

Making smart money trades

Students listen to a story about making money trades and determine whether the values of different groups of coins and paper money are equal or unequal.

Learning goals

Big idea

Different coins and paper money have different values.

Essential questions

- Why is it helpful to know that different coins and dollar bills are worth different amounts?
- Why is it important to be careful when trading coins and paper money?

Objectives

- Understand that different coins and paper money have different values
- Recognize whether combinations of money have the same or different value

What students will do



- Listen to and discuss the story *A Bargain for Frances* by Russell Hoban and Lillian Hoban.
- Determine whether different groups of money are equal or unequal in value.

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 (2-3)

Age range: 7-9

Topic: Protect (Managing risk), Spend (Buying things)

School subject: English or language arts, Math

Teaching strategy: Personalized instruction

Bloom's Taxonomy level: Understand, Apply, Analyze

Activity duration: 45-60 minutes

National Standards for Personal Financial Education, 2021

Spending: 4-2, 4-4, 4-5, 8-1, 8-2

Managing risk: 4-1, 4-2, 4-3

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 "Understanding the value of money" activity first can make this one more meaningful. You also can share the "Learn about coins and dollar bills" poster with your students. Download or order free copies at <https://pueblo.gpo.gov/CFPBPubs/CFPBPubs.php?PubID=13473>.
- Print copies of all student materials for each student, or prepare for students to access them electronically.
 - If you'd like students to come up with their own groups of money to compare, you can print copies of the worksheet so students can write on the back of it.
- Obtain a copy of the book *A Bargain for Frances** by Russell Hoban and Lillian Hoban to read to students.
 - Note: If you don't have access to the book, you can complete this activity without it by reading the "Exploring key financial concepts" section to students and having them complete the worksheet.

What you'll need

THIS TEACHER GUIDE

- Making smart money trades (guide)
[cfpb_building_block_activities_making-smart-money-trades_guide.pdf](#)
- A copy of *A Bargain for Frances*

STUDENT MATERIALS

- Making smart money trades (worksheet)
[cfpb_building_block_activities_making-smart-money-trades_worksheet.pdf](#)

Exploring key financial concepts

Different coins and paper money have different values. The number of coins or dollar bills you have isn't the same as how much they're worth. A good example of this is having four quarters or one \$1 bill in paper money. Someone may think it's better to have four quarters than just one \$1 bill because you have more coins than dollars. But each quarter's value is 25 cents. If you have four of them, you have 100

*Written by Russell Hoban, illustrated by Lillian Hoban, and published by HarperCollins (2003 edition).

cents. That's the same value as one \$1 bill. So if you have one \$1 bill, and someone says they'll trade you some coins for it, you'll need to make sure that the value of the coins equals the value of your \$1 bill. Being careful while trading money can help you protect your money.

Teaching this activity

Whole-class introduction

- Ask students if they've ever wanted something that someone else had.
- Read *A Bargain for Frances* to the class.
- Be sure students understand key vocabulary:
 - **Money:** You can use money to buy goods and services. Money looks different in different places around the world.
- Ask students the following questions related to the story:
 - Which costs more, a plastic or china tea set?
 - What did Thelma do that wasn't very kind to Frances?
 - Do you think what Frances did in the end was understandable?
 - Has anything like this ever happened to you in a trade?

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

Individual work

- Give the "Making smart money trades" worksheet to each student.
- Go through the directions with the class.
- Give students ample time to complete the worksheet.

Wrap-up

- Bring the class back together and ask volunteers to share their answers and the reasons for their answers.
- If there's time and you printed the worksheets, consider having students draw their own money trade (it can be equal or unequal) on the back of their worksheet.
 - Have students switch their worksheet with a partner and solve each other's problem.

Suggested next steps

Consider searching for other [CFPB activities](#) that address the topic of protection, including managing risk, or spend, including buying things. Suggested activities include [“Bouncing ball protection game”](#) and [“Saving for this or that.”](#)

To extend the learning, you also might consider giving students copies of the parent reading guide for *A Bargain for Frances* at https://files.consumerfinance.gov/f/documents/cfpb_book-club_bargain-for-frances.pdf to take home. You can order copies of the reading guide for free at <https://pueblo.gpo.gov/CFPBPubs/CFPBPubs.php?PubID=13237>.

Measuring student learning

Students’ answers on their worksheets and during discussion can give you a sense of their understanding.

This answer guide provides possible answers for the “Making smart money trades” worksheet. **Keep in mind that students’ answers may vary.** The important thing is for students to have reasonable justification for their answers.

Answer guide

1. Equal trade (Both equal 50 cents)
2. Unequal trade (\$4 vs. \$5)
3. Unequal trade (\$25 vs. \$20)
4. Unequal trade (8 cents vs. 10 cents)
5. Equal trade (Both equal \$10)