



TIME FOR KIDS YOUR \$

FINANCIAL LITERACY FOR KIDS

VOL. 1, NO. 1
JANUARY 2015

From the Editor: Thanks to the PwC Charitable Foundation, TIME For Kids is pleased to offer teachers, students, and their families a monthly financial-literacy magazine.—Nellie Gonzalez Cutler, Managing Editor, TIME For Kids

Teaching the cover story MEET JEFF XIE

WHAT'S INSIDE

- A New Jersey teen won \$75,000. Find out how far his money will go.
- Financial expert Jean Chatzky answers readers' money questions.
- Should parents tell kids how to spend their money? TFK Kid Reporters weigh in on the debate.

SUMMARY

A New Jersey teen won big playing the game show Jeopardy!. The cover story explores how he'll use his winnings.

TEACHING TIPS

Before Reading

Make Real-World Connections

- Tell students they are going to read about a teen who won \$75,000. Ask: What would you do with that much money? What do you think your parents would want you to do with the money?

Build Comprehension

Recall Key Details

- What did Jeff Xie do to get on the game show?
- How does Jeff plan to use the money he won?

Build Vocabulary

Define Words in Context

- Draw students' attention to the Power Word *finance*. Read the definition aloud. Then read the paragraph in which the word appears. Ask: What did Jeff learn about finance from the book his sister gave him? Do you think it's important to learn about finance? How can knowledge of finance help you in your life?

Start a Discussion

Critical Thinking

- Have students read the sidebar. Ask: What are the benefits of investing money in stocks? (*The money will grow. You are saving money for the future.*) What are the drawbacks? (*The money only grows if the stocks do well. You can't spend the money right away.*)
- Do you think Jeff's plan for the \$75,000 is wise? Why or why not?

Extend Learning

Take a Poll

- How do you think Jeff should use the prize money? Have students raise their hands to vote for the following options: 1. Put the money in a savings account. 2. Invest the money in the stock market. 3. Spend the money now. 4. Choose a mix of saving, investing, and spending. Discuss the benefits and risks of each option.

Write a Financial Plan

- Have students write a plan that shows how they would use \$75,000. Tell them their plan could include a mix of saving the money, investing it, or spending it, but they must explain the reasons for each of their choices.



a note from Jean

Dear Teachers,

Welcome to Your \$. The goal of this magazine—a collaborative effort from the PwC Charitable Foundation, TIME For Kids, and me—is to give you a tool to help teach your students about money. We aim to be fun and educational while we help you meet standards. You can help us with feedback and suggestions for future issues. Together, we can boost financial literacy for the next generation.

Best,
Jean

COURTESY JEAN CHATZKY

FINANCIAL LITERACY STANDARDS ADDRESSED

Grades K–12 II. Buying Goods and Services; III. Savings; IV. Financial Investing

COMMON CORE STANDARDS ADDRESSED

Grade 4 RI.5.1, RI.5.2, RI.5.7, W.5.2

Teaching the story on KIDS WEIGH IN

JEAN
KIDS WEIGH IN
Should Parents Tell Kids How to Spend Their Money?

What is an investment? —Lizbeth Williams, 10, San Francisco

An investment is something you buy with the hope that it will be worth more in the future than it is worth today. In other words, when you invest, you buy something that you hope will grow in value over time. There, down the road, you can sell it and make money. Money you make above the purchase price is called a profit.

A common way to invest is to buy shares of stock in companies, like Coca-Cola and Apple. Stocks are units of ownership in a company. People also invest in mutual funds that consist of shares of hundreds of stocks. Many people also invest in real estate, like homes or land.

What makes investing different from saving is the hope of growth. If you put in one dollar that you are certain it will be worth more than \$1.00 in the future.

YES! **NO!**

Samir Malik, 12
Lawrenceville, Georgia
Parents know more about money than kids do. They can help kids make better decisions about spending.

Andrew Mitchell, 11
San Carlos, California
If kids earn money or get it as a gift, it belongs to them. They should decide how to spend it. If parents have to spend that money, they will have influenced their kids' spending habits. And if kids do make bad choices with their money, it is a chance for them to learn how to be responsible in the future.

Do you have a question? Write to: Ask at Ask@TimeForKids.com. We need to hear from you! The best topic: Should you have to work for your allowance? Email your opinion to ShouldYouWorkForYourAllowance@TimeForKids.com. For more information, go to TimeForKids.com. Made possible by the PwC Charitable Foundation.

TEACHING TIPS

Use these tips to support close reading of the debate: **Should Parents Tell Kids How to Spend Their Money?**

Before Reading Take a Poll

- Have students weigh in on the debate question through a show of hands. After taking the poll, ask: Why might some people think it's a good idea for parents to tell their kids how to spend their money? Why might some people think it's not such a good idea?

Start a Discussion

Critical Thinking

- Note that the article presents the debate between two points of view: parents should tell their kids how to spend their money and parents should not tell their kids how to spend their money. Ask: Is there a middle ground, or an area of possible

agreement between the two sides? How can that middle ground be reached?

Synthesize Findings

- Based on what you read, what might be the long-term goal of parents telling kids how to spend their money?
- Think about the views of those who are opposed to parents telling kids how to spend their money. How might this group recommend reaching that long-term goal?

Extend Learning

Write a Persuasive Essay

- Challenge students to write an essay arguing for the point of view opposite from their own. For step-by-step instructions, go to timeforkids.com/persuasive.

FINANCIAL LITERACY STANDARDS ADDRESSED

Grades K-12 I. Earning Income; II. Buying Goods and Services; III. Savings

COMMON CORE STANDARDS ADDRESSED

Grade 4 RI.4.1; RI.4.3; RI.4.8; RI.4.10; W.4.1

Made possible by the



School / Home CONNECTION



COMSTOCK IMAGES

Share these tips with your students' families.

- Have students work with a family member to develop a plan for achieving a short-term financial goal, such as buying a new bike or a pair of sneakers. The plan should include ways the student will earn and save money, as well as a timetable for achieving the goal.
- Suggest that students and parents each choose a company's stock to follow over a period of at least two months. Have students report to the class on how the stocks performed. Ask: Why did you choose that particular stock to follow? If you had invested in the stock, would you have made money?
- Tell students to interview a family member to learn how interest, checking accounts, loans, or some other aspect of banking works. Have students report their findings to the class.

ADDITIONAL RESOURCES

councilforconed.org/standards

Visit for free teaching resources and to download the K-12 national standards for financial literacy.

themint.org

The site provides tools to help kids develop money smarts. There are resources for parents and teachers too.

ANSWER KEY FOR WORKSHEETS

Page 3: Mind Your Money

1.-2. Tuesday: Total Spent: \$7; Total Saved: \$8
Wednesday: Total Spent: \$11; Total Saved: \$4
Thursday: Total Spent: \$9; Total Saved: \$6
Friday: Total Spent: \$14; Total Saved: \$1
Saturday: Total Spent: \$15.00; Total Saved: None
Sunday: Total Spent: \$24; Total Saved: \$1
3. Total Spent: \$90; Total Saved: \$25 **4.** three weeks **5.** Answers will vary.

Page 4: Money Matters

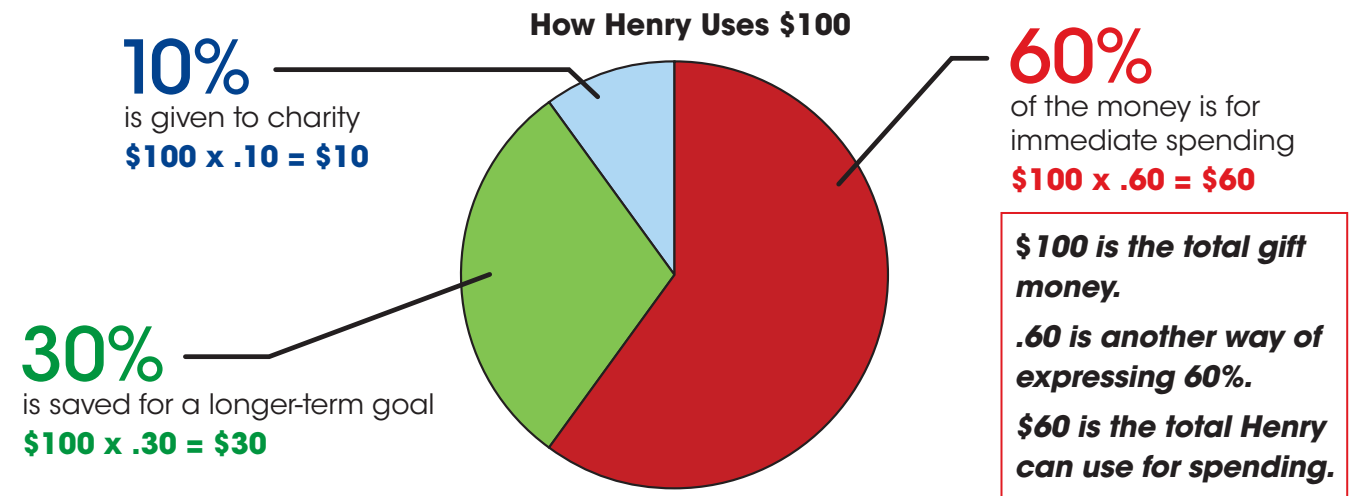
1. true **2.** 30%; \$30 **3.-4.** Answers will vary.
5. \$120; \$60; \$20 **6.** Answers will vary.

Your Name _____

Date _____

MONEY MATTERS

Henry's parents suggest he use his birthday money in a certain way. The pie chart shows how his parents advise him to use the money. Use the chart to answer the questions.



- True or false: Henry can spend most of his money immediately. _____
- What percentage of the \$100 does Henry save? _____%
How much money is that? _____
- Why do you think Henry's parents suggest he save some of his money? _____
- Do you agree that Henry should give part of his money to charity? Explain. _____
- Let's say Henry received \$200 in cash gifts. That's double the amount in the chart. If he follows his parents' advice,
how much can he spend immediately? \$ _____
how much will he save for future use? \$ _____
how much will he give to charity? \$ _____

6. Do you think the way Henry's parents suggest he use his birthday money is wise? Explain your answer on the back of this page.

BONUS Talk to a family member about what to do with gifts of money and other earnings. Does your family member agree with the way Henry uses his money? Why or why not?



Your Name _____ Date _____

MIND YOUR MONEY

The chart shows the money Emma earns and spends in one week. Use the chart to answer the questions.

EMMA'S MONEY DIARY

MONDAY		TUESDAY		WEDNESDAY		THURSDAY		FRIDAY		SATURDAY		SUNDAY	
Amount Earned		Amount Earned		Amount Earned		Amount Earned		Amount Earned		Amount Earned		Amount Earned	
Walked dogs for one hour	\$15.00	Walked dogs for one hour	\$15.00	Walked dogs for one hour	\$15.00	Walked dogs for one hour	\$15.00	Walked dogs for one hour	\$15.00	Walked dogs for one hour	\$15.00	Allowance	\$25.00
Amount Spent		Amount Spent		Amount Spent		Amount Spent		Amount Spent		Amount Spent		Amount Spent	
School lunch	\$6.00	School lunch	\$6.00	School lunch	\$6.00	School lunch	\$6.00	School lunch	\$6.00	Movie	\$8.00	Video game	\$17.00
Snack	\$1.00	Snack	\$1.00	Snack	\$1.00	Snack	\$1.00	Snack	\$1.00	Popcorn	\$6.00	Notebooks	\$7.00
Pack of pencils	\$3.00			Music for iPod	\$4.00	Book	\$7.00			Snack	\$1.00		
TOTAL SPENT	\$10.00	TOTAL SPENT		TOTAL SPENT		TOTAL SPENT		TOTAL SPENT		TOTAL SPENT		TOTAL SPENT	
TOTAL SAVED		TOTAL SAVED		TOTAL SAVED		TOTAL SAVED		TOTAL SAVED		TOTAL SAVED		TOTAL SAVED	
\$5.00												TOTAL SAVED	

1. Add the amount Emma spent each day. Fill in the blanks above for the total spent.
 2. Subtract the total amount spent each day from the total earned. Fill in the blanks for the amount saved.
 3. How much did Emma spend in total? _____ How much did she save? _____
 4. Emma is saving for a pair of \$75 sneakers. How many weeks will it take her to save the money based on this spending schedule? _____
 5. How can Emma save more money? Cross out the items you think she can do without. On the back of this page, explain why you chose those items.
- BONUS** Talk to a family member about ways you can earn money to buy a particular item. Create a weekly earning-and-saving plan that will help you reach your goal.