

# Knowing what costs us money

Students analyze a picture of things in a park to identify which ones would cost them money and which ones wouldn't.

## Learning goals

### Big idea

Some things in life cost us money while others don't.

### Essential questions

- What are some things in life that cost us money?
- What are some things that don't cost us money?
- Why is it helpful to know the difference?

### Objectives

- Understand that some goods and services cost us money while others don't
- Identify things that cost us money and things that don't

### What students will do



- Discuss examples of activities and things that cost money and those that don't.
- Study a picture of a park and identify which things cost money and which don't.

### NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

#### KEY INFORMATION

Building block:

-  Financial habits and norms
-  Financial knowledge and decision-making skills

Grade level: Elementary school (K-1, 2-3)

Age range: 5-7, 7-9

Topic: Spend (Buying things)

School subject: Fine arts and performing arts, Social studies or history

Teaching strategy: Direct instruction

Bloom's Taxonomy level: Understand, Apply, Analyze

Activity duration: 45-60 minutes

#### National Standards for Personal Financial Education, 2021

Spending: 4-1, 4-2, 4-3, 4-4

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

## Preparing for this activity

- While it's not necessary, completing the "[Making spending choices](#)" activity first may make this one more meaningful.
- Print copies of all student materials for each student, or prepare for students to access them electronically.

### What you'll need

#### THIS TEACHER GUIDE

- [Knowing what costs us money \(guide\)](#)  
[cfpb\\_building\\_block\\_activities\\_knowing-what-costs-money\\_guide.pdf](#)

#### STUDENT MATERIALS

- [Knowing what costs us money \(worksheet\)](#)  
[cfpb\\_building\\_block\\_activities\\_knowing-what-costs-money\\_worksheet.pdf](#)

## Exploring key financial concepts

Many things in life cost money. For example, we use money to buy books from a bookstore or to buy a ticket for a carnival ride. Other things we have or do in life don't cost us money. Some of these things include borrowing books from the public library or playing tag with your friends. People often choose to buy or do things that don't cost them anything so that they can save money. Understanding which things cost you money and which ones don't can help you make good choices about spending money.

It's also important to know that some things we don't have to pay for still cost money to build and run. For example, it's free to borrow books from the public library, but your community had to spend money to build the library, pay the people who work there, and buy the books.

#### TIP

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Because examples of what is free and what costs money can change, students should be encouraged to always look for the most up-to-date information.

## Teaching this activity

### Whole-class introduction

- Read the “Exploring key financial concepts” section to the students.
- Ask students to share things or activities that would cost them or their families money.
  - Examples include: Buying clothes, going to the movies, getting ice cream from an ice cream shop.
- Ask students to share things or activities that wouldn’t cost them or their families money.
  - Examples include: Playing in their neighborhood, going for a walk, reading books they have at home.
- Be sure students understand key vocabulary:
  - **Cost:** The amount of money that is needed to pay for or buy something.
  - **Money:** You can use money to buy goods and services. Money looks different in different places around the world.
  - **Spend:** The act of using money to buy goods or services.

#### TIP

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Visit CFPB’s financial education glossary at [consumerfinance.gov/financial-education-glossary/](https://consumerfinance.gov/financial-education-glossary/).

### Individual and group work

- Give each student the “Knowing what costs us money” worksheet.
- Give students a few minutes to look over the picture on the first page of the worksheet.
  - Explain that the scene is a public park with options for things that cost money and things that don’t cost money.
- Ask students to look in the picture for examples of things that cost money.
- Ask students to look in the picture for examples of things that don’t cost money.
- On the second page, ask students to put a check mark next to the things from the picture that cost money.

### Wrap-up

- Have students form a circle and bring their worksheets with them for reference.
- Ask volunteers to share one thing in the park that costs money.

- Ask volunteers to share one thing in the park that doesn't cost money.
- Ask students why they think it's a good idea to know what costs money and what doesn't.
  - Explain that understanding what costs us money and what doesn't can help us make choices about how to spend and save money.
- If time allows, ask students the following questions:
  - If you were visiting this park, which things would you like to do or have?
  - Would you pick more of the things that are free or the ones that cost money? Why?

## Suggested next steps

Consider searching for other [CFPB activities](#) that address the topic of spending, including buying things. Suggested activities include "[Exploring needs and wants](#)" and "[Spending money on a trip](#)" (grades K-1).

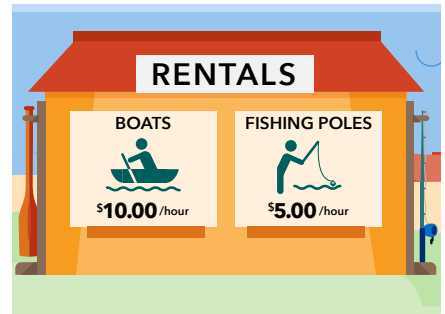
## Measuring student learning

Students' answers during the discussions can give you a sense of their understanding.

This answer guide provides possible answers for the "Knowing what costs us money" worksheet. **Keep in mind that students' answers may vary.** The important thing is for students to have reasonable justification for their answers.

# Answer guide

## Things that cost money



## Things that don't cost money

