue coins in the savings box and coins in Little Joey's pocket and determine the amounts. Then they do a sorting activity to reinforce the idea of saving some money rather than spending it all at once.
Texas Essential Knowledge and Skills (Target standards)	• **PFL Math 2.11B:** explain that saving is an alternative to spending
Texas Essential Knowledge and Skills (Connecting standards)	• **Social Studies 2.9B:** explain the choices people in the U.S. free enterprise system can make about earning, spending, and saving money and where to live and work.
Texas Essential Knowledge and Skills (Prerequisite standards)	• **Math 2.1:** Mathematical process standards • **Math 2.4C**: solve one-step and multi-step word problems involving addition and subtraction within 1,000 using a variety of strategies based on place value, including algorithms • **Math 2.5A**: determine the value of a collection of coins up to one dollar • **Math 2.5B**: use the cent symbol, dollar sign, and the decimal point to name the value of a collection of coins
National Standards (Supporting standards) **CEE** - Council for Economic Education	• **CEE Saving 4.3-2:** When people save money, they give up the opportunity to spend that money to buy things now in order to buy things later.
PFL Terms	• spend • save
Time Required	45-minutes to 1 hour
Materials Required	• One copy of **Visual 2.1-1** and **Visual 2.1-2** • One copy of **Activity 2.1-1** and **Activity 2.1-2** for each student • One copy of **Activity 2.1-3** to use as a visual and one for each student • Scissors

- Glue or glue stick
- Pencils
- Crayons

Procedure

(Teacher Note)   During these financial literacy lessons, the class will be introduced to a group of animals living in a wooded forest in the Kingdom of Moneia (pronounced Mon-ē-ă). In this forest, students will meet a wise old tree named Barkley who will help them find answers to their questions as they learn grade appropriate financial literacy.

These six lessons are designed to be taught in the order presented.

Introduction   Read the unit introduction on **Visual 2.1-1.** This introduces both the setting and the main character that children will come to know during the stories.

Engage

1. Begin the lesson by posing these questions to students:

   a. *Does anyone know what a baby kangaroo is called?* *(joey)*

   b. *Where does a mother kangaroo keep her baby so that it will be safe?* *(in her pocket)*

   c. *Where is that pocket located?* *(lower front of her body)*

   d. *What do you call an animal that cares for its young in a pocket or a pouch?*

      (marsupial)

2. Tell students that they will hear a story about a mother kangaroo who talks to a wise old tree named Barkley to help her teach her son the wise use of his money.

3. Read the story "Empty Pockets" to your class. The story is found on **Visual 2.1-2**.

Explore/Explain

4. After reading the story, pose the questions below.

   a. *Who is the wisest tree in the wooded forest?* *(Barkley)*

   b. *What was Mother Kangaroo's problem?* *(Little Joey spends all his money and never has any left for emergencies or special purchases.)*

   c. *What idea did Barkley give Mother Kangaroo?* *(Have Little Joey make a box for saving some of his money.)*

   d. *How was Little Joey supposed to use the savings box?* *(Joey could save money in the box and put the money he could spend in his pocket.)*

   e. *Do you think this was a good idea? Why or why not?* *(Yes, then he would always have money available when he really needed it.)*

   f. *Can you think of another time when Little Joey might have an emergency when he would need money?* *(Sample responses: for food, the doctor, Mother Kangaroo's birthday)*

g. *Barkley said that we can make our own choices about earning, spending, and saving money. What is this idea called?* **(This idea is the free enterprise system.)**

h. *Can you think of another way Mother Kangaroo could have solved this problem? What?* **(Sample responses: She could have Little Joey put some of his money in a piggy bank. She could have Joey put some of his money in an envelope in her pocket for him.)**

5. Ask the questions below to help students relate the idea of saving to their lives.

   a. *If you have money, do you always have to spend it?* **(no)**

   b. *What else could you do with it?* **(You can save it for something that is very much wanted. You can share with others.)**

   c. *Why should you save some of your money?* **(To have money for emergencies or when something you really want is on sale or for big items that cost a great deal)**

   d. *What is something you know that you use like Little Joey used the savings box? (Sample responses: We use a piggy bank. We use a bank in a building.)*

6. Have students complete **Activity 2.1-1**. Ask students what they do with money. They may mention several things but be sure they know that they both spend and save money. Direct students to cut off the strips of coins at the bottom of the page. The top strip is used to complete the top problem and the lower strip is for the second problem. For each problem, students decide which coins Little Joey should put in his savings box and which coins go in his pocket. Students glue them in the appropriate place. Then they find the amount of money in the box and in Little Joey's pocket. Students write the amount under each picture.

   Note: Students may divide the coins any way they wish as long as there are coins in both the box and in Little Joey's pocket.

Elaborate   7. Read the scenario below to students.

   Little Joey wants many things. Barkley wants Little Joey to understand that some things can be bought right away because Little Joey earns enough money from doing his weekly chores. Little Joey must save for things because they cost more money than he has in one week. To help Joey understand this, Barkley tells him to write down each of the things he wants on a leaf. Then Joey must hang each leaf on one of Barkley's branches. The branches on the left are for things that Little Joey can spend his money on now and the branches on the right are for the things that Joey must save for.

8. Give students **Activity 2.1-2**. Students complete the activity by following the directions on the page. Tell students that they are to cut out the items on the bottom of the page. Then have students glue each item to the correct side of Barkley's tree. Provide time for students to complete the activity. You may wish to give students a hint that one side of

the tree will have more items on it than the other side.

Evaluate/End

9. Project **Visual 2.1-3** so that students can see the sentence starters after they have completed **Activity 2.1-2**. Students should choose an item they wish to have and then explain why saving for that item is a good choice rather than spending their money.

EXTENSIONS

Little Joey wants a skateboard just like his friends have. The one he wants costs $20.00. Little Joey can save $2.00 from his weekly allowance of $5.00 to save toward the skateboard. His mother said that she would pay for half of the skateboard when Little Joey has the money for the other half. How much does Little Joey need to save? How many weeks will it take Little Joey to reach his goal of buying the skateboard?

Problem Solving Strategy Suggestion:
1. Read the problem aloud with each child having a copy of the problem and workspace on the page.
2. Find the questions and discuss what the problem is asking.
3. Decide what information in the problem will help answer each question.
    a. How much does Little Joey need to save?
        o Cost: $20
        o Mother will pay half: $10
        o Left for Joey to pay: $10
    b. How many weeks will it take Little Joey to reach his goal?
        o Week 1 he will have saved $2
        o Week 2 he will have saved $4
        o Week 3 he will have saved $6
        o Week 4 he will have saved $8
        o Week 5 he will have saved $10. It will take 5 weeks for Joey to reach his goal.

In the magical kingdom of Moneia (pronounced Mon-ē-ă), there was a lush green forest. Within the wooded forest there lived a wise old tree named Barkley that stood tall, proud, and strong. After many years of good times and bad times, he had learned countless things about how to survive. Many of the animal friends in the forest would come to him for advice.   Barkley helped them learn about spending and saving, borrowing and lending, and lots of other money skills. They depended on his knowledge.

Barkley was a friendly pine tree that stayed green all year long. He had become an expert on anything that was green, including money—from counting money, to making good decisions using money, and making more money with your money.

In this set of lessons, we will hear about the animals in the forest that needed Barkley's help understanding about money and learn along with them.

Empty Pockets

(A story about a Mother Kangaroo and her little Joey)

One sunny morning, Barkley noticed Mother Kangaroo hopping slowly through the forest. Her head was down and her hops were short. She looked worried. When Barkley shook his leaves, she stopped and looked up.

"Hi there, Mother Kangaroo. What seems to be the matter?" asked Barkley.

"Oh, hi, Barkley. I didn't notice you there. I'm trying to solve a problem I'm having with my Little Joey," answered Mother Kangaroo.

"Can I help?" asked Barkley.

"I'm not sure. You see, Little Joey has a wonderful pocket just where all little kangaroos have a pocket, right in front. Little Joey keeps his money that he earns from doing chores in that pocket for when he goes to the castle toy store or to the Chipmunk Carnival. The problem is that he forgets to save some of his money and before long his money is all gone! Then there's no money left in case of an emergency when he really needs money or in case there is something he really, really wants. I just don't know how to help him, Barkley."

"Well, Mother Kangaroo, I see the problem," said Barkley. "Little Joey needs to understand that it is important to not spend every dollar he has, in case an emergency happens or a really great deal comes along. He needs to learn to put a little money away in a safe place so he will have it when he wants it or when he needs it."

Barkley continued, "In our country, as well as here in our forest, each of us makes choices about earning, spending, and saving money. We can even share with our friends if we want. It's all part of the free enterprise system. No one tells us how to use our money. But it is our responsibility to make good choices and use our money wisely. That way, we will have money for when we need it or want to use it. This is what Little Joey must learn."

"Oh, Barkley, you understand exactly!" said Mother Kangaroo. "What if Little Joey's favorite Boxing Kangaroo toy just lost its power? The toy needs new batteries. Uh-oh! Tomorrow he's boxing his cousin's toy for the championship. I don't have enough money for new batteries because I have to buy groceries. It's times like this when Little Joey wishes he hadn't spent all of his money at the carnival."

Barkley stretched out his arm toward Mother Kangaroo with something in his hand. "Here are some pieces of bark that have fallen off me. Little Joey can use this bark to build a small box for the money he saves. Each time he earns money, remind him to put a little of it away in his savings box before he does any spending. He can put his spending money in his pocket so that he will always have that with him, but his savings box will be safely at home. Then and only then is he ready to spend."

"Oh, Barkley, that's a great idea! You are soooo wise!"

So Mother Kangaroo went home and got out some simple tools for Little Joey to use. They sat at the kitchen table together and built a small box just like Barkley had suggested.

When they were finished, Little Joey looked at the beautiful box they had made and jumped up and down like all excited kangaroos do. Never again would he find himself without money when it was important to him to have money. There would always be some money in his savings box.

Activity 2.1-1

Name _____

Cut off the strips of coins below. For each problem, decide which coins Little Joey should put in his savings box and which coins go in his pocket. Glue them in each place. Then find the amount of money in the box and in Little Joey's pocket. Write the amounts under each picture.

1.

Amount _____   Amount _____

2.

Amount _____   Amount _____

Problem 1

Problem 2

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Name _____

Activity 2.1-2

Cut out the items below. Glue each one to the correct side of my tree.

Spend   Save

| bike | snowcone | cupcake | new jacket | stickers |
| candy bar | pencil | skateboard | gum | soft drink |

Key 2.1-2

Cut out the items below. Glue each one to the correct side of my tree.

Save:

- new jacket
- bike
- skateboard

Spend:

- snowcone
- pencil
- candy bar
- cupcake
- gum
- stickers
- soft drink

Spend

Save

Activity 2.1-3

Name _____

Choose one of the items below that you might want to save for someday, or you may write your own item in the blank.

Use the two sentence starters to show your thinking. You may use the back of this paper if you need more room.

New Bike   iPad   Tickets to Disneyland   _____

1. I want to save for _____.

2. Explain why saving is a good choice rather than spending to help you buy this item one day.

_____

_____

_____

_____

Lesson Description	In this lesson, students learn about depositing and withdrawing. Clyde, the Chipmunk, explains to Sam, the Squirrel, that he deposits extra acorns now that he can withdraw during the winter months so that he won't be hungry. After discussing the story, students practice hand motions to reinforce the new vocabulary terms and then play a spinner game where students add their deposits and subtract their withdrawals.
Texas Essential Knowledge and Skills (Target standards)	• **PFL Math 2.11C:** Distinguish between a deposit and a withdrawal
Texas Essential Knowledge and Skills (Connecting standards)	**Social Studies 2.9B:** explain the choices people in the U.S. free enterprise system can make about earning, spending, and saving money and where to live and work
Texas Essential Knowledge and Skills (Prerequisite standards)	• **Math 2.1:** Mathematical Process Standards • **Math 2.4B:** Add up to four two-digit numbers and subtract two-digit numbers using mental strategies and algorithms based on knowledge of place value and properties of operations • **Math 2.4C:** solve one-step and multi-step word problems involving addition and subtraction within 1,000 using a variety of strategies based on place value, including algorithms
National Standards (Supporting standards) **CEE** - Council for Economic Education	• **CEE Saving 4.4:** People set savings goals as incentives to save. One savings goal might be to buy goods and services in the future. • **CEE Savings 4.**5: A savings plan helps people reach their savings goals.
PFL Terms	• Deposit • Withdrawal
Time Required	45 minute class lesson
Materials Required	• One copy of **Visual 2.2-1** • One copy of **Activity 2.2-2a** (spinner) for each group of 2-4 students. Recommend copying this on cardstock. • One copy of **Activity 2.2-2b** (recording sheet) for each student • One copy of **Activity 2.2-3** for each student • Paper clip • Pencil

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Procedure

Engage

1. Tell students that today they will hear another short story from the kingdom of Moneia. Remind them of the previous story about Barkley and Mother Kangaroo. Ask if anyone remembers what lesson Little Joey learned.

2. Tell students that today's story uses two words that may not be familiar to them. Challenge students to see if they can pick out those two words and determine their meanings. They will have an opportunity to tell you after you have read the story.

3. Read the story "A Time to Deposit, A Time to Withdraw: The Story of a Clever Chipmunk." The story is found on **Visual 2.2-1.**

Explore/Explain

4. After reading the story, allow a volunteer to share what he/she thinks the two words they are learning about today. Let other volunteers share what they think the meanings are. Do not confirm whether they are correct or not but tell the class that they'll find out if the students are right or not in the next few minutes.

5. Review the story by asking questions such as the following:

   - *Why was Clyde in such a hurry?* ***(He was gathering acorns for the coming winter.)***
   - *What word did Clyde use when he buried his acorns?* ***(deposit)***
   - *What word did Clyde use when he dug up his acorns?* ***(withdrawal)***
   - *What did Sam learn from Clyde?* ***(Sam learned to save/deposit acorns now so that he will be able to dig them up/withdraw them in the winter when he is hungry.)***
   - *From whom did Clyde learn this?* ***(Barkley)***
   - *What safe place did Clyde find for his acorns?* ***(He dug a hole in the ground.)***
   - *If you save money, where might you save it so it will be safe?* ***(in a piggy bank, in the bank, in the credit union, etc.)***
   - *Clyde made withdrawals when he was hungry during the winter. If you had savings in a piggy bank, why might you make a withdrawal?* ***(to purchase something you want, accept any reasonable answer)***
   - *What could you deposit in your bank?* ***(money: coins and bills)***
   - *Where might this come from?* ***(earning money from doing chores, gifts from relatives and friends)***

6. Direct students to put their thumb and index finger together to make an opening. With their opposite hand, they should put their fingertips together. Fit their fingertips into the opening on the other hand and tell students to pretend that they are dropping money down into the bank. This is a deposit.

<div align="center">

Down – **D**eposit

</div>

7. Now pull their fingers out of the opening and tell them to pretend they are taking money out of the bank. They pretend that they are making a withdrawal and taking their money with them to spend at the mall.

<div align="center">

With them to spend – **With**drawal

</div>

Elaborate

8. Students can now apply their understanding of the terms deposit and withdrawal by playing Clyde's Acorn Game.

- Game is played in group of 2-4 students.
- Each group will need **Activity 2.2-2a** (spinner) and a paper clip. Each player needs a copy of **Activity 2.2-2b** (recording sheet).
- Model how to fill out recording sheet. Stress that students should show their work in the workspace provided.
- Model how to use the pencil to hold the paperclip so that they can use their index finger to spin the paper clip. It is helpful for one student to hold the paper clip while the player spins.
- The tallest player goes first. Then play rotates in a clockwise direction.
- Each player starts with 50 acorns and records this on his/her recording sheet in the balance column.
- Player A uses the paperclip to spin. If the spinner lands on a deposit space, the player records this amount on his/her balance sheet in the deposit column and adds it to the previous balance. If the spinner lands on a withdrawal space, the player records this amount on his/her balance sheet in the withdrawal column and subtracts it from the previous balance.
- Play continues in this manner among the players, having students add deposits and subtract withdrawals.
- The game ends when time runs out or when they reach the end of their recording sheets.
- The player with the greatest balance is the winner.

Evaluate/End

9. Bring the class back together. Review the terms deposit and withdrawal by using the scenarios:

- *Sam is having the squirrel family over for dinner. He needs 15 pecans from his winter supply. Is this a deposit or a withdrawal?* **(withdrawal)**
- *Sam heard tapping noises all night long. When he awoke in the morning and looked outside he saw pecans all over the ground that had been knocked down by last night's wind. Sam decided that it's time to make a _____.* **(deposit)**
- *While Sam was out looking for his favorite pecans, he found 9 acorns. Sam doesn't like acorns so he gave them to Clyde. Clyde buries the acorns for later use. Is this a deposit or a withdrawal?* **(deposit)**

10. Ask a volunteer to explain what a deposit is and give an example. Have another volunteer explain the term withdrawal and give an example.

EXTENSION

Skinny Sam is working hard to save his pecans. Each day he deposits 3 pecans but ends up withdrawing one to eat. At the end of 13 days, how many pecans has he withdrawn and how many pecans has he deposited? Complete the table on **Activity 2.2-3.** Remember to show your work.

Visual 2.2-1

A Time to Deposit, A Time to Withdraw

(The Story of a Clever Chipmunk)

There once was a clever little chipmunk named Clyde. He was a resourceful little creature. Clyde woke up each morning, very early, and set about doing what Chipmunks do, collecting acorns.

Next door was a skinny little squirrel named Sam. Sam just couldn't understand why Clyde was always in such a hurry. He watched Clyde all day, searching for acorns and then promptly burying them.

One day Sam stopped Clyde and asked, "Clyde, why are you always scurrying around, my friend? I get tired just watching you."

"Well, Sam, I learned a long time ago that if I want to eat during the winter, I have to make deposits when the weather is good, so I can make withdrawals when the weather is bad!"

Sam looked at Clyde with a puzzled look.

"I don't understand, Clyde. What is a deposit and a withdrawal?"

"Well," said Clyde, "A deposit takes place when I find a juicy acorn and want to save it for a cold winter day when I really need it. I bury it so it will be safe until that cold winter day gets here. I save it and put it in a safe place, like that little hole I've dug."
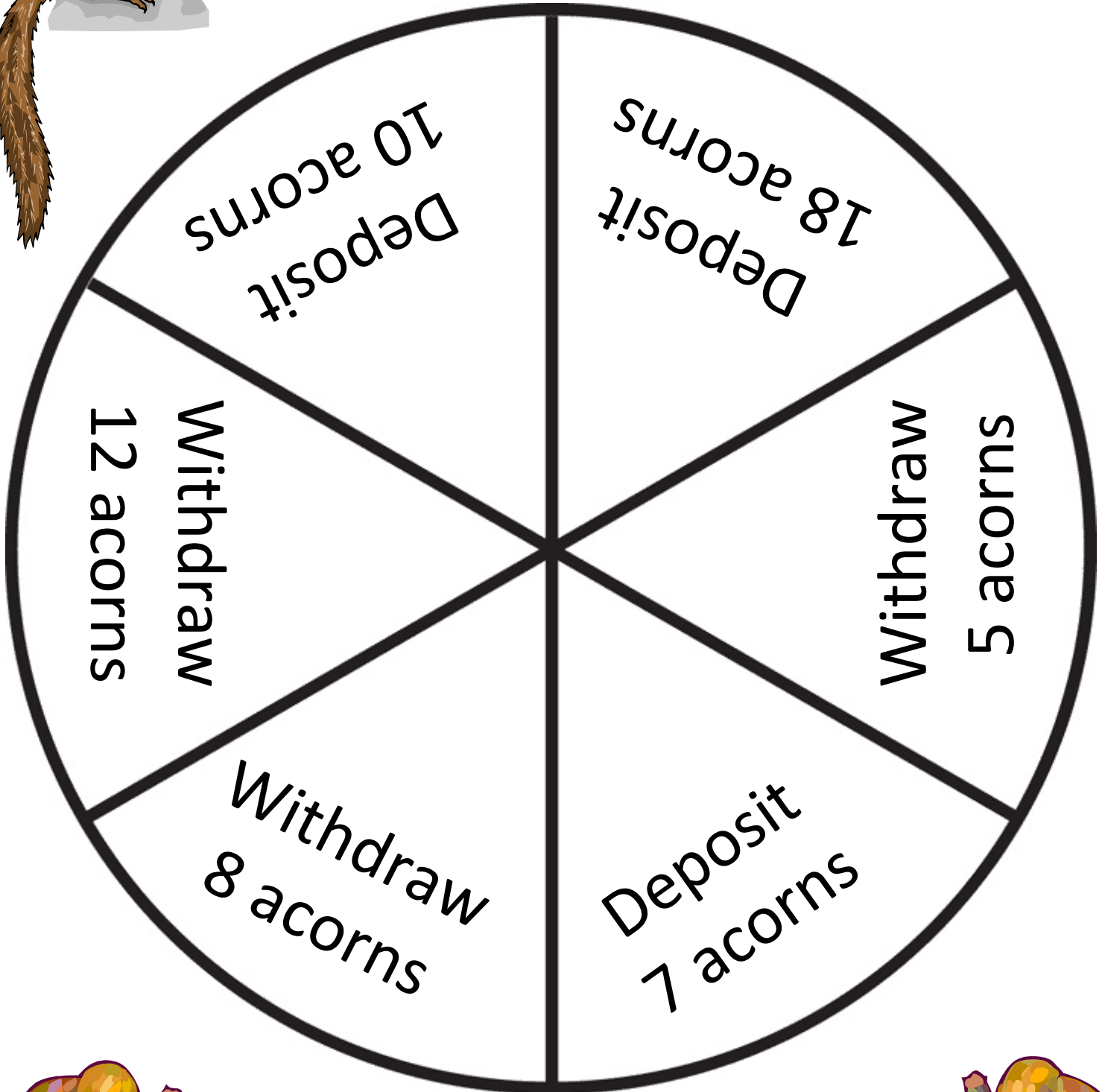
"Then what is a withdrawal?" asked Sam.

"A withdrawal," answered Clyde, "occurs when I know I need that little acorn, and I return to that little hole I dug and take that acorn out. That way, when I'm hungry and I've run out of acorns in my nest, I can always go and eat the ones I saved during the spring."

"A deposit is when you save something in a safe place and a withdrawal is when you finally need it and take it out of that safe place to use it. "

"Wow," said Sam, "that sounds like a really good plan. I think I had better get busy depositing a few pecans myself. I heard it might be a cold winter and I'll want to make a few withdrawals. If I work hard and save my pecans, they won't call me Skinny Sam this winter. I'm going to have lots to eat. Thanks, Clyde, you are a clever Chipmunk!"

"Well, Sam, I learned this lesson from Barkley. He sure is a wise tree."

Clyde's Acorn Game

Deposit
10 acorns

Deposit
18 acorns

Withdraw
12 acorns

Withdraw
5 acorns

Withdraw
8 acorns

Deposit
7 acorns

Name _____

Turn	Deposit	Withdraw	Workspace	Balance
				50
example		8	50 - 8	
1			50	
2				
3				
4				
5				
6				
7				
8				

Clyde's Acorn Game

Activity 2.2-3

Name _____

	Pecans deposited	Pecans Withdrawn	Deposited Pecans left
Day 1	3	1	2
Day 2	6	2	4
Day 3	9	3	6
Day 4			
Day 5			
Day 6			
Day 7			
Day 8			
Day 9			
Day 10			
Day 11			
Day 12			
Day 13			

Key 2.2-3

	Pecans deposited	Pecans Withdrawn	Deposited Pecans left
Day 1	3	1	2
Day 2	6	2	4
Day 3	9	3	6
Day 4	12	4	8
Day 5	15	5	10
Day 6	18	6	12
Day 7	21	7	14
Day 8	24	8	16
Day 9	27	9	18
Day 10	30	10	20
Day 11	33	11	22
Day 12	36	12	24
Day 13	39	13	26

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Lesson Description	As in previous lessons, this lesson uses a short story, "Learning to Squirrel It Away: The Story of Little Buck," to introduce the concept of saving a little money regularly and seeing it grow into a greater amount. The story discussion is followed by solving a problem with teacher guidance. Students then reinforce the concept by playing a game in small groups to see how much money they can accumulate.
Texas Essential Knowledge and Skills (Target standards)	• **PFL Math 2.11A:** calculate how money saved can accumulate into a larger amount over time
Texas Essential Knowledge and Skills (Connecting standards)	• **Social Studies 2.9B:** explain the choices people in the U.S. free enterprise system can make about earning, spending, and saving money and where to live and work.
Texas Essential Knowledge and Skills (Prerequisite standards)	• **Math 2.1:** Mathematical process standards • **Math 2.4B:** add up to four two-digit numbers and subtract two-digit numbers using mental strategies and algorithms based on knowledge of place value and properties of operations • **Math 2.4C:** solve one-step and multi-step word problems involving addition and subtraction within 1,000 using a variety of strategies based on place value, including algorithms • **Math 2.5A:** determine the value of a collection of coins up to one dollar • **Math 2.7A:** determine whether a number up to 40 is even or odd using pairings of objects to represent the number
National Standards (Supporting standards) **CEE** - Council for Economic Education	• **CEE Saving 4.4:** People set savings goals as incentives to save. One savings goal might be to buy goods and services in the future. • **CEE Savings 4.5:** A savings plan helps people reach their savings goals.
PFL Terms	• save • accumulate
Time Required	45-minutes
Materials Required	• One copy of **Visual 2.3-1** and **Visual 2.3-2** • One copy of **Activity 2.3-1a** for each group of 2-4 students. It is recommended that both pages of the game board be printed on cardstock. • One copy of **Activity 2.3-1b** for each student and one modeling • Glue or tape for the teacher to adhere game board pieces together • A pair of scissors for the teacher to trim game board pieces to fit together • One die for each group of 2-4 students • Counters to use as game markers, one per player

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Procedure

Engage

1. 1. Ask students if they have ever known people who had really wanted something but no one would get it for them? Then ask them how those people could still get what they wanted on their own. Allow students a brief time to share their thoughts.

2. Say: *Today you are going to hear a story about a squirrel with a problem. Who do you think might help solve this problem?* **(Barkley)**

3. Read the story "Learning to Squirrel It Away: The Story of Little Buck." The story is found on **Visual 2.3-1.**

Explore

4. After reading the story, check for understanding by asking the questions below.

- *What was Mother Squirrel worried about?* **(Her son, Little Buck, was not ready to live on his own.)**
- *What did Little Buck need to learn?* **(Little Buck needed to learn to save, especially his pecans.)**
- *What did Barkley suggest Mother Squirrel do that might help Little Squirrel learn a valuable lesson?* **(Sample responses: Give Buck a goal to save for a zip line. Spend some and save some pecans.)**
- *Why were Mother Squirrel and Little Buck to count their savings each night before bedtime?* **(They could see the savings grow.)**

Explain

5. Give students the following problem:

> Barkley told Little Buck that the pecan tree is one of his good friends. Little Buck could collect the pecans that fall from his friend's branches every day. Pecans are an especially yummy treat for some squirrels. Little Buck feasted on some of the pecans but every day he saved 3 for the coming winter. If Little Buck did this every day, how many pecans would he save in two weeks?

6. Have students set up the problem in a chart. Use the questions and steps below to guide them in the process.

- *How many pecans do you think Little Buck will save in 2 weeks?* **(Accept all predictions.)**
- *How often did Little Buck collect pecans?* **(everyday)** Label the top row **Day**.
- *How many days did Little Buck save pecans?* **(14)** Be sure to extend the chart to 14 days.
- *How many pecans did Little Buck save every day?* **(3)** Label the next row **Pecans saved**.
- *What are we trying to find?* **(the number of pecans saved in two weeks)** Label the bottom row **Total pecans saved**.
- *How will you decide what to write in the blank spaces?*

Day	1	2	3	4	5	6	7	…
Pecans saved	3	3	3	3	3	3	3	
Total pecans saved	3	6	9	12				

7. Allow students to offer other ideas for solving the problem. For instance, they may complete the table for one week and then double the total number of pecans saved by adding the seven day total twice.

8. Check to see that students have the correct answer: 42 pecans.

9. Say: *Now you can see that by saving a little bit each day or every week, you can save a greater amount. In this problem, Little Buck saved the same number of pecans daily.*

   - *Do you think you always have to save the same amount?* **(no)**
   - *What might you save rather than pecans?* **(money)**
   - *What happens to your money when you save some each week and add it to what you already have?* **(You will have more money each week)**
   - *What happens if you always spend all or most of your money?* **(Sample responses: It never grows much. You never have more of it. You can never buy the special things you want that cost more money than you have saved.)**
   - *If you are saving for something special, does it mean that you can never spend any of your money? Why or why not?* **(No, you can spend some and save some. That way your savings will still grow.)**
   - *What might you want to save for?*
   - *We talked about the free enterprise system before. How does the free enterprise system relate to your decisions on saving, spending and the type of work you do?* **(Sample response: My parents and I get to decide how I will spend my money, how much money I will save, and how I will earn my money.)**

Elaborate

10. Prepare for the Squirrel It Away Game, by trimming one sheet of **Activity 2.3-1a** (the game board) so that the two sheets create one game board and the colored squares are matched up. Tape or glue the 2 sheets together.

11. Tell students that now they are going to play a game called Squirrel It Away where they will be saving dollars. Ask: *Do you think you'll have more or fewer dollars at the end of the game? Why do you think that?* **(The more you save, the more you will have.)** Explain that the person with the greatest dollar amount is the winner.

12. Use **Activity 2.3-1a** (game board) and **Activity 2.3-1b** (recording sheet) to model how the game is played and how to keep score.

13. Use the directions below to explain how to play the game.
    - Everyone rolls the die to see who goes first. The player with the highest roll will begin the game. Play goes clockwise.

- The player rolls the die.
- If the roll lands on an odd number, the player moves 1 space.
- If the roll lands on an even number, the player moves 2 spaces.
- The play passes to the next person to the left.
- Each player will keep track of his/her savings on an individual recording sheet.
- If a player lands on the green space on the left side of the bridge, the player may choose to cross the bridge or continue on the longer path.
- Game ends when each player reaches the end.
- Players will compare and order their savings on the back of the recording sheet.
- The player with the most money saved is the winner.

Evaluate/End

14. Divide the class into groups of 2-4. Distribute one game board and one die to each group. Distribute **Activity 2.3-1b** to each student. Monitor students as they play Squirrel It Away.

15. When the groups have completed the game, help students understand the game's objective by asking the questions below.
    - *What happens when you continue to save your money? (Sample responses: Your money grows. You have more money. Your money accumulates.)*
    - *What does it mean to accumulate? (It means that each time you save, the total grows.*
    - *What lesson does Mother Squirrel want Little Buck to learn? (She wants him to learn to save money. Little Buck needs to learn that if he saves some money each week, he will have more money. In time, he will have enough money to buy what he wants.)*
    - *How much money would you have if you saved a dime every day for one week? (70¢)*
    - *If you saved a half dollar each week, how many weeks would it take to save $5.00? (ten weeks)*

EXTENSION
Teacher Note:
The following problem will allow students to work on translating language into mathematical terms. It will also allow students recall or locate previous information.

Display **Visual 2.3-2**. Direct students to solve this problem on a blank sheet of paper.

Little Buck is on his way to being a great saver. He earns three dollars on Monday, 7 dollars on Tuesday, and $2 on Wednesday. On Thursday he earns the same amount he earned on Monday. How much did Little Buck earn in those four days?   Show your work.

Visual 2.3-1

Learning to Squirrel It Away

(The Story of Little Buck)

"Mother Squirrel, what are you doing way up in my branches?" asked Barkley. "You are bouncing around as if I were a bouncy house. Try not to break a branch. Are you alright up there?"

"No, Barkley, not really, I move around a lot when I'm trying to think."

"Looking at how much you have been bouncing around up there, I guess it's pretty serious. Come on down here and tell me all about it."

Mother Squirrel hurried down, jumping from limb to limb as she worked her way down the tree. She sat where she could talk with Barkley.

"My little Buck is getting old enough now to begin thinking about leaving our nest and I'm worried."

"Why is that Mother Squirrel? Little Buck seems like a wonderful little squirrel. He is so kind to all the other animals in the forest. What could be wrong?"

"Yes, Barkley, he is kind, but not very smart about his future. When he is a Big Squirrel, he won't sleep in my nest or eat my pecans. He will have his own nest and will have to store away his own pecans. Little Buck just doesn't save his pecans. Barkley, I don't know how to teach him what he needs to know."

"Well, Mother Squirrel, first he needs a reason to save pecans."

"I know Little Buck wants to be able to feel what it is like to fly like his cousin, Freddie the flying squirrel. He's seen something called a zip line and would love one of his own. He'd have to save a lot of pecans to get a zip line."

"What's a zip line?" asked Barkley.

"A zip line is a wire that takes you from the top of the tree down to another part of the forest," explained Mother Squirrel. "It makes you feel like you are absolutely flying! Little Buck's friend has one in his tree and Buck loves to fly through the forest on it."

Barkley thought for a moment and then said, "If Little Buck could save a few pecans each week, he would see the amount grow. Each night before you put Little Buck to bed, let him count the number of pecans he found that day. Take them and put them into piles. Some he will keep, some he will save for his zip line. Then count to see how many he has saved in all. Each day he will see that his saved pile has grown. As soon as he has enough for the zip line, then let the fun begin."

"Before long we won't be calling him Little Buck, we'll be calling him Big Bucks and your son will understand the value of saving."

START

Squirrel It Away

Save 5 dollars

Save $7.00

Save 2 dollars

Save 1 dollar

Save $4.00

Save $3.00

Save one dollar

Save four dollars

Oops, you didn't save anything

Save $3.00

Save $8.00

Save 2 dollars

Save 1 dollar

Save $8.00

Save 5 dollars

Save $2.00

Oops, you didn't save anything

Directions:

- Roll the die to determine which player goes first. Highest roll begins the game. Play goes clockwise.

- Player rolls die.

- If the roll lands on an odd number, the player moves 1 space.

- If the roll lands on an even number, the player moves 2 spaces.

- Players keep track of their savings on an individual recording sheets.

- If a player lands on the green space on the left side of the bridge, the player may choose to cross the bridge or take the longer path.

- Game ends when each player reaches the end.

- The winner is the person who saved the most money.

Save $6.00	Save $3.00			Save 6 dollars	Oops, you didn't save anything	Save 3 dollars	Save 5 dollars
	Save 4 dollars			Save $1.00			Save $2.00
	Oops, you didn't save anything	Save one dollar	Save three dollars	Save 2 dollars			Save $7.00
	Save $2.00			Save $4.00			End
	Save $3.00			Save $2.00			
	Save 5 dollars	Save 1 dollar	Save $6.00	Save 9 dollars			
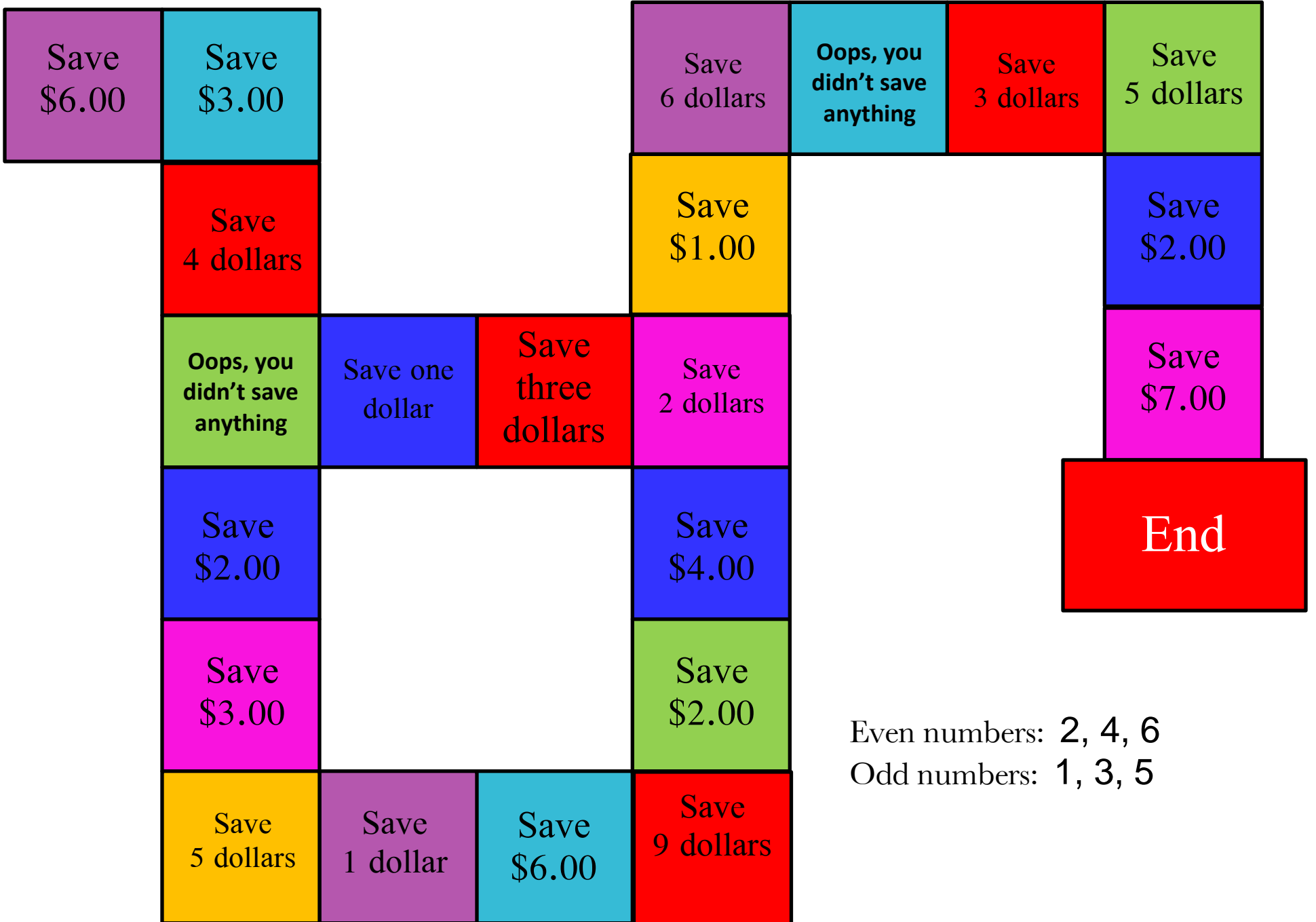
Even numbers: 2, 4, 6
Odd numbers: 1, 3, 5

Squirrel It Away for _____
Name

1ˢᵗ Turn: I had $_____, I landed on $____, Now I have $_____.

2ⁿᵈ Turn: I had $_____, I landed on $____, now I have $_____.

3ʳᵈ Turn: I had $_____, I landed on $____, now I have $_____.

4ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

5ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

6ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

7ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

8ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

9ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

10ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

11ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

12ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

13ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

14ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

15ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

16ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

17ᵗʰ Turn: I had $_____, I landed on $____, now I have $_____.

Now take your final savings amount and compare it with your game partners. List them from least to greatest on the back of this page.

Little Buck is on his way to being a great saver. He earns three dollars on Monday, seven dollars on Tuesday, and two dollars on Wednesday. On Thursday he earns the same amount he earned on Monday. How much did Little Buck earn in those four days? Show your work.

	Monday	Tuesday	Wednesday	Thursday
Money saved				
Total				
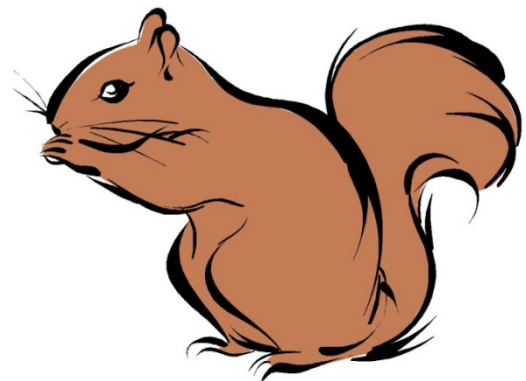
Key for Visual 2.3-2

Little Buck is on his way to being a great saver. He earns three dollars on Monday, seven dollars on Tuesday, and two dollars on Wednesday. On Thursday he earns the same amount he earned on Monday. How much did Little Buck earn in those four days? Show your work.

	Monday	Tuesday	Wednesday	Thursday
Money saved	$3	$7	$2	$3
Total	$3	$10	$12	$15

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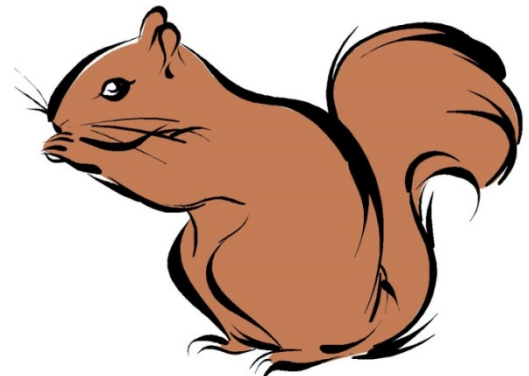
Lesson Description	The focus of this lesson is borrowing. The short story, *WHOOOOO'S the Wise One?*, tells the story of Mother Owl going shopping with her Owlet. When Little Owlet wants to borrow money to purchase something that could get him in trouble, she tells him that he would be an irresponsible borrower. When he asks to borrow money for a wise purchase, Mother makes sure that he understands the responsibilities of being a good borrower. Following questioning over the story, students are given scenarios and decide if the borrower is responsible or irresponsible. Students are asked to support their answer choices.
Texas Essential Knowledge and Skills (Target standards)	• **PFL Math 2.11D:** identify examples of borrowing and distinguish between responsible and irresponsible borrowing
Texas Essential Knowledge and Skills (Prerequisite standards)	• **Math 2.1:** Mathematical Process Standards • **Math 2.4A:** recall basic facts to add and subtract within 20 with automaticity
National Standards (Supporting standards) **CEE** - Council for Economic Education	• **CEE Using Credit 4.2:** When people use credit, they receive something of value now and agree to repay the lender over time or at some date in the future, with interest.
PFL Terms	• responsible borrower • irresponsible borrower
Time Required	45-minute class lesson
Materials Required	• One copy of **Visual 2.4-1** • One copy of **Visual 2.4-2** • One copy of **Activity 2.4-3** for each student (Extension Activity) • Index cards, one per student • Craft sticks, one per student • Stapler or tape • Markers or crayons • Red and blue crayons (optional) • Drawing paper

Procedure

Engage

1. Review the characters in the previous stories by asking questions such as the following:

   - *Who remembers who Barkley is?* **(Barkley is a wise tree in the wooded forest of Moneia.)**
   - *Who are some of the animal friends of Barkley's?* **(Mother Kangaroo and her little Joey, Clyde the Chipmunk, Sam the Squirrel, Mother Squirrel and Little Buck)**

2. Tell students that today you have another short story for them. Say, *Today's story is about an owl. Does anyone know what you call a baby owl?* **(an owlet)** *What are owls known for?* **(being wise)** *What do you think that means?* **(They are smart; they are good thinkers.)**

Explore/Explain

3. Read the story *WHOOOOO'S the Wise One?: The Story of a Wise Mother Owl and her Owlet*. The story is found on **Visual 2.4-1.**

4. After reading the story, check students' comprehension by asking questions.

   - *Why was Owlet excited to go to the store?* **(He had $4.00 to spend and they were going to his favorite store.)**
   - *What did Owlet want to buy that his mother did not approve?* **(a red coat)**
   - *Why did Mother Owl not like Little Owlet's idea of buying a red coat?* **(A hawk could see him better and might swoop down and fly away with him.)**
   - *Mother Owl said that Little Owlet would be an irresponsible borrower if he bought the red coat. What do you think that means?* **(He would be borrowing money to purchase something that he really didn't need and would be unsafe for him. He also may not be able to pay the money back.)**
   - *Why did Little Owlet decide to buy socks?* **(He could use the socks to keep his feet warm in the winter.)**
   - *Would that make him a responsible or an irresponsible borrower? Why?* **(He would be a responsible borrower because he would use borrowed money to buy something useful and he would pay the borrowed money back to his mother.)**
   - *What else did Little Owlet learn about being a responsible borrower?* **(A responsible borrower has a plan to pay back the lender. What is borrowed is returned on time, in good condition, and ready to be used by the lender.)**
   - *Have you ever asked a family member if you could borrow money? What did they say? If they said yes, what did you buy and how did you pay them back?* **(allow students an opportunity to share)**

5. Use the story to help students extend their mathematical thinking.

   - *How much money did Little Owlet already have?* **($4.00)**
   - *If the coat cost $20.00 and Little Owlet paid Mother Owl back $2.00 each week, how long would it take to pay Mother Owl back?* **($20.00 - $4.00 = $16.00; $2 + $2 +$2 + $2 +$2 + $2 + $2 +$2 = $16.00 or $16.00 - $2.00 = $14.00, $14.00 - $2.00 = $12.00 and so on; 8 weeks)**
   - *How much were the Owl socks?* **($10.00)**

- *How much did Little Owlet pay Mother Owl back each week for the owl socks?* **($2.00)**
- *How many weeks did it take Little Owlet to pay Mother Owl back for the money he borrowed to buy the owl socks?* **($10.00 - $4.00 = $6.00;**
  $2 + $2 + $2 = $6.00 or $6.00 - $2.00 = $4.00, $4.00 - $2.00 = $2.00, $2.00 - $2.00 = 0 ; 3 weeks)

Elaborate

6. Pass out an index card to each student. Using a marker or a dark crayon, students write *Responsible Borrower* on one side of the card and *Irresponsible Borrower* on the other side. Use tape or a stapler to affix the index card to the end of the craft stick. Students will hold up their craft stick on the count of three and display which kind of borrower is described after you read each scenario. Model for students how they should hold their answer paddle in front of their chest just under their chin. (Hint: Have students write Responsible Borrower in blue and Irresponsible Borrower in red. It is easier for you to scan the room for the correct color than reading each student's written words.)

7. Using **Visual 2.4-2**, read the first scenario. After reading the scenario, have students hold up their answer paddles showing the side that describes which type of borrower is featured in the scenario. If there is agreement among students, ask a volunteer to explain his/her answer choice. If there is a difference of opinion, have student volunteers representing each answer choice explain their thinking and tell why they selected the type of borrower they did.

Evaluate/End

8. Ask a volunteer to explain what it means to borrow something. Be sure the explanation includes returning what was borrowed in good condition.

9. Check for understanding by having students turn to a neighbor and explain what a responsible borrower means. Select 3 students to share their understanding with the class. Do the same by having students explain to a neighbor what an irresponsible borrower is. Select 3 different students to share their understanding with the class.

EXTENSION

1. Give students a copy of **Activity 2.4-3.** Read the introduction/directions at the top of the page: Owls visit their friends at night. They stay in their own tree and call to other owls with friendly hoots. Grandfather Owl has the longest hoot pattern in the forest. Everyone knows it is Grandfather Owl as he begins to hoot. You can hear the same pattern each night. See if you can discover his pattern and complete the table. There is a hint on the page that students should look for a growing (or additive) pattern.

2. Students design a wanted poster on drawing paper for Responsible Borrowers. The poster should describe the characteristics of a responsible borrower, i.e., borrows only what is needed; returns/repays what was borrowed in short period of time; returns item(s) in as good condition as they were received; may pay back more than was borrowed.

WHOOOOO'S the Wise One?

The Story of a Wise Mother Owl and her Owlet

High up in Barkley's tree was an owl's nest. The snow white Mother Owl and her Owlet could see for miles around. Sometimes they felt like they lived in the clouds.

Little Owlet loved to go shopping with his mother. Today they were heading out to go to their favorite store named Outdoor Fish and Tackle. Before leaving, Mother Owl reminded Little Owlet to take his wallet with him. He had saved $4.00 of his own money. While they were looking around, Little Owlet saw the most beautiful red coat. It was made out of cloth but looked just like his friend Fox's fur. It was a beautiful shiny red color.

"Oh, Mother, I love this coat! It is the most beautiful coat I have ever seen. Please, please buy it for me. I will love you forever!" begged Little Owlet.

"Owlet, you don't need a coat because you have beautiful white feathers," replied Mother Owl.

"I know, but I want it. Let me borrow the money, and I'll pay you back every week from my allowance. I will pay you two dollars each week and I promise to pay you every week," promised Little Owlet.

"Owlet, I believe you. I know you always pay me back, but is this really a responsible decision? You have white feathers so the hawks can't see you high up in Barkley's tree. If you are wearing a red coat, a hungry hawk is going to swoop down and take you away. I just don't think buying a red coat is a responsible way to spend money, especially if you have to borrow that money. You would be an irresponsible borrower," explained Mother Owl.

"I see what you mean, Mother. The red coat would be an irresponsible

purchase because wearing it might attract a hawk," said Little Owlet.

Just then Owlet spotted the cutest pair of white wool owl socks. "Look at this, Mother! I have never seen white wool owl socks before. They would be so wonderful on those cold winter nights. And look, Mother, they are only ten dollars. I have four dollars in my wallet. Could I borrow the rest of the money I will need?" asked Little Owlet.

"That depends," answered Mother. "What do you know about borrowing?"

"Oh, Mother, I know a lot. I know that you must return the money you borrow and always be on time with the payments. If I say I will pay you two dollars on Saturday morning that is when I need to deliver my payment. I can pay down my debt to you by giving you the four dollars in my wallet right away."

"That's all correct, Little Owlet. But what if you borrow something like a saw to cut away broken branches in a tree? What do good borrowers do in that case?" asked Mother Owl.

"I don't know what you mean, Mother."

"Well, remember when Blue Jay borrowed your skateboard last summer? He returned it with a missing set of wheels. It wasn't in the same condition as when you loaned him the skateboard," explained Mother Owl. "You decided not to loan Blue Jay anything again."

"Now I understand," hooted Little Owlet. "A good borrower always returns what he or she borrowed in good condition, clean, and ready for the lender to use."

"Great, Owlet! Now you understand all the rules of borrowing. You have always repaid your debts to me. You understand the responsibility of being a borrower and have a plan to repay this debt. So let's see what those white

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wool owl socks feel like on your cute little talons!"

"Thanks, Mother," said Little Owlet. "I have a joke for you. Knock, knock."

"Who's there?" asked Mother.

"Owl."

"Owl, who?"

"Owl learn a lot about responsible borrowing if I just listen to you!"

"Nice knock, knock joke, Little Owlet."

Borrower Scenarios

1 We are having a big spelling test today, and I don't have a good pencil. I borrowed a new pencil from you last week. Now it doesn't have an eraser and is too small to fit into the pencil sharpener. Why don't you let me borrow one of your new ones? You can have this one back that I borrowed from you last week.

2 The weatherman says that a cold front will come in next week, and it will be bitter cold. You have lost your wool hat. When Mother bought it for you this winter, she said that if you lose it, you will have to buy the next one. Out shopping with your Mom, you find a blue wool hat on sale for $2.00. You left your saved money at home and ask to borrow $2.00 plus sixteen cents tax from your mother. You have enough in your savings at home and promise to pay her back when you get back home.

3 The park just finished making a new volleyball sand area. My friends and I are learning to play volleyball at school. I asked Dad if he would loan me $15.00 to buy my own volleyball. I explained to Dad that if I had my own volleyball, my friends and I could take advantage of the new volleyball area at the park and practice the new skills we are learning. I earn money each week for doing chores and will agree to pay back $5.00 a week for 3 weeks.

4 My family lives in an apartment. I would like Dad to buy an above ground pool. I agree to pay him back $10 a week for 20 weeks.

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5   I want to borrow the latest game for my game system from a classmate. The last time I borrowed a game I couldn't find it for six months. When I finally returned it, the game didn't work.

6   My mother asked me to return the $3.00 she borrowed from our neighbor down the street. I thought it would be too far to walk so I borrowed by big brother's bike that was in the garage. I really thought he wouldn't mind even if I didn't ask for permission. When I returned, I heard the phone ring inside the house and ran to answer it. I just didn't have time to put the bike back in the garage and left it laying on the driveway. How was I to know that Dad would back out of the driveway and not see it?

7   My teacher lets us borrow paper from her as long as we write an IOU note and leave it in the jar. I borrowed 10 sheets from her last week. When I told my mother about having to borrow paper, she suggested that I return the 10 sheets and add 10 more sheets to show my teacher how much I appreciated her loan. The next day I took 20 sheets of paper to my teacher.

Borrower Scenarios

1   We are having a big spelling test today, and I don't have a good pencil. I borrowed a new pencil from you last week. Now it doesn't have an eraser and is too small to fit into the pencil sharpener. Why don't you let me borrow one of your new ones? You can have this one back that I borrowed from you last week.   **IRRESPONSIBLE BORROWER**

2   The weatherman says that a cold front will come in next week, and it will be bitter cold. You have lost your wool hat. When Mother bought it for you this winter, she said that if you lose it, you will have to buy the next one. Out shopping with your Mom, you find a blue wool hat on sale for $2.00. You left your saved money at home and ask to borrow $2.00 plus sixteen cents tax from your mother. You have enough in your savings at home and promise to pay her back when you get back home.   **RESPONSIBLE BORROWER**

3   The park just finished making a new volleyball sand area. My friends and I are learning to play volleyball at school. I asked Dad if he would loan me $15.00 to buy my own volleyball. I explained to Dad that if I had my own volleyball, my friends and I could take advantage of the new volleyball area at the park and practice the new skills we are learning. I earn money each week for doing chores and will agree to pay back $5.00 a week for 3 weeks.   **RESPONSIBLE BORROWER**

4   My family lives in an apartment. I would like Dad to buy an above ground pool. I agree to pay him back $10 a week for 20 weeks.   **IRRESPONSIBLE BORROWER**

5

I want to borrow the latest game for my game system from a classmate. The last time I borrowed a game I couldn't find it for six months. When I finally returned it, the game didn't work.

IRRESPONSIBLE BORROWER

6

My mother asked me to return the $3.00 she borrowed from our neighbor down the street. I thought it would be too far to walk so I borrowed by big brother's bike that was in the garage. I really thought he wouldn't mind even if I didn't ask for permission. When I returned, I heard the phone ring inside the house and ran to answer it. I just didn't have time to put the bike back in the garage and left it laying on the driveway. How was I to know that Dad would back out of the driveway and not see it? **IRRESPONSIBLE BORROWER**

7

My teacher lets us borrow paper from her as long as we write an IOU note and leave it in the jar. I borrowed 10 sheets from her last week. When I told my mother about having to borrow paper, she suggested that I return the 10 sheets and add 10 more sheets to show my teacher how much I appreciated her loan. The next day I took 20 sheets of paper to my teacher. **RESPONSIBLE BORROWER**

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Activity 2.4-3   Name _____

Oh Wise One!

Owls visit their friends at night. They stay in their own tree and call to other owls with friendly hoots. Grandfather Owl has the longest hoot pattern in the forest. Everyone knows it is him as he begins to hoot. You can hear the same pattern each night. See if you can discover his pattern and complete the table.

Hint: He uses an additive or growing pattern.

Hollers during the night	What's the Pattern?	Total Number of Hoots
1st Holler	3	3
2nd Holler	3 + ___	5
3rd Holler	5 + ___	8
4th Holler	8 + ___	12
5th Holler	12 + ___	17
6th Holler	17 + ___	
7th Holler		
8th Holler		
9th Holler		
10th Holler		

On his 6th holler, his pattern would have _____ hoots.

On his 8th holler, his pattern would have _____ hoots.

On his 10th holler, his pattern would have _____ hoots.

Name _____

Oh Wise One!

Owls visit their friends at night. They stay in their own tree and call to other owls with friendly hoots. Grandfather Owl has the longest hoot pattern in the forest. Everyone knows it is him as he begins to hoot. You can hear the same pattern each night. See if you can discover his pattern and complete the table.

Hint: He uses an additive or growing pattern.

Hollers during the night	What's the Pattern?	Total Number of Hoots
1st Holler	3	3
2nd Holler	3 + _2_	5
3rd Holler	5 + _3_	8
4th Holler	8 + _4_	12
5th Holler	12 + _5_	17
6th Holler	17 + _6_	23
7th Holler	23 + 7	30
8th Holler	30 + 8	38
9th Holler	38 + 9	47
10th Holler	47 + 10	57

On his 6th holler, his pattern would have ____23____ hoots.

On his 8th holler, his pattern would have ____38____ hoots.

On his 10th holler, his pattern would have ____57____ hoots.

Lesson Description	The focus of this lesson is on the lender. This lesson's story uses the example of the queen in an ant colony lending another colony some of their food. Toward the end of the long winter they are running out of food themselves and the queen questions her decision to lend their food. Following the story, students form two groups and present the costs and benefits of another issue facing the ant queen. Then they sort the costs and benefits of an age appropriate lending decision. Included in this lesson is an activity that evaluates students' understanding about borrowers, lenders, and costs and benefits of lending decisions.
Texas Essential Knowledge and Skills (Target standards)	• **PFL Math 2.11E:** identify examples of lending and use concepts of benefits and costs to evaluate lending decisions
Texas Essential Knowledge and Skills (Prerequisite standards)	• **Math 2.1:** Mathematical Process Standards
National Standards (Supporting standards) **CEE** - Council for Economic Education	• **CEE Using Credit 4.4:** Borrowers who repay loans as promised show that they are worthy of getting credit in the future. A reputation for not repaying a loan as promised can result in higher interest charges on future loans, if loans are available at all.
PFL Terms	• lend • loan • benefit • cost
Time Required	45-minutes
Materials Required	• One copy of **Visual 2.5-1, Visual 2.5-2**, and **Visual 2.5-3** • One copy of **Activity 2.5-1** and **Activity 2.5-2** for each student • One sheet of copy paper or construction paper for each student • Glue or glue stick • Red and blue crayons • Writing paper for each student (extension)

Procedure

Engage

1. To introduce the lesson, ask the students the questions below.
   - *What do you do when you don't have a sharpened pencil and you need one?* **(You borrow a pencil.)**
   - *What does it mean to borrow something?* **(You get whatever you need from a friend or neighbor.)**
   - *Does that mean you get to keep it?* **(No)**
   - *What are you supposed to do with it after you've used it?* **(You return the item in the same condition as when you borrowed it.)**
   - *If you borrow something from someone, you are the borrower. What is the person called from whom you borrow?* **(That person is the lender.)**
   - *Do you think a lender might think hard before lending things that belong to him/her? What kind of things do you think he/she should consider before lending items?* **(Accept any reasonable answers.)**

Explore/Explain

2. Today we are going to hear another story about our friends in the Magical Kingdom of Moneia. *What do you think our story will be about today?* **(Lending)**

3. Read the story, *Lending is Risky Business: The Story of Queen Antina and the Ant Colony*. The story is found on **Visual 2.5-1**.

4. After sharing the story with students, check for comprehension by asking the following questions:

   - *What was Queen Antina's problem?* **(The Queen lent food to a neighboring ant colony and now her colony may run out of food before winter is over.)**
   - *Why was she willing to loan 10 bags of food to the neighboring ant colony?* **(They would get 11 bags of food back when spring arrived.)**
   - *What would happen if the long, cold winter were even longer and colder?* **(Queen Antina's colony would run out of food.)**
   - *Barkley was able to give Queen Antina good news. What was the good news?* **(Winter was just about over. The ant colony would be fine.)**
   - *What did Queen Antina learn?* **(Queen Antina will look at the good and the bad outcomes that will happen to her ant colony if she loans food to another ant colony.)** Explain that the good outcomes are called benefits and the bad outcomes are called costs.
   - *What were the benefits of Queen Antina lending food to the neighboring ant colony?* **(They would get 11 bags of food for lending 10 bags of food.)**
   - *What could have been the cost of Queen Antina lending food?* **(Her colony could have run out of food.)**

Explore

5. Let's listen to the next part of Queen Antina's story. Read the next part found on **Visual 2.5-2**.

6. Divide the class into two groups. Appoint a recorder and a speaker for each group. Assign one group to look for the benefits of lending food to the neighboring ant colony, and assign the other group to look for the costs. Instruct each group to talk among members and help Queen Antina decide the costs and benefits concerning this loan of worker ants

to the Neighbor Ant Colony. Remind students that benefits are the good things that happen and costs are the bad or undesirable things that happen. Explain that the recorder will write down their ideas and the speaker will share the group's thoughts on this matter in 10 minutes.

7. If either group is having difficulty getting started, share one of the ideas below with them.

> Green Group: Go for it, Queen Antina! What will be the benefit?
> - We can get everything done even with 50 workers gone.
> - We could certainly use the help when we build a bigger chamber for our Queen.
> - We might learn from their way of building if we help them.

> Red Group: Stop before you make a mistake! What will be the cost?
> - We don't know how long they will be gone.
> - Can we trust the neighbor ants to keep their word? They might kidnap our workers and never let them come back.
> - The rest of the colony will have to do all the work while the workers are away and we are already very busy.

8. Provide time for the speaker of each group to share their group's ideas. If desired, allow the class to vote on what Queen Antina should do.

Elaborate

9. Students will now look at a situation that is more applicable to them. Give each student a copy of **Activity 2.5-1** and a blank sheet of copy paper or colored construction paper. Have students fold the paper in half lengthwise. Direct students to label the left column <u>Benefits</u> and the right column <u>Costs</u>. Share the following scenario with the class:

> *You are playing baseball again this season. Your friend signed up for his first time. He doesn't have any equipment yet so he wants to borrow yours. You lend him your ball, your bat, and your glove. He has two little sisters and a big dog.*

10. Go over the directions with students. If needed, read or have student volunteers read the sentences. Students then cut out the sentences along the dotted lines, sort them, and glue them in the appropriate column; Benefits or Costs. Check students' responses before moving to the Evaluate activity.

Evaluate/End

11. Give each student a copy of **Activity 2.5-2**. Go over the instructions with the class. Direct students to complete this activity independently. Consider reading the sentences orally for students who need the additional support.

EXTENSION
Use **Visual 2.5-3.** Students write a poem choosing words from groups of words that rhyme. They must use at least one of the bold words in their poem. Their rhyme should be about the benefits and costs of lending.

Lending is Risky Business

The Story of Queen Antina and the Ant Colony

Queen Antina was walking slowly back to her ant hill on a cold winter afternoon. As she walked by Barkley, she stopped a minute and looked up.

"Barkley, do you have a minute to talk?" asked Queen Antina.

"Is that you, Queen Antina? How is your ant colony doing?" replied Barkley.

"Barkley, I'm a little worried. I think I have made a terrible mistake," Queen Antina responded sadly.

"Oh, Queen Antina, it couldn't be that bad. Tell me about what happened," answered Barkley.

"Well, Barkley, it started when the Queen from the ant colony next door came over and asked if they could borrow some of our food," began Queen Antina. "The good news is that for every ten bags of food we give them, they would give us back eleven bags next spring when the new green leaves are ready to be picked."

"Queen Antina, that is good news. You will get extra bags of food because you loaned bags to your neighbor. You helped your neighbor and you will extra food next spring for your colony. So where is the problem?" Barkley asked.

"Now for the bad news, Barkley. This winter has been colder and longer than ever before. It's hard for us to find food right now, and I gave our extra food to our neighbor. The problem is that now my colony needs that food," explained Queen Antina.

"So, what have you learned, Queen Antina?" asked Barkley.

"Barkley, I've learned that good and bad things can happen when you lend something, even to a friend," explained Queen Antina.

"Queen Antina, I have good news for you. I smell spring in the air, so I think this cold weather is just about over. Your colony is going to be fine," explained Barkley.

"Oh, Barkley, I am feeling so much better now. I promise to look at the good and the bad outcomes before I lend our food to anyone," Queen Antina promised.

Queen Antina has become famous for making good lending decisions. Her colony has extra food this spring because the neighboring colony paid back their loan plus extra bags.

Now a different colony wants to borrow from Queen Antina and she doesn't know if this would be a good idea or a bad idea. She has asked for advice from her colony and has called for the whole colony to meet in her chamber.

"My precious ant colony, we have been asked by our neighboring ant colony to loan them 50 of our worker ants to help them build a larger colony. They promise to return the favor when we need to have more room. I'm not sure if it is a safe place or if they will keep their promise. I do know that we will need to build a bigger Queen chamber very soon and could use the extra help. I am soooo confused."

Activity 2.5-1

You are playing baseball again this season. Your friend signed up for his first time. He doesn't have any equipment yet so he wants to borrow yours. You lend him your ball, your bat, and your glove. He has two little sisters and a big dog.

Cut out the sentences below. Fold a sheet of paper in half lengthwise. Label one side Benefits of Lending and the other side Costs of Lending. Glue the good outcomes under the word Benefits and the bad outcomes under the words Costs.

The dog buried your ball and now it's all dirty.	Your friend likes you even more than before.
Your friend lends you his newest video game.	The dog chews on the baseball glove.
Your friend's mother returns your equipment and includes a new batting glove for you.	The little sisters use markers to decorate your bat with hearts and flowers.
Your big brother wants to help you practice baseball, but you don't have your equipment.	Your make-up game is scheduled for tonight and you need your equipment.
Your friend practiced and got really good. He'll be a big help to your team.	Your friend's dad oiled your glove and now it is much softer and easier to use.
Since the dog liked your ball so much, it's been slobbered on and the stitching is coming undone.	The glove your friend returned is not your glove.

Key 2.5-1

Benefits

Your friend likes you even more than before.
Your friend lends you his newest video game.
Your friend's mother returns your equipment and includes a new batting glove for you.
Your friend practiced and got really good. He'll be a big help to your team.
Your friend's dad oiled your glove and now it is much softer and easier to use.

Costs

The dog buried your ball and now it's all dirty.
The dog chews on the baseball glove.
The little sisters use markers to decorate your bat with hearts and flowers.
Your big brother wants to help you practice baseball, but you don't have your equipment.
Your make-up game is scheduled for tonight and you need your equipment.
Since the dog liked your ball so much, it's been slobbered on and the stitching is coming undone.
The glove your friend returned is not your glove.

Activity 2.5-2   Name _____

Borrower or Lender?

Read the sentences in each box.
- ✓ Find the name of the *borrower* and circle that name with your **red** crayon.
- ✓ Find the name of the *lender* and circle that name with your **blue** crayon.
- ✓ Use your pencil and decide if the result was a *benefit* or a *cost*.

1. Tom let Mary borrow his pencil. She lost it.	
Result: pencil was lost	Cost or Benefit
2. Phillip loaned Jose his bicycle. He washed it before returning it.	
Result: bicycle was washed	Cost or Benefit
3. Sally wanted to borrow Darlene's coat. She ripped it.	
Result: coat was ripped	Cost or Benefit
4. Alina asked if Elias would loan her a dollar. She never paid it back.	
Result: dollar not paid back	Cost or Benefit
5. Marissa loaned her favorite charm bracelet to her sister, Melody. Her sister bought a new charm for her bracelet.	
Result: received new charm	Cost or Benefit
6. Peyton wanted Chris to loan him his tennis racket. Peyton left the tennis racket outside and his dog broke the strings.	
Result: tennis racket ruined	Cost or Benefit

7. Emily was willing to let Shelby borrow her new tennis shoes for the big tennis match. Shelby bought new shoe laces before giving them back.

                Result: new shoe laces   Cost   or   Benefit

8. Ian was a wonderful neighbor. Laura often borrowed eggs from him to have breakfast. Once breakfast was made, she always invited Ian over to eat, and he always showed up.

                Result: gets a hot breakfast   Cost   or   Benefit

9. Joey was Suzanne's big brother. She used his hair brush and got long red hair in the bristles. Joey couldn't believe she didn't ask first.

                Result: dirty brush   Cost   or   Benefit

10. Amanda needs to rake her yard and asked to use Nolin's rake. She broke it and bought Nolin a new rake.

                Result: new rake   Cost   or   Benefit

Key 2.5-2   Name _____

Borrower or Lender?

Read the sentences in each box.
- ✓ Find the name of the _borrower_ and circle that name with your **red** crayon.
- ✓ Find the name of the _lender_ and circle that name with your **blue** crayon.
- ✓ Use your pencil and decide if the result was a _benefit_ or a _cost_.

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   Result: pencil was lost   <u>Cost</u>   or   Benefit

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10. Amanda needs to rake her yard and asked to use Nolin's rake. She broke it and bought Nolin a new rake.

                    Result: new rake   Cost   or   <u>Benefit</u>

Visual 2.5-3

Write a poem choosing words from groups of words that rhyme. You must use at least one of the bolded words in your poem. Your rhyme should be about benefits and costs of lending.

Word bank			
loan	**lend**	**cost**	**benefits**
groan	bend	lost	permits
	send		admits
	mend		outfits

Lesson Description	As in previous lessons, this lesson uses a short story to illustrate the idea of producers and consumers. Baby Bear decides he will produce friendship bracelets that he will sell to his friends. He must choose between buying a sled or new boots, giving students a slight introduction to opportunity cost. Students complete an activity identifying producers and consumers. Students then use a chart to find the cost of some of the bracelets that Baby Bear made and color the bead pattern on the bracelets. Given specific criteria, students design a special bracelet for Mama Bear.
Texas Essential Knowledge and Skills (Target standards)	• **PFL Math 2.11F:** differentiate between producers and consumers and calculate the cost to produce a simple item
Texas Essential Knowledge and Skills (Connecting standards)	• **Social Studies: 2.10:** distinguish between producing and consuming • **Social Studies: 2.10B:** identify ways in which people are both producers and consumers • **Social Studies: 2.10C:** examine the development of a product from a natural source to a finished product
Texas Essential Knowledge and Skills (Prerequisite standards)	• **Math 2.1:** Mathematical Process Standards • **Math 2.4A**: recall basic facts to add and subtract within 20 with automaticity • **Math 2.4B:** Add up to four two-digit numbers and subtract two-digit numbers using mental strategies and algorithms based on knowledge of place value and properties of operations • **Math 2.5B:** Use the cent symbol, dollar sign, and the decimal point to name the value of a collection of coins
National Standards (Supporting standards) **CEE** - Council for Economic Education	• **CEE Earning Income 4.1:** People who own a business can earn profits, which is a source of income. • **CEE Buying Goods and Services 4.2:** Whenever people buy something, they incur an opportunity cost. Opportunity cost is the next best alternative that is given up when a person makes a choice.
PFL Terms	• produce • producer • consume • consumer
Time Required	45-minutes
Materials Required	• One copy of **Visual 2.6-1 and Visual 2.6-2** • One copy of **Activity 2.6-1**, **Activity 2.6-2**, and **Activity 2.6-3** for each student • Crayons

Texas Council on Economic Education

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Procedure

Engage

1. Ask students the following questions and allow a brief time for a few volunteers to respond.
   - *How many of you like to make things?*
   - *What kinds of things do you make?*
   - *How many of you like to go shopping?*
   - *What kinds of things do you buy?*

Explore/Explain

2. Tell students that today they will hear the last story about the animals in the Kingdom of Moneia. Read the story *Friendship Grows: The Story of Mama Bear and Baby Bear*. The story is found on **Visual 2.6-1**.

3. After reading the story, check students' comprehension by asking questions such as the following:

   - *Why was Baby Bear sad?* **(He would miss his friends during his long winter nap.)**
   - *What did Mama Bear tell him to think about instead?* **(She told him to think about having his own sled or a new pair of Arctic snow boots.)**
   - *Baby Bear still had a problem. What was his problem?* **(He did not have enough money to buy a sled and new boots.)**
   - *What did Baby Bear decide to do to remind him of his friends and the good times they have together**? (He decided to make friendship bracelets. Each colored bead would remind him of a different friend.)**
   - *What do you call someone who makes something?* **(Someone who makes something is called a producer.)**
   - *What is a consumer?* **(A consumer is someone who buys or uses products.)**
   - *Why did Baby Bear say he would be a producer?* **(He would make friendship bracelets.)**
   - *Who would be the consumers?* **(His animal friends that bought the bracelets would be the consumers.)**
   - *What decisions did Baby Bear make on what to do with his earnings from sale of the friendship bracelets?* **(Baby Bear bought the sled and used the left over money to make his mother a beautiful bracelet.)**
   - *In the U.S., people can choose how to make a living, how to spend their money and if they want to save or share their money with others. What decisions was Baby Bear able to make?* **(He chose to make friendship bracelets. He chose to spend the last of his money making his mother a gift. He chose not to share his money with others. He chose not to save any money.)**

4. Ask students when they have ever been a consumer. Ask if they or their parents have ever been producers. Ask them to give you several examples of each.

Elaborate

5. Pass out **Activity 2.6-1** to each student. Instruct students draw a green box around each producer and an orange circle around each consumer. Next, instruct students draw a line matching each producer to the consumer of the product.

6. Check over students' responses to establish that they understand the terms producer and consumer.

Evaluate/End   7. Remind students that Baby Bear planned to make friendship bracelets to sell to his animal friends. Then ask the following questions:

- *Why did Baby Bear want to earn money?* **(Baby Bear wants to buy a sled.)**
- *Before Baby Bear can make friendship bracelets, what do you think he needs?* **(He needs supplies: beads, string or cord, and a fastener to be able to take the bracelet off and then put it back on.)**
- *When was Baby Bear a producer?* **(Baby Bear was a producer when he made the friendship bracelets.)**
- *When was Baby Bear a consumer?* **(Baby Bear was a consumer when he bought the sled with the money he earned.)**

8. Tell students that you have the first four bracelet orders that Baby Bear will make. Their job is to determine the cost of each bracelet and show what the finished bracelet will look like. Display **Visual 2.6-2**. Ask students questions to confirm that they understand how to read the chart. Distribute **Activity 2.6-2** to each student. Go over the directions with students and then provide time for them to do the activity.

9. Tell students that after Baby Bear bought his sled, he still had some money left over. He made a very special bracelet for Mama Bear. In the center of the bracelet, Baby Bear put a beautiful crystal bead. Students are to design a bracelet for Mama Bear that costs at least 85¢ but less than $1.00. Remind them that the bracelet will also need string and a fastener in addition to the beads. The price chart on **Visual 2.6-2** lists all of the resources needed to make the bracelet. Using **Activity 2.6-3**, students are to draw the bracelet and show how they determined the cost.

EXTENSION
- Barkley ordered a bracelet from Baby Bear to hang on one of his branches. The string broke and all the beads fell on the ground. Barkley knew that his bracelet had 20 beads that followed a pattern. There were 10 brown beads, 5 green beads, and 5 red beads. Draw the pattern on Barkley's bracelet.

- You want to be a producer. Write a paragraph telling what you might sell in your neighborhood during summer vacation. Be sure to tell who the consumers will be.

  If students need some help, some ideas might be having a lemonade stand; making and selling greeting cards, cookies, or candy; offering services such as dog walking, pet sitting, or helping in the yard.

Social Studies Extension:
- Lesson from the Federal Reserve Bank of St. Louis Econlowdown. Go to**:** https://www.stlouisfed.org/education_resources/assets/lesson_plans/LittleNinosPizza.pdf to access a lesson on Little Nino's Pizzeria. In this lesson, students are read the story *Little Nino's Pizzeria* and identify the inputs in a pizza, categorizing them as intermediate goods, natural resources, human resources, and capital resources. They use a Venn diagram to sort attributes of each restaurant mentioned in the story and the attributes the restaurants share. As an assessment, students write a restaurant review, categorizing the inputs of pizza.

- Bring in some simple objects made from natural resources. Have students choose an object and list the resources needed to construct that item. Examples of items to use: wooden bird house, fruit or salad makings, clay/ceramic bowl or dish. Have the students discuss the steps to take a natural resource and make it into a finished product. For instance, on the wooden bird house, ask the students what the natural resource would be. They should answer wood from a tree. Ask them what they would need to do to produce the bird house. They should discuss using a saw or tool to cut the wood. How would they know how to cut the wood? They would need to draw a plan, measure the sizes of each part and perhaps mark where to make the cuts on the wood. After cutting the wood, they would need to use a hammer and nails to fit the pieces together. They would need to cut out the hole in the bird house. Students write a brief description or draw a series of pictures to describe how they think the item was produced from its raw state to the end result.

A Producer's Power

The Story of Mama Bear and Baby Bear

A summer of playing was gone, and fall had arrived in Woodforest Magical Forest. It was time for all of the animals to begin preparations for the long cold days. Baby Bear was no exception. This would be his second year to hibernate in his mother's den, and he wasn't very excited about it. He loved the long winter nap, but he didn't love being away from his friends. They loved to romp in the snow in Arctic snow boots, make snow angels on the side of the mountain, and slide down the hill on their sleds after the first snow, just before hibernation.

"Mama Bear, I'm sad," said Baby Bear.

"For goodness sakes son, why should you be sad? The first snow of the year is coming for you and your friends to play in, and then the big sleep comes when we keep each other warm all winter."

"But Mama, you don't understand. The problem is that I will miss my friends while we are resting," said Baby Bear.

"Then think about next year's first snow when you will have your own sled or a pair of brand new Arctic snow boots," replied Mama Bear.

"That is the other problem, Mama. I haven't saved enough money to buy a sled and the boots. I'll be the only friend without those," Baby Bear whined.

"Well, Baby Bear. You have a choice," explained Mama Bear. "You can be sad all winter, or you can work to make things better."

"But, how?" Baby Bear asked.

"Can you think of anything you could *make* that would give you an opportunity to buy one of those items to remind you and your friends of the good times you have together?" asked Mama Bear.

"If I only have the opportunity to buy *either* the sled *or* the boots, then the cost for choosing the sled will be not having the boots. Or, if I choose the boots, then I will have to give up the sled. Hmmm, what should I do?" pondered Baby Bear. "I will have more fun with my friends with a sled. Now I have to find a way to make the money to buy a sled."

"I guess I could make friendship bracelets with each bead reminding me of a different friend. The white bead could be Little Owlet, the red bead could be Queen Antina, and the brown bead could be me!" said Baby Bear.

"You could produce some beautiful friendship bracelets, Baby Bear. Did you know that when someone makes something, he or she is called a PRODUCER?" added Mama Bear.

"That sounds nice, Mama. I'm a producer! I will produce bracelets. But I'm still sad about not being able to get a sled," Baby Bear explained.

"Think, little one, think. How could you solve that problem?" questioned Mama Bear.

"I guess… I could buy a used sled, because they are still nice, just not new," Baby Bear answered.

"Good thinking, keep going," urged Mama Bear.

"I guess…I could sell something to earn the money," ventured Baby Bear.

"I'VE GOT IT!   I almost forgot that I am a PRODUCER who produces beautiful friendship bracelets. So what do I call my friends who buy my bracelets?" asked Baby Bear excitedly.

"They are called CONSUMERS, Baby Bear, because they consume or use your product," Mama Bear answered.

"Oh, Mama Bear, I can't wait to get started!" Baby Bear exclaimed.

So Baby Bear began to make friendship bracelets, and all of his friends wanted one. He sold enough to buy his sled with a little left over. He took the money that was left after buying his sled and made the most beautiful bracelet for his Mama, who he knew was the wisest and most loving bear in the forest.

Name _____

Draw a green box around each producer and an orange circle around each consumer. Draw a line from each producer to the consumer of the product.

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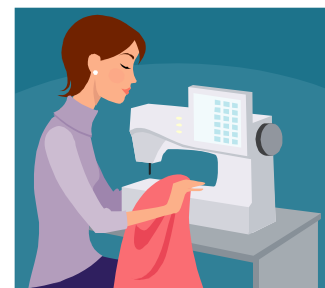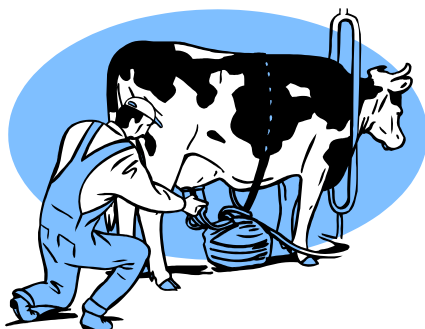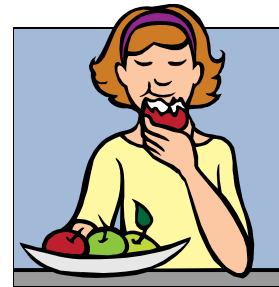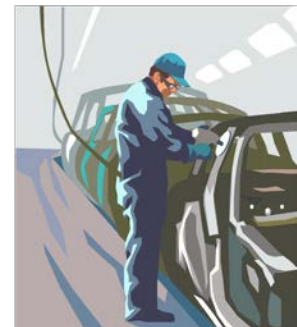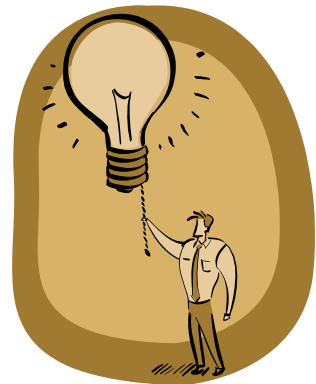
Visual 2.6-2

Beads and String Price Chart

White Bead	**3¢**
Red Bead	**5¢**
Brown Bead	**5¢**
Green Bead	**6¢**
Crystal Bead	**10¢**
String for one bracelet	**10¢**
Closing fastener for one bracelet	**8¢**

Activity 2.6-2

Name _____

Friendship Bracelet Orders

Color each bracelet and complete the pattern. Find the cost of the bracelets. Show your work.

1. Sam the Squirrel's order:

   12 beads with the pattern: 2 white, 2 red, 2 white, 2 red
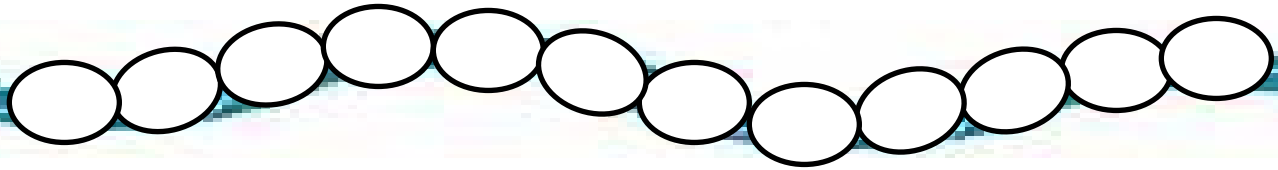
Workspace:

Cost: _____

2. Little Owlet's order:

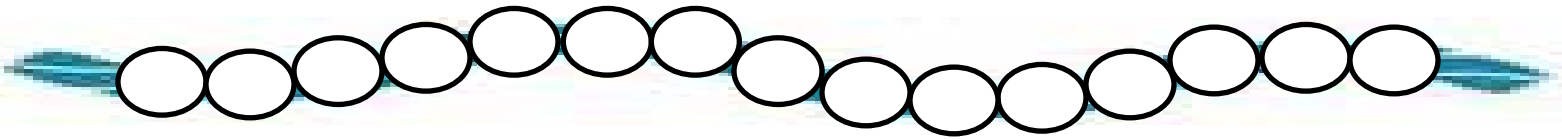   18 beads with the pattern: 1 green, 2 red, 3 white, 1 green, 2 red, 3 white

Workspace:

Cost: _____

3. Queen Antina's order:

   15 beads with the pattern: 2 green, 3 red, 2 green, 3 red

Workspace:

Cost: _____

4. Clyde the Chipmunk's order:

   18 beads with the pattern: 3 brown, 2 white, 1 green, 3 brown, 2 white, 1 green
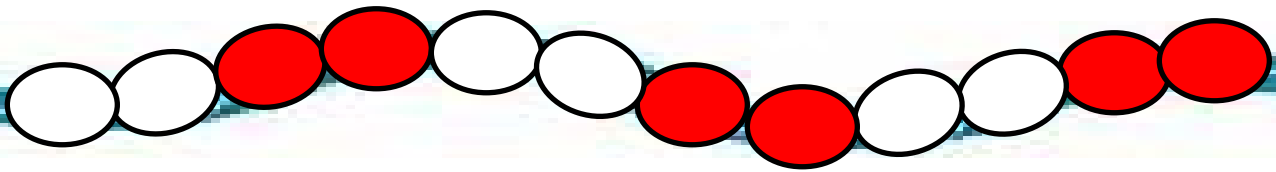

Workspace:

Cost: _____

Key 2.6-2

Name _____

Friendship Bracelet Orders

Color each bracelet and complete the pattern. Find the cost of the bracelets. Show your work.

1. Sam the Squirrel's order:

   12 beads with the pattern: 2 white, 2 red, 2 white, 2 red

Workspace:

Cost: _____66¢_____

2. Little Owlet's order:

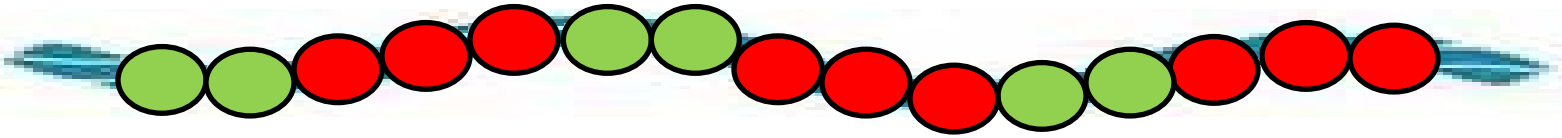   18 beads with the pattern: 1 green, 2 red, 3 white, 1 green, 2 red, 3 white

Workspace:

Cost: __93¢____

2. Queen Antina's order:

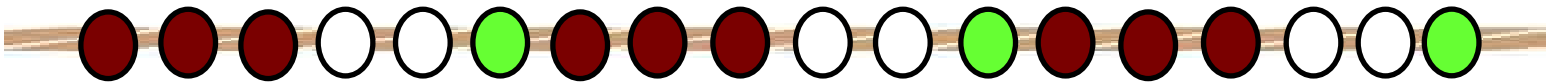15 beads with the pattern: 2 green, 3 red, 2 green, 3 red

Workspace:

Cost: ___99¢___

3. Clyde the Chipmunk's order:

18 beads with the pattern: 3 brown, 2 white, 1 green, 3 brown, 2 white, 1 green

Workspace:

Cost: ___99¢___

Activity 2.6-3

Name _____

Mama Bear's special bracelet must have:

- Crystal bead in the center
- String
- Fastener
- Other beads
- Cost at least 85¢ but less than $1.00

Draw Mama Bear's bracelet:

Show how much it cost:

Who is the producer? _____

Who is the consumer? _____

Texas Council on Economic Education

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