

TIME FOR KIDS YOUR \$

FINANCIAL LITERACY FOR KIDS

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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, Editor, TIME For Kids*

Teaching the cover story FACT OR FICTION?

WHAT'S INSIDE

- Get the truth about five money myths. Read the cover story on pages 2 and 3.
- Should personal finance be taught in elementary and middle school? On page 4, our Kid Reporters share their views.
- Money expert Jean Chatzky answers a reader's question about taxes.



a note
from *Jean*

Dear Teachers,

Fake news. Alternative facts. No matter what side of the political divide you fall on, it's tough to open the papers these days without wondering which end is up. When it comes to our children and their financial knowledge, a blurred line between what's real and what's not is something none of us can afford. So we put politics aside to take a look at some of the misguided beliefs many students hold about money. If you notice any myths we've missed, please let us know. This is a topic we could very well return to.

All the best,
Jean

COURTESY JEAN CHATZKY

SUMMARY

The cover story dispels five money myths.

TEACHING TIPS Before Reading

Check Prior Knowledge

- Read aloud each money myth from the cover story. Tell students to raise a hand if they think the statement is true. Discuss: What makes you think the statement is true (or untrue)?

Build Comprehension Critical Thinking

- Read the cover story aloud to the class, stopping to discuss important details along the way. For each myth, ask: Why might a young person believe this myth? What experiences would disprove the myth?

Draw Conclusions

- Provide students with five index cards, and have them write one of the money myths from the cover story on each. Ask: Which myths are the most harmful? Students should order the cards from left (most likely to prove harmful) to right (least likely to prove harmful). Then have them explain their reasoning. Allow students

to change the index card order as they listen to arguments about the harmful effects of each myth, and ask them to explain what made the argument effective.

Identify Cause and Effect

- Separate students into five groups and assign one myth to each group. Challenge each group to brainstorm the possible negative effects of a young person believing the myth. Allow time for each group to report its ideas to the class.

Extend Learning

Tell a Tale

- Challenge students to write a cautionary tale inspired by one of the money myths highlighted in the cover story. Tell them to imagine a character who believes the myth wholeheartedly. What problems might he or she encounter? How might the character's belief in the money myth affect others? At the end of the story, how might the character learn the truth about the myth? Remind students that their stories should have a beginning, a middle, and an end. Invite students to share their story with the class.

FINANCIAL-LITERACY STANDARDS ADDRESSED

Grades K–12 I. Earning Income
II. Buying Goods and Services
III. Saving

COMMON CORE STATE STANDARDS ADDRESSED

Grade 4 RI.4.1, RI.4.3, RI.4.8, RI.4.10, W.4.1, SL.4.1

Teaching the story ASK JEAN



TEACHING TIPS

Use these tips to support close reading of the Ask Jean feature.

Before Reading

Check Prior Knowledge

- Ask: What are taxes? Who pays taxes? (Students might be aware that they pay sales tax on certain items. They might also know that taxes are deducted from paychecks and that homeowners pay property taxes.)

Build Comprehension

Recall Key Details

- Have students read the Ask Jean feature on page 4 of the magazine and underline the answers to the following questions: What is a deduction? What do taxes pay for? What happens if you pay the government more money than needed? What if you pay less?

Make Real-World Connections

- Brainstorm with the class a list of services and amenities that your city or town provides residents. The final list should include police, firefighters, trash pickup, parks, public schools, and libraries. Discuss: Do you think it's fair that residents' taxes pay for these services and amenities? Why or why not?

Extend Learning

Do the Math

- Challenge students to calculate a 6% sales tax for the following items: \$2 pack of gum, \$12 book, \$20 backpack, \$50 skateboard. Demonstrate the calculation for a \$30 item: $\$30 \times .06 = \1.80 .

FINANCIAL-LITERACY STANDARDS ADDRESSED

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

COMMON CORE STATE STANDARDS ADDRESSED

Grade 4 RI.4.1, RI.4.2, RI.4.4, SL.4.1; 4.NBT.B7

School / Home CONNECTION



Share these tips with your students' families.

- Encourage students to share the cover story with an adult family member. Provide the following discussion prompts: When you were younger, did you believe any of these money myths? Did you have any other misconceptions about money? How did you learn the truth?
- Ask students to brainstorm with an adult family member how to become smarter about money. For instance, they might open a savings account if they don't have one already, calculate tips at restaurants, or manage the family's grocery budget for a week or longer.
- Have students ask an adult to explain the deductions on a pay stub. What other deductions, besides taxes, are taken? What is the purpose of the deductions? Which deductions might affect a tax return?

ADDITIONAL RESOURCES

councilforeconed.org/standards

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

mymoney.gov

Visit the website to learn the basics of money management.

ANSWER KEY FOR WORKSHEETS

Stamp Out the Money Myths 1.-4. Answers will vary. Take a Poll 1.-4. Answers will vary.

Your name _____

Date _____

Stamp Out the Money Myths

Read the cover story, "Fact or Fiction." Use information from the story to respond to the scenarios below.

Scenario 1 Emily wants new sneakers. Her father says he doesn't have the money for them. "What's the big deal?" Emily complains. "All you have to do is get the money from the ATM." You tell her: _____

Scenario 2 Luis learned about a dog shelter in his town. He really wants to give money to help out. But he used his allowance to buy movie tickets. You tell him: _____

Scenario 3 Beatrice's favorite subject is art. She enjoys using paint to bring her ideas to life. She wants to become an artist and show her work in a gallery. But sometimes she wonders if she should become a lawyer because it pays more. You tell her: _____

Scenario 4 Kyle's older brother is always talking about investments and making money. Kyle worries that he doesn't have a math brain like his brother. How will Kyle ever be good with money? You tell him: _____

Your name _____

Date _____

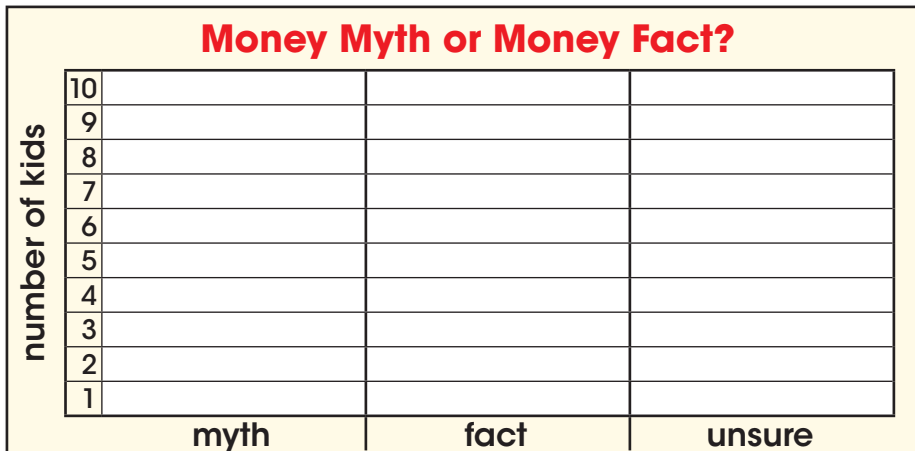
Take a Poll

Read the cover story, "Fact or Fiction." Which of the myths do you think kids your age are most likely to believe? Share the myth with 10 kids who have not read the story. Ask: Is it a myth or fact? Follow the steps to complete the activity.

Name	Myth	Fact	Unsure	Reasons
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

1. In the chart, write the kids' names, and mark their responses. Take notes on the reasons for each kid's choice in the space provided.

2. Create a bar graph to show the poll results.



3. Explain the results of the poll on a separate page. Do the kids you polled have a misunderstanding about money? If so, how can they get the truth?

BONUS: Show the results of your poll in fractions, decimals, or percentages