

TEACHING THE COVER STORY

MONEY TALK

Learn about a set of financial terms that will help you understand how best to manage your money.

FINANCIAL-LITERACY STANDARDS
V. Financial Investing

COMMON CORE STANDARDS
RI.5-6.1, RI.5-6.4, SL.5-6.1

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.

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

VOCABULARY LESSON

Learn the Vocabulary

- Read the headline deck aloud to explain why learning the vocabulary terms will be helpful to students.
- Ask students to review the terms independently and annotate each term with a symbol that indicates their level of understanding. Students might place an X beside a term they don't understand at all, a question mark beside a term they are unsure of, and a check beside a term they fully understand.
- Once students have read and annotated the article, have them review the terms that were confusing. If possible, have students who understand a term explain it to students who are confused. You can fill in any gaps in understanding for the class.
- Next, have students create a flash card for each term. The vocabulary word should be on one side and the definition on the other. Students should try to put these definitions in their own words to demonstrate their understanding. Encourage them to include examples on their flash cards. These could be in the form of an illustration or of a sentence using the word.
- Have students lay their flash cards out on their desk, with the vocabulary terms facing up. Then call out a definition and have students hold up the word. Take note of students who need extra support.

Practice the Vocabulary

- Have students partner up and sit facing one another. Have one partner close his or her eyes and pull a random flash card from the deck. This student will place the card on his or her forehead without looking at the term—this will be the “guesser” in the game. The flash card should be held with the vocabulary term

facing out. The student who can see the word will be the “definer” in the game. He or she will explain the word so that the guesser can guess the word.

- **Competitive option:** Set a one-minute timer and have the guesser go through as many cards as he or she can in a minute.
- **Noncompetitive option:** Have the guesser and the definer switch roles after each correct card.

Extension Activity

- For extra practice and exposure to the vocabulary words, students can complete the resource “Ask the Money Master,” on page 3 of this guide.
- Students will write an advice column. They will choose one of the questions listed and craft a response to the writer. They should use as many of the vocabulary terms as they can, and explain them clearly in their answers.
- When students complete the activity, those who answered the same question should form groups. Have students share their written advice with one another.

WITHIN THIS GUIDE

- Read how money expert Jean Chatzky educates adults about financial literacy.
- Try out your advice-columnist skills with the “Ask the Money Master” resource, on page 3 of this guide.
- Send home a newsletter to help families discuss this month's topic.



A NOTE FROM JEAN

Over the past year or so, I've been holding HerMoney Happy Hours—smallish gatherings of women talking about all things money—in cities around the country. As we dive into topics like earning more, saving enough, investing for tomorrow, and taking care of the people we love, I'm reminded how reluctant many women are to talk about financial matters because they're not comfortable with the language. Over and over again, I hear, "Nobody ever taught me this." We don't want the next generation of women—or men—to feel that way. So we're kicking off 2019 with an issue devoted to the Power Words you'll need to make conversations about money an ongoing part of life. And if you're not feeling super comfortable yourself—or you're looking to be more financially focused in 2019—let me invite you to join me at HerMoney.com, in our private HerMoney Facebook group, and for the HerMoney podcast, available wherever you find your favorite podcasts. (By the way, we know there are men listening as well. We welcome you, too!)

Happy New Year!
Jean

ADDITIONAL RESOURCES

councilforeconed.org/standards

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

The Everything Kids' Money Book: Earn It, Save It, and Watch It Grow!

Kids will learn everything from how coins are made to how to spend wisely.

ANSWER KEY FOR MAGAZINE

"Can You Finish the Story?" p. 4:

1. credit
2. loan
3. debt
4. interest
5. budget
6. savings account
7. insurance
8. asset
9. retirement account
10. taxes
11. investments
12. stocks
13. bonds
14. compound interest

ANSWER KEY FOR TEACHER'S GUIDE

"Ask the Money Master," p. 3:

Answers will vary. (Sample response: If you don't already have one, you should go to the bank to set up a savings account. The money in this account will grow because of the interest the bank pays you for keeping it there. You can also work with your parents to create a budget. Based on the money you make, you can decide how much you will plan to save each year and how much you will have to spend.)

YOUR \$

Can You Finish the Story?

The best way to learn new vocabulary words is to use them. On the previous pages, you read 14 definitions. Now put the words to work. The story below uses each word on the right. But which goes where? Cross them off as you fill them in.

When I start earning money, I'll make sure to save some of it, because I know I'm going to want to buy a house or an apartment in a neighborhood I love. When I go to the bank to borrow money, they'll check my [5] _____ to see how reliable I will be about paying it back. I'll be so happy when the bank approves my [2] _____. After I move into my new home, I'll pay my mortgage, which is the [3] _____. I owe to the bank every month, on time. I hope I'll get a good [4] _____ rate, so my loan is not too expensive.

My friends will be so impressed. They'll ask how I saved up for the place. I'll tell them I created a [5] _____, which helped me plan my expenses for each month, including electricity and food. I took whatever money I had left over at the end of the month and put it into a [6] _____, so I was not tempted to spend it! I also had to buy [7] _____ so that if there is a fire, I will be able to rebuild.

My home isn't the only [8] _____ I'll have. Through my job, I'll open a [9] _____, so I can save money for when I'm older and no longer working. I'll contribute to it with money left over from my paycheck after [10] _____ are taken out and I pay my expenses. That money will be used to buy mutual funds, which are [11] _____, made-up-of pieces of companies called [12] _____. And loans to companies and governments called [13] _____. Thanks to [14] _____, my money will grow exponentially over time.

asset	interest
bonds	investments
loan	retirement account
budget	credit
compound interest	savings account
debt	stocks
insurance	taxes

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NARRATIVE WRITING

ARTICLE: "MONEY TALK" (P. 2-3)

Ask students which of the vocabulary terms are relevant to their lives right now. Then have them imagine when the rest of these terms will become important to them. Ask questions such as: What will you need to know when planning for college? When you get your first job? When you buy a home?

Have students practice using the vocabulary words in context by writing a personal narrative. Ask them to start with their first experience with money (maybe they had a piggy bank or they watched a family member pay with a card at a store) and include as many vocabulary terms as they can. Students may want to start with a graphic organizer on which, before drafting their narrative, they can lay out the words they'll use to talk about the past, present, and future. Students may also use the "Can You Finish the Story?" activity on page 4 of the magazine to get themselves thinking.

Once students complete their narrative, have them share it with a partner. Challenge them to identify each of the vocabulary words used in the narrative while they listen to their partner read.

PAIRED TEXT

DISCUSS A SIMILAR TOPIC WITH TFK

- Have students read "Money Talk," on pages 2 and 3 of the magazine, along with "Kid Heroes for the Planet" (4/13/18) at timeforkids.com. The latter is about kids who are earning money while protecting the planet.
- Then ask: What business is one of the kid heroes in? How is he or she working to protect the planet? Does the article mention how this person is spending or saving his or her money?

Your name

Date



ASK THE MONEY MASTER

Many people get confused when it comes to money and finances. Become the “money master” and respond to one of the questions below. Use vocabulary terms from the article in your response.

Dear Money Master,

I really dream of going to college one day, but I know it is really expensive and my parents can't afford it themselves. I am only 12, but how can I start preparing?

Kelly

Dear Money Master,

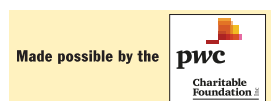
I keep all my money in a drawer in my bedroom. My mom told me that wasn't smart. Why is this a bad idea? What can I do instead?

Joe

Dear _____,

Money Master

Common Core State Standards: W.5.1, W.6.1



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

DEAR FAMILY,

I don't know about you, but when I moved out of my parents' home to live on my own, I felt ill-equipped when it came to managing my finances and planning for the future. This month's issue equips your child with the language of money so he or she feels confident engaging in financial discussions and navigating personal finances. It is never too early to start talking to children about topics such as budgeting, investing, spending, account types, and even taxes. The more we talk to them about these topics, the better informed they will be when it comes to making big financial decisions such as paying for college or buying a car.



COOL KID FACTS

- More Monopoly money is printed each year than real money.
- A salary is how much someone earns over the course of a year at a job. The word comes from the ancient Romans, who used salt as a currency. The Latin word for salt is *sal*, which is where we get the word *salary*.
- According to the 2015 and 2016 T. Rowe Price Parents, Kids & Money Surveys, 41% of parents have talked to their children (ages 8 to 14) about the value of long-term investing.

AT-HOME ACTIVITY

Interested in talking about financial literacy with your children? Start by identifying ways they can earn some money. Can they help out more around the house? Help the neighbors with yard work? Babysit? Start a dog-walking or trash-pickup service? Maybe they have unwanted toys, books, or clothes that could be sold? Build up excitement at the possibility of earning money and saving some or all of it.

One idea is to use the 4 Bank System. Teach kids how to compartmentalize money into a spending bank, a saving bank, an investing bank, and a giving bank. Read more about this system at themint.org/parents/4-bank-system.html.