

Put Your Money to Use

Overview

Independently, students assess their personal financial goals and determine how they would use their money to reach those goals. They reflect on the four main methods of using money: spending, saving, investing, and donating.

Objectives

Students will be able to:

- Identify their personal financial needs and goals.
- Explain how they would use their money to reach their personal financial needs and goals.

Preparation

Review the recommendations for working with students found on Page 10 of the Biz Kid\$ Educational Tools Overview. This document is available in the Educational Tools section of www.bizkids.com under General Resources.

Become familiar with the Key Terms and financial concepts presented in this session.

Prior to the session, reproduce, and cut session materials as needed.

Review the *What Can You Do with Money?* episode of the television series *Biz Kid\$*. If possible, show the episode to the students. The information communicated in this episode will give students a foundation for this session's class discussion and activity.

If appropriate, have the students complete the Biz Kid\$ Viewing Guide Worksheet as they watch the episode. The Viewing Guide Worksheet and Explanation are available in the Educational Tools section of www.bizkids.com under General Resources.

If possible, arrange for the technology needed to present the

Concepts

Charitable donation
Financial goals
Investing
Money
Saving
Spending

Skills

Data representation
Oral communication
Reading comprehension
Reasoning



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Episode: How Do You Get Money?



online video clips from the *What Can You Do with Money?* episode of *Biz Kid\$*. These video clips can be found in The Show section of www.bizkids.com.

If possible, post Key Terms and student responses in a visible place. Consider providing a personal example for each term.

Recommended Time

This activity typically takes 45 minutes to complete. If presenting this material as a volunteer, ask the teacher to help you keep track of the time.

Materials

- Table Tents (optional)
- Chalkboard or Dry-Erase Board
- Chalk or Dry-Erase Markers
- 1 Set of Using Your Money Labels
- 1 Sheet of JA Money
- 1 Classroom Set of Where Should My Money Go? Worksheets
- 1 Classroom Set of Break It Down Worksheets
- Coloring Tools

Presentation

Introduction

If presenting this material as a volunteer, greet the students and distribute the Table Tents. Ask the students to write their names on the Table Tents.

If this is the first session you are conducting, tell the students your name, describe your job, and provide some information about your background. Explain that you are a volunteer with Junior Achievement, an organization with a mission to inspire and prepare young people to succeed in a global economy.

If appropriate, provide a brief overview of *Biz Kid\$*. Explain that this is a program that students can watch in their homes on public television. It is designed to help students explore the concepts of financial literacy, work readiness, and entrepreneurship in a fun and memorable format. *Biz Kid\$* inspires students through stories about children and young adults who participate in the United States' economy by founding and operating their own businesses.

This episode, *What Can You Do with Money?*, introduces students to the topic of putting money to use. Through entertaining skits and informational segments, students become familiar with the concepts of spending, saving, investing, and donating money.

Conduct a brief discussion to explore the students' experiences using **money**. Define money as anything accepted as payment for goods or services. Ask the students to share some of the ways they use money. Most responses likely will reflect the students' spending habits.

If possible, show the *Four Things to Do with Money* online video clip from the *What Can You Do with Money?* episode of *Biz Kid\$*. This video demonstrates four main things the students can do with money:

Introduction Time

10 minutes

Teaching Tip

Post Key Terms in a visible place in the classroom. Key Terms in the Guide are highlighted in boldface on first reference.

Key Term

Money: Anything accepted as payment for goods or services.

Key Terms

Donate: To give as a gift or contribution.

Invest: To use for the purpose of gaining a financial return.

Save: To set aside for future use.

Spend: To pay out in exchange for a good or service.

- **Spend** it.
- **Save** it.
- **Invest** it.
- **Donate** it.

If possible, show the *Four Things in Review* online video clip from the *What Can You Do with Money?* episode of *Biz Kid\$*. Define spending, saving, investing, and donating.

On the board, draw a large circle. Divide the circle into four relatively equal quarters, and label the quarters “Spend,” “Save,” “Invest,” and “Donate.” Color the quarter of the circle labeled “Spend,” and then use the same color to fill in a portion of each of the other quarters.

Explain that most people do not divide their money evenly into these four groups. If a person spends more money than he or she initially intended, there is less money to invest, save, or donate. In the same way, the more money a person saves, invests, or donates, the less money he or she has available for spending.

Activity Time

25 minutes

Activity

Explain to the students that, as a class, they will consider how to distribute their money into the four categories.

Provide the students with the following scenario:

Elizabeth gets an after-school job to earn some money. Each week, she earns \$100. She wants to earn enough money to help pay for her college education. She will start college in four years, so there is not a lot of time to save. In the meantime, she needs to pay for daily expenses, such as the gas required to get to and from work. She also wants to help support her friends as they hold fundraisers to raise money for local charities. How should she divide the money?

As a class, discuss Elizabeth’s situation. Define the word **goal** as a statement of something a person wants or needs to do. Ask the students to identify Elizabeth’s goals. List Elizabeth’s



goals on the board or somewhere visible to all the students.

Invite a student volunteer to come to the front of the class and share how he or she thinks Elizabeth should divide her money. Place the four Using Your Money Labels in a row on a table so that the class can see them. Provide \$100 in JA Money, and direct the student to divide the money into the four categories, based on what is known about Elizabeth's financial goals.

Once the student has divided the money, he or she should explain the reasoning behind the distribution. Point out that Elizabeth may want to put a larger portion of her money into savings or investments because she has a long-term goal that requires a significant amount of money.

Explain that people generally put money into savings accounts when they are saving for a **short-term goal** or when they require a certain amount of **liquid capital**. People often invest their money to help reach **long-term goals**. Define liquid capital, and short- and long-term goals.

Inform the students that they will complete the Where Should My Money Go? Worksheet to help them identify their opinions about the use of money. Once the students have completed the Worksheet, they determine how they plan to put their money to use to reach their goals. The students use the Break It Down Worksheet to graphically communicate how they will divide their money.

Distribute a Where Should My Money Go? Worksheet to each student. Read the directions aloud, and answer any questions.

Allow students approximately 10 minutes to respond to the assessment and to determine how they will divide their money.

Distribute a Break It Down Worksheet to each student. Read the directions aloud, and answer any questions.

Allow the students approximately 5 minutes to complete the Worksheet.

Key Terms

Goal: A statement of something a person wants or needs to do.

Liquid capital: An asset that can be converted into cash quickly at little or no cost.

Long-term goal: A goal that will take more than a year to achieve.

Short-term goal: A goal to be achieved within the next three months.

Summary and Review Time

10 minutes

Once finished with their Break it Down Worksheets, allow the students to quietly share their decisions with the students on either side of them.

Summary and Review

Conduct a classroom discussion based on this activity. Ask several students to present the information they learned about their financial beliefs and how that information helped them determine how to divide their money.

Thank the students for their participation in today's session.

Session Outline

Introduction

- (If volunteering) Greet the students and introduce yourself.
- (If volunteering) Distribute the Table Tents.
- Provide a brief overview of Biz Kid\$.
- Establish a basic understanding of the students' experiences using money.
- Show the Four Things to Do with Money video clip.
- Discuss the four main ways to use money: spend it, save it, invest it, and donate it.
- Show the Four Things in Review video clip.

Activity

- As a class, determine how to distribute money based on a person's financial needs and goals.
- Distribute the Where Should My Money Go? Worksheet.
- Review the directions as a class.
- Allow the students 10 minutes to complete the assessment.
- Distribute the Break It Down Worksheet.
- Review the directions as a class.
- Allow the students 5 minutes to complete the Worksheet.

Summary and Review

- Review the lessons learned from the activity.
- Ask the students to present the choices they made and their reasoning for those choices.
- Thank the students for their participation.



Extended Learning Opportunity

Ask the students to use their math skills to determine the fraction or percentage of the \$100 they distributed in each of the four methods for using money.

