

TEACHING THE COVER STORY

A NEW WAY TO PAY

Learn about a new form of digital currency that could change the way we do business.

FINANCIAL-LITERACY STANDARDS
Buying Goods and Services

COMMON CORE STANDARDS
RI.5.1, RI.5.4, SL.5.1, W.5.1; RI.6.1,
RI.6.4, SL.6.1, W.6.1

From the Editor: Thanks to the PwC Charitable Foundation, *TIME for Kids* is pleased to offer teachers, students, and students' families a monthly financial-literacy magazine.

—**Andrea Delbanco, Editorial Director, TIME Education**

ANNOTATING THE TEXT LESSON

Engage the Reader

- Write the word *cryptocurrency* on the board. Read the word aloud and ask students to share what they know about the topic. If students are stuck, have them identify smaller words within the larger word (*crypto* means “secret or hidden”; *currency* means “a system of money”). Then ask students to build on what they know about *crypto* and *currency* to infer the meaning of *cryptocurrency*.
- Once students have unpacked the definition, hand out this month's issue. Have them explore the front cover. Ask: What do you notice about the title? How is the text supported by the illustration? What new information do you learn from the background image of computer code? Why do you think a superhero was used in the illustration?
- Have students refine their original definition of *cryptocurrency* based on the class discussion of the front cover. (Students might say that *cryptocurrency* is a new type of money that is digital and uses a secret code.)

Read the Text

- Create a KWL chart on the board. In the *What I Know*, or *K*, column, write down what students shared at the start of the lesson about cryptocurrency. Then list any additional ideas about the topic.
- Hand out sticky notes. Have students work with a partner to write questions they would like to have answered while reading the article. Collect the sticky notes and post them on the board in the *What I Want to Know*, or *W*, column. Share a few student questions with the class.
- As students read the article, have them annotate the text. Refer to your classroom guidelines for annotating a text. If you do not have annotation guidelines, use the following instructions: Underline any sentence that answers a question you wrote in the *What I Want to Know* column. Highlight unfamiliar words that are important to the article. Place a question mark next to any confusing parts. Place a star next to interesting facts.

Respond to the Text

- After students finish reading and annotating the text, have them debrief a partner about their annotations.
- Invite students to share their annotations with the class. On the chart, record information they learned in the *What I Learned*, or *L*, column of the KWL chart.
- For unanswered questions, give the class an opportunity to research the question or topic on the computer. Remind them to use credible and reliable sources.
- Using the resource “The Price of Bitcoin,” on page 3 of the Teacher's Guide, students will be able to analyze a graph featuring the cost of a single Bitcoin over the course of a six-year time period. Students will need to access *coindesk.com* for the final question on the resource. Or they can use the figure provided in the article, which reflects the cost of a Bitcoin at the time the article went to print.

Extension Idea

- Have students refer back to the superhero on the front cover. Using the information they learned from the article, ask them to think of a superhero name and attributes connected to digital currency.
- Once they name the superhero and list his powers, students can write a narrative piece about the superhero. They should use information discussed in the article and in class to drive the story line. Encourage students to use narrative techniques, including dialogue, inner thinking, and description, to show the character's response to situations in the story.

WITHIN THIS GUIDE

- A letter from money expert Jean Chatzky about her navigation of this tricky topic
- A guide for helping students write opinion pieces about cryptocurrency
- A letter to send home, to help parents discuss this month's topic



A NOTE FROM JEAN

Dear Teachers,

Okay, I'll admit it. When a fourth grader responded to a query about what students were saving for with "Bitcoin," we were kind of blown away. But his answer wasn't our only sign that kids were starting to wonder about cryptocurrencies. My 13-year-old niece brought up the subject at the dinner table. And when I started asking around, I found that other parents had been hearing similar questions. So we decided to write about cryptocurrencies. Research has shown us that one reason teachers are sometimes reluctant to tee up personal-finance topics is that they don't feel knowledgeable themselves. I want you to know that pretty much all of us at Your \$ felt like fish out of water when we began researching this story. We feel smarter having written it, and we hope you and your students will feel smarter having read it.

All the best,

Jean

ADDITIONAL RESOURCES

councilforeconed.org/standards

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

Early Bird Gets the Bitcoin

By Andrew Courey

(Amazon Digital Services LLC, 2018)

An 11-year-old boy explains Bitcoin, including the history of the online currency.

ANSWER KEY FOR WORKSHEET

The Price of Bitcoin, p. 3:

1. \$.06 (July 2010)
2. It increased in value by \$8.66.
3. The most expensive month to purchase a Bitcoin was December 2013. The cost of one Bitcoin was \$898.89.
4. Answers will vary depending on whether students go to coindesk.com for the current cost or use the information in the article.



OPINION WRITING (W.5.1; W.6.1) ARTICLE: "A NEW WAY TO PAY" (PP. 2-3)

After they have read this month's issue, have students go back and reread the section "A Little like a Library Book." Then ask: "What is blockchain technology?" (It is a ledger used to keep track of all transactions and can allow the transfer of money instantly.)

Discuss with students the idea that blockchain technology will become more prevalent. One example is the music industry. Ask students to talk about how they listen to music and the apps they use to listen to it. If they have attended a concert, ask how they purchased their ticket. Then explain that music apps and ticket sellers often take a big cut of a musician's earnings. Blockchain technology is one way artists can increase the amount of money they receive by selling directly to fans and removing third-party vendors.

Divide the class into two sections (vendors and artists). Have them respond in writing to the following question from the perspective of the artist or the vendor: Would blockchain have a positive or a negative impact on your future, and why? Once students have completed their writing, pair them with a partner from the opposing side to discuss.

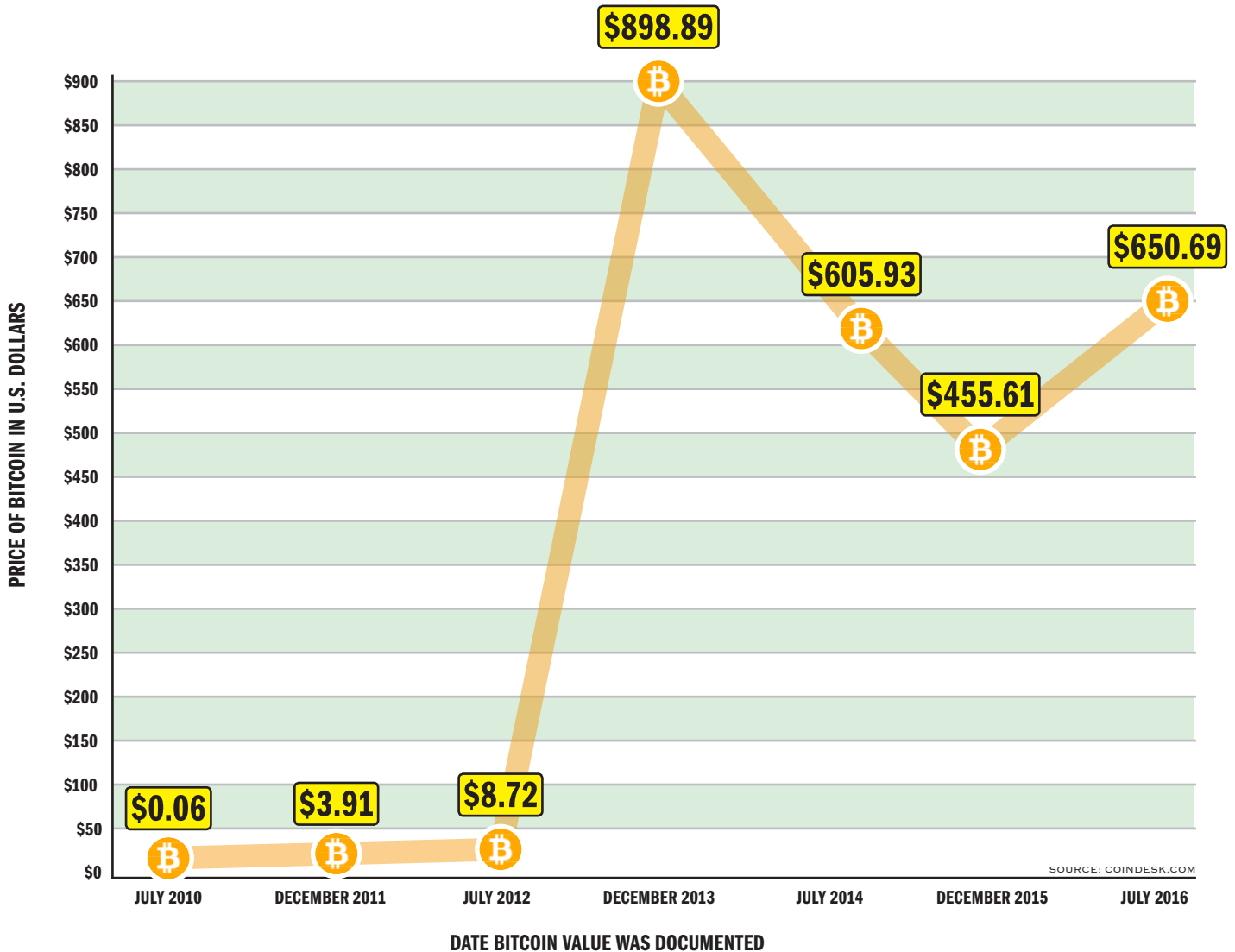
PAIRED TEXT

MAKING CONNECTIONS

- Once students have read the cover story, "A New Way to Pay," have them go to timeforkids.com and read "Scrap Metal" (3/21/14). This story discusses the advantages and disadvantages of using and producing dollar coins and dollar bills.
- Have students identify the two perspectives discussed in "Scrap Metal" and make connections to cryptocurrency.

THE PRICE OF BITCOIN

This graph shows the value of a single Bitcoin over a six-year period, from July 2010 to July 2016. Use the graph to answer the questions below.



1. What is the earliest recorded value of Bitcoin? _____
2. How much did the value of Bitcoin increase from July 2010 to July 2012? _____
3. According to the graph, what was the most expensive month to purchase Bitcoin? How much did one Bitcoin cost that month? _____
4. Go to *coindesk.com*. What is the current cost of Bitcoin? What is the difference in cost from July 2016 to now? _____

Common Core State Standards: RI.5.7; RI.6.7

To connect families with the financial topics being discussed in the classroom, we are launching this monthly newsletter featuring family resources. Teachers, please take a moment to photocopy this page and send it home with your students.

DEAR FAMILY,

This month, your kids are learning about a type of currency you may be familiar with—cryptocurrency. Cryptocurrency is a relatively new form of payment that removes banks from the equation and relies on technology to ensure the transaction is safe and secure for all parties. Many people speculate that cryptocurrency is the wave of the future. This month's issue also looks at various technology-based ways to make digital payment secure, including fingerprint scanners, facial recognition, contactless technology, and voice recognition. The information below is designed to help you engage with your kids about these topics.



FUN FACTS

- There are many types of cryptocurrency, including Bitcoin, Litecoin, and Ethereum.
- As with a library book, a ledger records the transaction history of any cryptocurrency.
- In September 2015, one Bitcoin was worth \$230. In December 2017, the price spiked to \$17,000. The current cost of a Bitcoin is around \$6,500.
- Crypto is protected by very secure private key codes. There is a higher probability of winning the lottery and getting struck by lightning on the same day than of guessing someone's private key.

AT-HOME ACTIVITY

After reading about cryptocurrency, students had the opportunity to analyze how the price of Bitcoin has fluctuated over time. This fluctuation can be illustrated with the real-life example of a man who traded Bitcoin to buy pizza. On May 22, 2010, he was hungry and did not have any cash. So he traded 10,000 Bitcoin in exchange for two pizzas. At the time, that amounted to about \$40. Today, those Bitcoin are worth about \$65 million! Now that day is celebrated as the most expensive pizza day in history, called Bitcoin Pizza Day. Have a discussion with your child about whether it was worth it to trade Bitcoin for pizza and about market fluctuation. How can we make informed decisions when we don't know the future value of a currency?