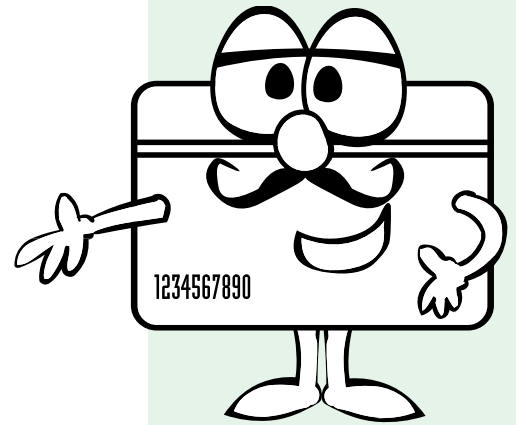


Grade Five

Wise Shoppers



Overview

Students share several chapters from the book *Millions*, by Frank Cottrell Boyce, to learn about currency and the functions of money. They examine their own risk tolerance; play a comparison-shopping game; and learn how to be a wise consumer.

Prerequisite Skills

Students should be able to add and subtract decimal numbers up to the hundredths place and have a good understanding of percents.

Lesson Objectives

Students will be able to:

- Explain what people can do with money
- Use a calculator to calculate the actual price of an item with a percentage discount
- Describe factors that influence their decision to purchase an item

Materials List

1. Book: *Millions*, by Frank Cottrell Boyce (Harper Collins Publishers, 2004)
2. Calculators with percent keys (enough for each student in small groups to have one)
3. Chalkboard or chart paper
4. 3-inch x 5-inch lined index cards (enough for each student in small groups to have one)
5. Pens or fine-line markers
6. Handouts:
 - **To Invest or Not to Invest—That is the Question!** worksheet
 - **T-Shirt Discount Cards** (You may want to have these cards laminated for durability.)
 - **T-Shirt Discount Answer Key**

Content Standards

The activities in this lesson correlate to national standards in economics, mathematics, social studies, and language arts. See the end of this lesson for content standards information.

Vocabulary

benefits	invest
bond	municipality
charity	mutual fund
comparison shop	real estate
costs	risk
currency	sale
discount	save
euro	spend
give	stock
interest	trade-off

Large-Group Activity

Materials

- Book: *Millions*
- Chalkboard or chart paper
- Handout: **To Invest or Not to Invest—That is the Question!** worksheet

1. Gather students in the reading corner to share the book *Millions*.

- Write the word “euro” on the board and say:

Have any of you heard of the euro? What is it?

Have students respond.

The governments of most countries make their own money for citizens to use. In the United States, we use dollars and cents. This money is called **currency.** Write the word “currency” on the board.

In 2002, twelve countries in Europe . . . Write the following countries on the board as you list them: **Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland . . .** decided to use a single currency called the **euro**. A number of other European countries and territories have also adopted the euro. **Where do you think they got the name?** To avoid conflict over language, the name was taken from the name of the continent all the countries belong in.

Great Britain is part of the European Union, but it has its own form of currency called the British pound. Some people think Great Britain should eventually make the euro its currency, too. In the story we’re sharing today, an author has come up with an interesting “what if” story—what might happen if Great Britain suddenly decided to change its currency from British pounds to euros?

The book is called *Millions*, by Frank Cottrell Boyce. In this story, a bag with millions of British pounds falls off a train. Damian and Anthony Cunningham find this bag of money. They can buy anything they want, but they have only seventeen days to spend the money because the British government has decided to adopt the euro. Once Great Britain changes its currency to the euro, the British pounds will become worthless.

Let’s see how Damian and Anthony spend the money.

- Read chapters eight through eleven aloud to students.

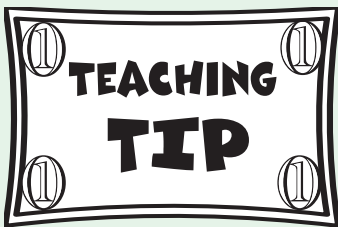
2. Discuss this part of the book with the class.

- **How much did Anthony pay Kaloo and Tricia for the bicycle ride to school?**

Anthony paid each of them one tenner. A tenner is a British ten-pound note.

- **Why was Tricia unhappy about the tenner she received?**

Tricia thought one tenner was too much money.



If possible, show students these countries on a world map or globe.

○ **What did Damian buy at Shopping City?**

Damian bought birds and set them free.

○ **What did Damian want to do with most of the money?**

Damian wanted to give most of the money to poor people.

○ **What did Anthony want to do with the money?**

Anthony wanted to buy a house.

○ **Why did Anthony want to buy a house?**

Anthony thought buying a house was a good way to invest the money. Anthony wanted to buy a house, sell it in the future, and make a profit.

○ **Why didn't Anthony give the man with the Tommy Hilfiger® jacket more money?**

Anthony didn't want the man to know that they had lots of money.

○ **What is Water Aid? Why did Damian want to give them money?**

Water Aid is a charity that builds wells for people in Africa. Damian wanted to give them money because he wanted to use the money to help people.

3. Discuss this lesson's economic concepts: the functions of money, trade-offs, cost-benefit analysis, saving, spending, giving, and investing.

○ ***The Functions of Money***

In *Millions*, Damian and Anthony met lots of people who wanted money. Why do most people want money?

Have students share their ideas.

Most people want money because they can exchange money for goods and services they need. For example, in *Millions*, Tricia wanted money to purchase gel pens. Workers at Water Aid wanted money to purchase the materials needed to build wells in Africa.

When Damian and Anthony found the British pounds, the currency still had value. In seventeen days, however, the pounds would become worthless. Why is money valuable?

Allow students to speculate.

People value money because they know that others will accept it in return for goods and services. Everyone agrees on how much money is worth. In this story, Damian and Anthony had to spend the British pounds they found in seventeen days. If they didn't, no one would accept the British pounds as a form of payment. The British pounds would be worthless.

○ ***Trade-Off and Cost-Benefit Analysis***

When you decide to do something or purchase something, you often have to make a **trade-off. This means you have to give up one thing in order to gain something that you want more. Name something you have recently purchased. What trade-offs did you have to make?**

Allow students to respond.

Damian and Anthony were lucky because they could buy anything they wanted. Most people have a limited amount of money to spend. If you have a limited amount of money to spend, you must carefully decide whether or not you should purchase an item. When you are trying to decide whether or not you should buy something, it is helpful to compare the **costs and **benefits**. This will help you make the best choice.**

Imagine that you got 10 dollars for your birthday and you are trying to decide how to spend it. Write the amount “\$10.00” on the board. You are considering three things to do with the money. Write the following three choices on the board under the “\$10.00” as you list them: 1) You might buy a T-Shirt for \$8.00, 2) spend \$6.00 on a movie ticket, or 3) buy a magazine for \$3.50.

Now, you don’t have to spend all your money on one thing. You can use some money for one thing, and some for another. How would you spend your money to get the greatest satisfaction? What trade-offs do you have to make?

Discuss the students’ answers. Point out that buying the T-shirt will keep them from the other two purchases (cost), but they could combine the movie ticket and the magazine.

Only you can decide which way to spend your money. To some people, the T-shirt is worth more to them. They don’t mind giving up the movie and magazine. To others, the movie or the magazine, or the opportunity to have both, is more important.

○ *Spending, Giving, Saving*

What did Damian and Anthony do with the money they found?

Students may say that Anthony and Damian used the money to buy things they wanted.

Damian and Anthony used most of the money to buy goods and services. If you have money, you can **spend it, **give** it away, **save** it, or **invest** it. Write these four words on the board. Point to the word “spend.”**

When you spend money, you use it to buy goods and services you need or want. What did Damian and Anthony spend their money on?

Students may say that Anthony and Damian bought food, micro-scooters, walkie-talkie watches, remote-controlled helicopters, and birds.

Point to the word “give.” **You can also give money away, to friends or relatives as presents, or to a **charity**. Charities are groups that help people in need. In the book *Millions*, the charity called Water Aid helped people in Africa build water wells. You can also give money to churches, temples, synagogues, animal shelters, hospitals, or museums. If you had extra money you wanted to give, which charity would you choose?** Allow students to share their opinions. Remind them that giving to charity is a personal choice, and everyone must make the choice for him- or herself.

Point to the word “save.” **It is also a good idea to save money. When you save money, you keep it for the future instead of buying items right away.**

Have you ever saved money? What did you save your money for? Where did you save your money?

Allow students to share their experiences.

Many people save their money in a savings account at a bank because they can earn more money that way. Many banks pay you a certain amount of money for every dollar you keep there. This extra money is called **interest. For example, a bank may pay you two cents a year for every dollar you keep in the bank.** Write the word “interest” beside the word “save” on the board.

○ *Investing*

Point to the word “invest,” and say:

When you invest, you use your money as a tool to work for you. Invested money can make more money—sometimes it can make a lot more than the interest you can make by saving it in a bank.

However, investing money is **riskier than saving it, because if something goes wrong, you can actually lose money. You have to be comfortable risking your money and be prepared to lose it, if you want to invest.** Write and underline the word “risk” beside the word “invest” on the board.

In our book, Anthony wanted to invest money in **real estate.** Write the words “real estate” on the board under the word “invest.” **Real estate is land and buildings. If your parents own your house instead of renting it, they have invested in real estate.**

You can keep real estate for a long time, or you can try to sell it right away for more money than you paid for it. Anthony wanted to buy a house and then sell it in the future and make a profit. How might something go wrong if you invest in real estate? Allow students to speculate, and encourage open discussion. They should guess that the land might not be worth more money later.

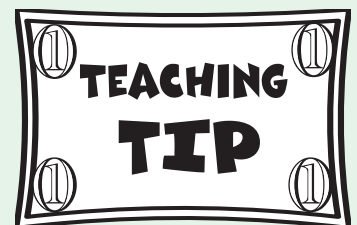
You can also invest your money in **bonds, stocks, and mutual funds.** List these three items under “invest.”

Point to the word “bonds.” **Bonds are loans to companies or the government. The company or government that borrows your money promises to pay you back by a specific date and pay you interest.**

You can purchase United States Savings Bonds, Treasury Bonds, Municipal Bonds, or Corporate Bonds. Write these four types of bonds to the side of the “invest” list, with lines connecting them to the word “bonds.”

When you purchase U.S. Savings Bonds and Treasury Bonds, you are loaning money to the federal government.

Point to the words “municipal bonds.” **Cities, towns, counties, and states are often referred to as **municipalities**.** When you purchase a municipi-



If time is short, you might wish to skip specific kinds of bonds. Move on to “stocks” after defining bonds.

pal bond, you are loaning money to these municipalities. They are often used to pay for things such as schools or hospitals.

When you purchase a corporate bond, you are lending money to a private company for a private purpose.

Point to the word “stock.” If you own stock in a company, you actually own a piece of that company. Stocks are usually the riskiest kinds of investments. If the company gets into money troubles, it doesn’t have to pay you back. You might lose your investment. The money you receive for stocks depends on the strength of the company.

Point to the words “mutual funds.” Mutual funds are collections of lots of different stocks or bonds. Individual people buy shares in a mutual fund. When you own a share of a mutual fund, you own a portion of the whole collection.

4. Introduce the large-group activity: **To Invest or Not to Invest—That is the Question!**

- **Anthony enjoyed investing money, but Damian did not like to take risks. He was uncomfortable investing money.**

An investor needs to have certain personality characteristics, because a lot of money is at risk. An investor has to be patient, not worry easily, be ready to take risks, and not change his or her mind too often. How about you—what is your investment personality?

Hold up a copy of the **To Invest or Not to Invest—That is the Question!** worksheet.

This worksheet contains twelve “yes” or “no” questions. Answer each one as truthfully as you can. Then count the number of “yes” answers you made to find out if you are more like Anthony or more like Damian.

On the back of the paper, describe how you would make your money grow—by saving or investing. Then tell why you’ve chosen that plan. Remember, there is no right or wrong answer—some people like to save and some people like to invest—the important thing is to find the best plan for you.

Allow students to work on this worksheet while you work with individual groups in the following small-group activities. After small-group work, you might want to go over each of the twelve items and have the class discuss why each trait is important for an investor. Some are obvious, while other items may require some thought.

Small-Group Activity One: T-Shirt Discounts

Concept Taught

Calculating Sales Price with Calculators

Materials

- Chalkboard or chart paper
- Calculators with percent keys (enough for each student in small groups to have one)
- Handouts:
 - **T-Shirt Discounts Cards** (You may want to have these cards laminated for durability.)
 - **T-Shirt Discounts Answer Key**

1. Prepare for the group ahead of time.

- Prepare the T-Shirt Cards.

There are 24 cards in all. You will need enough cards for each student in the group to have an equal number. For example, if you have four students in the group, use all 24 cards, allowing for six rounds of play. If you have five students in the group, put four cards aside and play four rounds with 20 cards. Cut out and shuffle the cards before the game.

- Investigate the functionality of the calculators before beginning the activity.

NOTE: Check the calculators' percent function before beginning this activity. Some calculators will automatically subtract the percent from the total when the percent key is entered; others require you to hit the “equal” key for the final total. Make sure you let students know that different calculators work differently.

2. Begin Small-Group Activity One: Using calculators to figure discounts.

- Say:

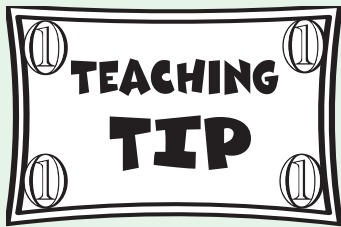
Even though Anthony could buy whatever he wanted, he constantly compared the prices of items. Many people **comparison shop because they want to pay the least possible amount when they buy something.**

Sometimes stores will have a **sale to encourage people to buy from them rather than another store. If you go to a shopping mall, you will probably see sale signs displayed in different stores. What is printed on these signs?**

Students may say that these signs show how much the store has reduced the price of an item.

Reducing the price means taking a **discount. When stores have sales, they usually discount items by a certain percentage. For example, you may see a sign that tells you the cashier will take an additional 30 percent off the regular price of an item.**

Some people carry calculators, and use them to figure these things out. Let's see how to use a calculator to figure out just how much



Make sure students know whether to use or skip the equal sign according to the type of calculator available.

the item will cost after the discount. Imagine that you want to purchase something that costs \$15.00 with a 30 percent discount. Write “\$15.00” on the board or chart paper.

Since the word “discount” means the amount is reduced, we must subtract 30 percent from the original price. To calculate the sales price, subtract 30 percent from \$15.00. Write “- 30%” on the board.

Show students how to figure the sale price on their calculators:

$$15.00 - 30\% (=) 10.50.$$

A thirty percent discount of \$15.00 is \$10.50, saving you \$4.50.

Provide one or two more examples to make sure students understand the steps to follow on the calculator.

3. Have students play the T-Shirt Discounts Game.

- Give each student a calculator.

We are going to play a game where you will compare the sale price of T-shirts. I’m going to pass out a T-shirt card to each of you. When I give the signal, turn your card over, and use your calculator to find the sale price of the T-shirt.

We’ll go around the table, and each of you will tell me the number of your card, and your discounted price. I’ll check your answers, and the student that has the card with the lowest priced T-shirt will keep all the other students’ cards.

We will continue doing this until all the cards have been used. The student who has the most cards at the end wins the game.

Play the game with students. Use the answer key to check students’ calculator work.

Small-Group Activity Two: How to Be a Wise Shopper

Concept Taught

Spending Money Wisely

Materials

- Chalkboard or chart paper
- 3-inch x 5-inch lined index cards (enough for each student in small groups to have one)
- Pens or fine-line markers

1. Begin Small-Group Activity Two: How To Be a Wise Shopper.

- Say:

Let’s say you are going to shop for a new pair of shoes. What kinds of things influence your decision to buy something? What is important to you when making a buying decision?

Students may say that they think brand names or price are important. Or they may say that friends or advertisements influence their decisions.

In the book *Millions*, Anthony wanted to purchase a pair of Rockport shoes because everyone else at school had a pair. People often purchase items because of peer pressure. They want something because everyone else has it.

Advertising also influences people’s buying habits. What kinds of advertising did Anthony and Damian notice on the Internet?

They were easily influenced by pop-up advertisements.

Spending a little time thinking before you buy might help you avoid overbuying or regrets. Have you ever bought something and later wished you hadn’t wasted your money? What was the worst purchase you’ve ever made in your life? Why was it a bad purchase? Looking back, do you feel like you should have known better?

Have students share their shopping experiences.

One thing you can do to make sure you are making the right decision is to compare the costs and benefits. You should determine which choice would give you the greatest level of satisfaction.

You can also ask yourself some questions like: “Do I really need the item?” or “Is the price reasonable to justify buying it?” Begin a list of these questions on the board, under the heading “Wise Shopper Questions.” What other questions should you ask yourself before making a purchasing decision?

Add students’ suggested questions to the list. Students may say that they could ask questions like:

- Can I get the same item somewhere else for less?
- How long will I use it?
- Would it be better to borrow one from a friend?
- Do I need to buy this item now, or can I wait to purchase it?

2. Have students create a “Wise Shopper Card” to carry with them.

- Give each student an index card.

No one wants to waste money buying things they will regret later. On this index card, copy some or all of our “Wise Shopper” questions from the list.

When you are finished, put this card in your wallet or purse. The next time you go shopping, you can refer to this card before making a purchase.

Assessment

Check students’ understanding by listening carefully to the responses they give during group discussions and while playing the T-Shirt Discounts Game. Give students a blank piece of notebook paper. Have them write a paragraph in which they describe what they should consider before making a purchase.

Suggested Online Activity

NOTE: Teachers should preview all sites to ensure they are age-appropriate for their students. At the time of publication, all URLs listed here were valid. In addition, some Web sites provide lessons via pop-up screens, so you may have to disable your computer's pop-up blocker software to access them.

The Euro: Our Currency

Have students visit the European Union's Web site at europa.eu.int/euro/entry.html and learn about the euro. At this site, students can learn about the history of the euro and view pictures of the currency.

National Standards Correlations

Economics

The activities in this lesson correlate to the following Voluntary National Content Standards in Economics, as determined by the National Council on Economic Education, found at: www.ncee.net/ea/standards.

Standard 2: Marginal Cost/Benefit

Students will understand that: Effective decision making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something; few choices are “all-or-nothing” decisions.

5–8 Grade Benchmarks:

- To determine the best level of consumption of a product, people must compare the additional benefits with the additional costs of consuming a little more or a little less.

Standard 5: Gain from Trade

Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and usually among individuals or organizations in different nations.

5–8 Grade Benchmarks:

- When people buy something, they value it more than it costs them; when people sell something, they value it less than the payment they receive.

Standard 11: Role of Money

Money makes it easier to trade, borrow, save, invest, and compare the value of goods and services.

K–4 Grade Benchmarks:

- Money is anything widely accepted as final payment for goods and services.
- Most countries create their own currency for use as money.

5–8 Grade Benchmarks:

- As a store of value, money makes it easier for people to save and defer consumption until the future.
- As a unit of account, money is used to compare the market value of different goods and services.

Mathematics

In addition to economics, the activities in this lesson also correlate to the following *Principles and Standards for School Mathematics*, from the National Council of Teachers of Mathematics, found at: standards.nctm.org/document/index.htm.

Numbers and Operations Standards

Understand numbers, ways of representing numbers, relationships among numbers, and number systems

3–5 Grade Benchmarks:

- develop fluency in adding, subtracting, multiplying, and dividing whole numbers

Social Studies

In addition to economics and mathematics, the activities in this lesson correlate to the following Curriculum Standards for the Social Studies, from the National Council for the Social Studies, found at www.socialstudies.org/standards.

VII. Production, Distribution, and Consumption

Social studies programs should include experiences that provide for the study of how people organize for the production, distribution, and consumption of goods and services, so that the learner can:

Middle Grades Benchmarks:

- d. describe a range of examples of the various institutions that make up economic systems such as households, business firms, banks, government agencies, labor unions, and corporations.

Language Arts

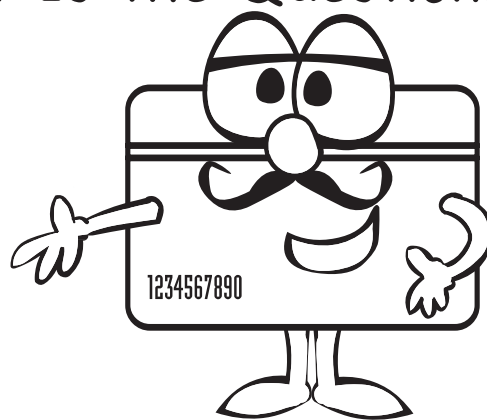
This lesson, based on the children's book *Millions*, by Frank Cottrell Boyce, also correlates to the following *Standards for the English Language Arts*, from the National Council of Teachers of English, found at:

www.ncte.org/print.asp?id=110846&node=204.

1. Students read a wide range of print and non-print texts to build an understanding of texts, of themselves, and of the cultures of the United States and the world; to acquire new information; to respond to the needs and demands of society and the workplace; and for personal fulfillment. Among these texts are fiction and nonfiction, classic and contemporary works.
3. Students apply a wide range of strategies to comprehend, interpret, evaluate, and appreciate texts. They draw on their prior experience, their interactions with other readers and writers, their knowledge of word meaning and of other texts, their word identification strategies, and their understanding of textual features (e.g., sound-letter correspondence, sentence structure, context, graphics).

To Invest or Not to Invest—That Is the Question!

Name _____



Answer each question "yes" or "no," then check the chart at the bottom to see if you think like an investor.

- _____ 1. Do you find numbers interesting?
- _____ 2. Do you believe in luck—do you ever feel lucky?
- _____ 3. Can you make a decision and stick to it (not change your mind often)?
- _____ 4. Are you interested in facts—do you like knowing trivia and factual information?
- _____ 5. Do you like to keep track of your money—do you always know how much money you have?
- _____ 6. Do you like to be in charge—not let others tell you what to do?
- _____ 7. Are you calm in an emergency—never getting excited or worried?
- _____ 8. Are you a patient person—willing to wait for something you really want?
- _____ 9. Do you ever take risks in anything you do (sports, friendships, etc)?
- _____ 10. Are you hard to influence—not letting others talk you into doing something?
- _____ 11. Do you like to gamble—make bets with people?
- _____ 12. Do you finish what you start—no matter what happens?

Count up the number of "yes" answers and check your IQ—your "Investment Quotient," that is!

Investment Quotient

<p>Just Like Anthony</p> <p>8-12 <i>yeses</i></p> <p>Investor</p>
--

<p>More Like Damian</p> <p>1-7 <i>yeses</i></p> <p>Saver</p>

T-Shirt Discount Cards

1



Regular Price

\$19.00

Discount: 10%

2



Regular Price

\$19.00

Discount: 15%

3



Regular Price

\$19.00

Discount: 20%

4



Regular Price

\$19.00

Discount: 25%

5



Regular Price

\$20.00

Discount: 10%

6



Regular Price

\$20.00

Discount: 15%

7



Regular Price

\$20.00

Discount: 20%

8



Regular Price

\$20.00

Discount: 25%

T-Shirt Discount Cards

9



**Regular
Price**

\$22.00

Discount: 10%

10



**Regular
Price**

\$22.00

Discount: 15%

11



**Regular
Price**

\$22.00

Discount: 20%

12



**Regular
Price**

\$22.00

Discount: 25%

13



**Regular
Price**

\$25.00

Discount: 10%

14



**Regular
Price**

\$25.00

Discount: 15%

15



**Regular
Price**

\$25.00

Discount: 20%

16



**Regular
Price**

\$25.00

Discount: 25%

T-Shirt Discount Cards

17



**Regular
Price**

\$26.00

Discount: 10%

18



**Regular
Price**

\$26.00

Discount: 15%

19



**Regular
Price**

\$26.00

Discount: 20%

20



**Regular
Price**

\$26.00

Discount: 25%

21



**Regular
Price**

\$27.00

Discount: 10%

22



**Regular
Price**

\$27.00

Discount: 15%

23



**Regular
Price**

\$27.00

Discount: 20%

24



**Regular
Price**

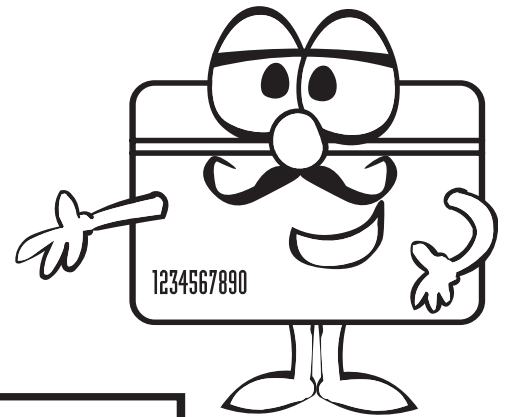
\$27.00

Discount: 25%

T-Shirt Discount Cards

Answer Key

Find the number of the T-Shirt card in bold.
The correct discounted price for that card is
to the right of the number.



1	\$17.10	9	\$19.80	17	\$23.40
2	\$16.15	10	\$18.70	18	\$22.10
3	\$15.20	11	\$17.60	19	\$20.80
4	\$14.25	12	\$16.50	20	\$19.50
5	\$18.00	13	\$22.50	21	\$24.30
6	\$17.00	14	\$21.25	22	\$22.95
7	\$16.00	15	\$20.00	23	\$21.60
8	\$15.00	16	\$18.75	24	\$20.25