

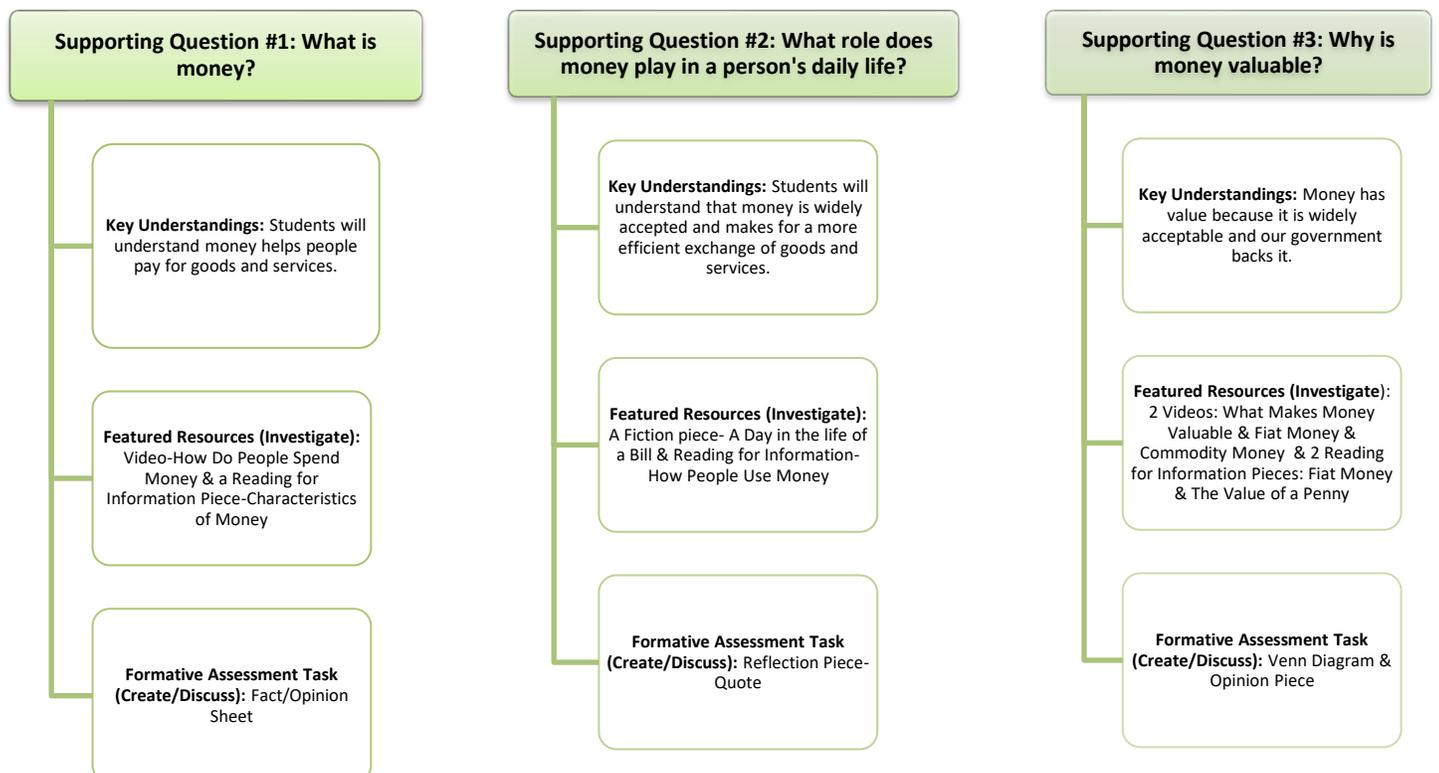
Grade 3 Lesson 1

Compelling Question: Why does money exist?

IL Financial Literacy Standard	SS.EC.FL.3.3: Describe the role of banks and other financial institutions in an economy.	SS.EC.FL.3.4: Explain that when people borrow, they receive something of value now and agree to repay the lender over time.
IL Econ Standard (when applicable- this row can be deleted)	SS.EC.1.3 Compare the goods and services that people in the local community produce and those that are produced in other communities.	
Inquiry Standard	SS.IS.1.3-5: <i>Developing Questions and Planning Inquiries</i> . Develop essential questions and explain the importance of the questions to self and others.	SS.IS.4.3-5: <i>Evaluating Sources and Using Evidence</i> . Gather relevant information and distinguish among fact and opinion to determine credibility of multiple sources.
	SS.IS.5.K-2: <i>Communicating Conclusions and Taking Informed Action</i> . Construct and critique arguments and explanations using reasoning, examples and details from multiple sources.	
Student Outcomes	<p>Students will be able to explain:</p> <ul style="list-style-type: none"> • Money is a medium of exchange, anything widely accepted as payment for goods and services. • Money makes the process of exchanging goods and services more efficient. • Money has value because our government backs it and people trust in it. 	

Ask

Compelling Question: Why does money exist?



Introduction to Lesson

The compelling question for this lesson is *Why does money exist?*

The lesson is structured as follows: Each lesson consists of three supporting questions that directly ties in to the compelling question. Each supporting question gets a little tougher as you progress through the lesson. Each supporting question includes an Investigate and Create/Discuss section. The Closed-Reading Activity can be used for each of the supporting questions or one that you select. The Reflect section is located towards the end of the lesson which provides students a chance to demonstrate their knowledge of money and allows you to have a summative evaluation.

Supporting Question #1: What is money?

Investigate

Featured Resources

Video – How do people spend money? This video highlights a variety of way people spend money. Money is the medium of exchange and has certain characteristics: rare, easily divided, easy to carry, long lasting, accepted everywhere.

Reading for Information – Characteristics of Money: The Reading for Information Piece discusses money and how it is exchanged in markets.

Create/Discuss

Formative Assessment Performance Activities

Fact or Opinion Activity: Students complete a fact/opinion sheet about money based upon the close reading piece.

Supporting Question #2: What role does money play in a person's daily life?

Investigate

Featured Resources

Reading for Information – A Day in the Life of a Bill: This fiction piece depicts a day in the life of an average bill throughout a typical day. Students will see how coins and bills change hands many times throughout an average day. After, students will write their own fiction piece about a bill.

Reading for Information Piece – How People Use Money: The Reading for Information Piece discusses the different ways people use money (i.e. we can exchange it for things we want, give and/or save).

Create/Discuss

Formative Assessment Performance Activities

Reflection Piece – Quote: After reading the information pieces and watching the video, students will read and interpret the quote attributed to Benjamin Franklin: "A penny saved is a penny earned." What does this mean? The students will have a list of safe websites they can use to research information. Additional (optional) activity: Podcast about Ben Franklin's connection to paper money: <https://www.uscurrency.gov/media/noteworthy-podcast>

Supporting Question #3: Why is money valuable?

Investigate	
Featured Resources	
Video – What Makes Money Valuable?:	This video asks a variety of people what makes money valuable along with an explanation of “fiat” money.
Video – Fiat Money and Commodity Money.	Students learn more about fiat money as a currency that a government secures. In addition, fiat money has no real value outside of the trust people place in it.
Reading for Information – Fiat Money:	This piece discusses Fiat money (no intrinsic value – the value comes from the trust people place in it, government secures) to commodity money (based upon a valuable commodity).
Reading for Information Piece – The Value of a Penny:	The Reading for Information Piece discusses the penny and how much it costs to make a penny versus its value.

Create/Discuss	
Formative Assessment Performance Activities	
Venn Diagram Activity:	After watching the video and reading the two pieces, students complete a Venn diagram comparing the two types of money system and answer some questions (i.e., which is better? Is it a good idea to trust that our money will continue to hold its value?)
Opinion Piece:	After completing the Reading for Information piece about the cost to produce a penny, the students will write an opinion piece about whether or not we should continue to produce pennies.

Reflect	
Summative Assessment Performance Activities	
Argument	Construct an argument, supported by evidence that addresses why money exists.
Extension/Action	Write a paragraph about how your good or service sold during market day. Did you price it correctly? Did you have to change your price? Investigate the Bureau of Engraving and Printing & U.S. Mint sites to learn how money is made: https://moneyfactory.gov/uscurrency/howmoneyismade.html https://www.usmint.gov/learn/kids/about-us