



1st Grade Activity Packet

Free Financial Literacy for Kids



Much like reading with children from a young age can help strengthen literacy, engaging with children about money topics can be a powerful tool to help them better understand money and develop healthy habits. In fact, research shows that many money habits are set by age seven.

The Illinois State Treasurer's Office created the Money Minded Illinois program in 2018. It is a free financial literacy curriculum for teachers and school districts across the state. It was written to meet Illinois State Board of Education (ISBE) standards, and full curriculum booklets are available for download for first grade through middle school at MoneyMindedIllinois.com.

A few activities from each grade booklet were selected to make quick packets for families and communities to engage with children in conversations about money. We hope you enjoy learning together and completing the activities. Topics covered in this packet include:

1. What money is
2. Identifying goods and services
3. Earning income
4. The difference between wants and needs
5. Choices and opportunity cost



You can also enhance your own personal finance knowledge by creating a free account on the Illinois Financial Wellness Hub (FinWell Hub) at IllinoisTreasurer.Enrich.org. The FinWell Hub offers practical tools and courses, as well as free access to Certified Personal Finance Coaches. The FinWell Hub is for adults and high school age students.

Happy learning!

Illinois State Treasurer's Office



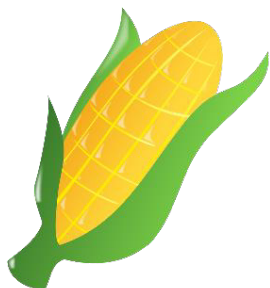
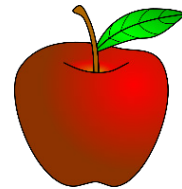
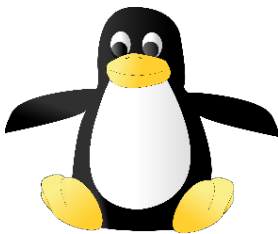
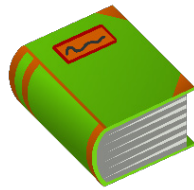
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Spending Money

People use money to buy things they want or need. Coins, dollar bills, checks, and debit cards are all examples of money we use today. When we use money to get goods and services, we call this spending.

People spend most of their money on items they need first. For example, everyone needs food. We use money at the grocery store to buy our food. We also need money to buy clothes for school or work, to pay for a house or apartment to live in, and to pay other bills such as electricity, water, and heat. Since we need these things to live, it's important that they are the first things that people buy with their money.

Money is also spent on things people want. You may want a new book or toy to play with. Your family may want to buy a pet or take a vacation. There are many things people want to buy that cost them money. Can you think of any more things people may want to spend their money on?



Name: _____

Be a Money Researcher!

It's time to investigate money! At your station, spend time looking at the different coins and writing down what you see.

How does the money look?

What does the money smell like?

How does the money feel?

Does the money make any sounds? What if you drop it?



Coins



Money is something people use to buy the things they want. Different places in the world use different types of money. In most countries, money comes in the form of metal coins and paper bills. Different types of coins and bills are worth different values.

In the United States, each coin and bill has a special name and a specific value. Most U.S. coins are worth less than one dollar, while bills are worth one dollar or more.

There are four main U.S. coins. These coins are made by the U.S. Mint.

Penny – A penny is made mostly from a metal called zinc and is worth one cent. It was the first U.S. coin to have a picture of a real person on the front of it. The original portrait of Abraham Lincoln still appears on the penny today. Can you think of something you could buy for one penny?

Nickel – A nickel is made mostly of copper and is worth five cents. The first five-cent coins were called “half dimes.” Can you guess why? What is something you could buy with one nickel?

Dime – The dime is the smallest U.S. coin but it does not have the smallest value. A dime is worth ten cents and like the nickel is made mostly of copper. Can you think of something you could buy for one dime?

Quarter – A quarter is the largest coin both in size and in value. Like the nickel and dime, it is made mostly of copper. It is worth twenty-five cents. What could you buy with one quarter?



Bills



In addition to coins, money also comes in the form of paper bills. These paper bills are printed on special paper and are sometimes called notes. Can you guess how many different types of bills are used in the U.S. everyday? While at one time, the number was much higher, there are seven different types of bills mainly used throughout our country today.

\$1 Bill – The one-dollar bill is the most common bill, making up almost half of all the bills printed each year. The one-dollar bill has a picture of President George Washington on the front. What is something you could buy with a one-dollar bill?

\$2 Bill – The two-dollar bill is the least-used bill. In fact, printing of the two-dollar bill was stopped in 1966 but started again ten years later. President Thomas Jefferson is on the two-dollar bill. What is something you could buy for two dollars?

\$5 Bill – The five-dollar bill is also one of the less common bills used today. President Abraham Lincoln is on the front of the five-dollar bill. What would you do with a five-dollar bill?

\$10 Bill – The ten-dollar bill has Alexander Hamilton on the front. Did you know he is the only person on a U.S. bill whose face is looking to the left? What could you buy with a ten-dollar bill?

\$20 Bill – The twenty-dollar bill is the second most common bill, behind the one-dollar bill. President Andrew Jackson is on the twenty-dollar bill. What would you do with a twenty-dollar bill?

\$50 Bill – More popular than the two-dollar bill, but less popular than the rest, is the fifty-dollar bill. President Grant is on the fifty-dollar bill. Have you ever seen a fifty-dollar bill?

\$100 Bill – The one-hundred-dollar bill is used a lot in other countries. Benjamin Franklin is on the front of the one-hundred dollar bill. What would you do with a one-hundred-dollar bill?



Electronic Money

Years ago, people used things like shells and feathers for money. While we don't use these things today, we do have many different types of money in the United States. You have already learned about coins and bills, but there are even more forms of money today.

People sometimes write checks to pay for goods and services. Checks make it easier for people to pay other people without having to use paper bills and coins. Checks are made of paper and are linked to a person's bank account. A bank account is used by people to keep their money safe. A check gives instructions to your bank to take money from your bank account and give it to another person or company. To pay for something with a check, a person must first have the money in their bank account.

The person giving the money writes the name of the person or company to whom the money is going. For example, if your grandmother gave you a check for your birthday, she would write your name as the person to whom the money should go. Your grandmother would write how much money she wants to give to you and sign it. When you receive the check, you would take it to a bank where you would give them the check and they would give you the money.

Another way people pay for goods and services is by using a plastic card. A debit card is an example of a plastic card that helps people to pay for the things they want. Like checks, a debit card is also linked to your bank account, but instead of using a paper, you swipe your card to tell the bank to pay a company.

Today, many people use their computer or phones to pay for the things they want. A computer and a phone are not money, but you can use them to electronically buy the things you want when you link them to your bank account.

Money has come a long way from feathers and shells!



Goods and Services Scavenger Hunt

As our class walks through the school building, see how many goods and services you can find. Write down the goods and services you see in the columns below. Remember, goods and services satisfy needs and wants. Goods are objects and services are actions that people do for another.

Goods	Services



Working for Income

Workers earn money by doing a job. The money workers earn for their work is called income. Workers earn income by using their knowledge and skills to produce goods or services. We call these workers producers.

Workers do lots of different types of work. Some workers produce goods and others produce a service. A good is an object that can satisfy people's wants like a toy or a book. Workers produce all of the goods our families want like phones, clothes, computers and cars.

Other workers produce a service. A service is an activity someone performs for someone else like baby-sitting or pet grooming. Workers also produce all of the services our families use. For example, a doctor and nurse provide the service of medical care. A barber provides the service of cutting our hair. A mechanic provides the service of caring for our car. A farmer grows the food that our family buys from the market. Truck drivers provide the service of delivering the goods we want to local stores. We all use services every day.

Workers help us by producing the goods and services we want.



Work Skills

There are many different jobs in the world today. Every job has certain tasks that must be completed. To do job tasks well, workers must have certain skills.



A skill is the ability to do something well. If a person is good at math and usually gets the correct answer to a problem quickly, we might say that person has good math skills. Different jobs require workers to have different skills. For example, a doctor needs to learn all about the different parts in our bodies to understand how our bodies work. Doctors have to study a lot of science when learning about our bodies. Then, doctors have to be good listeners and like to help people so that they can treat their patients and help them to stay healthy or get better.

A farmer needs different skills than a doctor. A farmer must know how to plant and grow crops. Many farmers work all by themselves, so they need the skill of being able to work alone. Special types of farmers, like dairy farmers, must like to work with animals. Both farmers and doctors both need to know a lot about science. The type of science farmers study and learn about is not our bodies, but plants. All workers must have certain skills to be good at their work, no matter what job they have.

Sometimes, a skill comes easier for a person than it does for someone else. For example, an artist was probably great at drawing. We call this natural talent. Some workers choose jobs that use their natural talents. Other times, people work hard to learn a skill. A lawyer doesn't just know all the laws- they go to school and work hard to study and learn them. A firefighter doesn't know how to put out a fire until he goes through training and learns from other firefighters.

Workers learn skills through study, practice, and hard work. The more skills a worker learns, the easier it will be to get the job they want and do their job well.

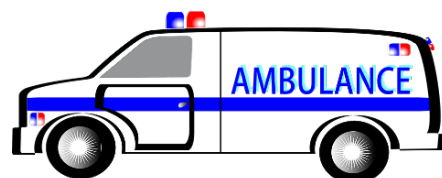
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Job Match Activity

Match the people dressed up for work with what they do to earn money. Draw a line to connect them.



Brainstorming Chores

Think about all the different types of jobs and chores you do at school or at home. Write them below.

Chores



Skills needed

Chores	Skills needed
Example: sweep floor	Good balance, hands and eyes working together, able to bend down low to get in corners



Name: _____



Learning About Jobs

Pick an adult in your life and learn about what they do for their job.
Ask them the following questions and record their answers.

Name of person you're interviewing: _____

What job do you have? _____

Do you earn income at your job? _____

What is your favorite part of your job? _____

What are some skills you need to have to do your job?

Is there anything you don't like about your job?

How did you decide what you wanted to be?

Do you think I would like to have your job one day? What type of job do you predict I will have?



We all Want & Need

Everyone has wants and needs. A want is something we would like to have because it helps us to enjoy life. We satisfy our wants and needs with goods and services. Some wants are more important than others and we call those wants needs. A need is something we must have in order to survive. Some of our needs are:

- Food – We all need food to give our bodies energy.
- Water – We all need water to help our hearts, brains and bones work well.
- Clothing – We all need clothing to keep our bodies warm and protected.
- Shelter – We all need shelter to keep us safe.

We all choose wants that will best satisfy our needs. Because we are all different, we all want different things. For example, I may be hot and thirsty and need a drink but because I like the taste of lemonade, I want an ice-cold glass of lemonade. Lemonade is a want because my body doesn't need lemonade to survive.

In the chart below, read each need and then in the I Want column, write a sentence with a want that would satisfy your need.

I Need	I Want
Example: I am hot and thirsty and need something to drink.	I want an ice-cold glass of lemonade.
I outgrew my jacket from last year and winter is coming. I need something to keep me warm.	
My family is moving and needs a new place to call home.	
I just woke up and my tummy is rumbling. I need some breakfast.	
My gym shoes no longer fit me. I need a new pair.	
I am hungry and need some lunch.	



Name _____

Spending Money

People satisfy their wants and needs with goods and services. To get the goods and services they want, people spend their money. Coins, dollar bills, checks, and debit cards are all examples of money we use today. Most people earn the money they need to get the things they want by working at a job. People earn money for the work they do, using their skills and knowledge to produce goods and services.

People spend their money to get the goods and services they need first. For example, everyone needs food. We spend money at the grocery store or market to get the food we need. We also spend money to get clothes we need for school or work. Because we all need shelter, we spend money to get a house or apartment to live in. In our homes, we need services such as electricity, water, and heat so we spend money to get those things. Since people need these things to live, it is important that they are the first things that they buy with their money.

People also spend money to get the goods and services they want. You may want a new book or toy to play with. Your family may want to buy a pet or take a vacation. There are many different goods and services people buy to satisfy their wants. Can you think of any more things people may want to spend their money on?



Think about it...

What are some goods and services you have spent money to get?

What are some goods and services your family spends money to get?

Write your answers on the back of this paper. Then share them with a partner.



What happens when there's not enough for everyone?

One thing all people have in common is that we all want things. And there is no end to our wants. Imagine if your class took a field trip to a toy store. As you and your classmates walk through the store, you all look around at the toys surrounding you. You see aisle after aisle of toys and think about how much fun you could have playing with that ball, game, or science kit. It seems there is no end to the toys you want from that toy store.

We are all surrounded by wants every day. While there is no end to the things we want, our money supply to pay for the goods and services that satisfy our wants is limited. All people want more than they can have. No one ever has enough time to do or money to buy everything he wants, not even Bill Gates, the richest person in the world.

No one can have everything she wants because there are not enough supplies in the world that can be used to meet everyone's wants. We call this **scarcity**.

Choice and Opportunity Cost

Because people can't have everything they want, they must choose what they want the most. When people spend their money to buy a good or service, they give up the chance to use that money to buy a different good or service. When they choose to spend their time doing one thing, they give up the chance to spend that time doing something else. That is the hard part about making choices. When people choose one thing, they have to give up other things. The second-best choice that they do not choose is called their **opportunity cost**. All choices have an opportunity cost. Every time a choice is made, something else is given up.

Suppose Anne was invited to her friend Tonya's house after school. On the bus on the way home from school, Anne's neighbor Aubrey asked Anne if she would like to come over and see the seashell collection she got from her vacation at the beach. Anne would like to see Aubrey's seashell collection, but she also would like to go to her friend Tonya's house, too. She knows she can't do both so she will have to choose. She chooses to go to Tonya's house. Her opportunity cost is the chance to see Aubrey's seashell collection.



Think about it...

Can you think of a time when you really wanted something but there wasn't enough for everyone who wanted it? What happened? Were you able to get what you wanted?

Suppose you were given \$25.00 as a birthday gift from your grandparents. What would you choose to do with the money you received? What opportunity cost would you give up?



Name: _____





Dessert Time!



We all make choices every day. If you could choose any dessert in the whole world, what would you choose? Write down your top three alternatives in the chart below.

When people make decisions, it helps to think about the good things, or benefits, and bad things, or costs, of each alternative. Use the decision-making grid below to help you think about the costs and benefits of each dessert alternative.

Because we can't have 3 desserts at one time, we must choose. Now that you have thought about the costs and benefits of each dessert, cut one of them. Draw an X through the dessert you decide to remove.

	Benefits (good things) 	Costs (bad things) 
Dessert Alternative #1:		
Dessert Alternative #2:		
Dessert Alternative #3:		

Now you must choose between the two alternatives. Which one will you choose? Use the costs and benefits you recorded to help you decide. On the spaces below, list the dessert you choose and your opportunity cost.

Dessert choice: _____ Opportunity cost: _____

