

# Finances, Part 1:

## Place Value and Money Management

(2 hours)

### Lesson at a Glance

#### SUMMARY

The teaching of financial and entrepreneurial skills is now part of many adult and youth education classes. This approach engages learners in real-life tasks that require reading, writing, and math, and it encourages people to think about going into business for themselves.

This two-part lesson features basic math skills that young entrepreneurs, or anyone for that matter, should cultivate. Part I offers students a chance to review place value in order to create a monthly income and expense sheet in which figures are properly aligned. It also prompts learners to think about the power of saving—starting with the smallest of small change.

#### GOALS

- To understand the steps to starting a business
- To appreciate the value of budgeting and saving money

#### LEARNER OUTCOMES

Students will...

- Gain a clearer understanding of their feelings about money and saving it.
- Understand place value, the importance of decimal placement, and how to put numbers in columns.
- Learn how to set up a monthly expense budget and how to identify areas of potential savings.

#### MATERIALS

##### VIDEO:

*Opening Quote*

Episode 22: Length: 0:10, Start Time: 0:10

*Question Man: Place Value and Budgeting*

Episode 22: Length: 4:53, Start Time: 1:33

*Street Beat: Money Jar*

Episode 22: Length: 1:03, Start Time: 6:37

##### PRINT:

*Know Your Place, Know Your Value—or Both*  
Issue 22, p. 4-5

*Small Change? What Good Is It?*  
Issue 22, p. 3

#### LEARNER OUTCOMES (cont.)

- See how a computerized spreadsheet can be a financial management tool.
- Be introduced to the concept of exponential growth.

#### ACTIVITIES

- View and discuss three **TV411** video segments.
- Read two *In Print* articles related to the video.
- Review ten vocabulary words or terms.

“A penny here and  
a penny there  
really adds up!”

## Finances, Part 1: Place Value and Money Management

### Step by Step

#### 1. INTRODUCING THE CONTENT - VIDEO 1

##### Pre-Viewing Activities

##### Discuss

Do students know the saying "The love of money is the root of all evil"? What does it mean?

Show the opening quote from **TV411** Episode 22. (Pause the tape so that learners can read it aloud.)

"The lack of money is the root of all evil."

—Mark Twain (1835–1910)

Which statement do students agree with and why?

[Optional: You may want to ask learners if they've read any books by Mark Twain.]

How did your parents feel about money when you were growing up? What is the first memory that you can attribute to your feelings about money? What do you teach your children about money? How do you keep track of your money?

##### Freewrite

Students write for five minutes on their feelings about money.

Possible Prompts:

- Money is important to me because...
- I think the love of money is the root of all evil because...
- I believe that money is for spending, not hoarding, because...
- I feel it is important to save money because...

#### VOCABULARY REVIEW

(for videos 1&2)

- place value
- decimal point
- decimal place
- gross income
- net income
- expenses
- balance sheet
- monthly statements
- spreadsheets
- exponential growth

## Finances, Part 1: Place Value and Money Management

### Step by Step (cont.)

#### 2. MODELING THE STRATEGY - VIDEO 1

##### View Video

**Question Man: Place Value and Budgeting**

Episode 22: Length: 4:53

Start Time: 1:37

Question Man asks a wealthy businessman for tips on how to keep better track of his money, so that he can start setting some money aside to buy a new computer. Along the way he learns about place value: how numbers line up before and after the decimal point, on paper or on a computer spreadsheet.



#### 3. MINING THE STRATEGY - VIDEO 1

##### Post-Viewing Activities

##### Reinforce

Ask students to write a long number on a slip of paper (for example, \$63 billion, the national education budget for 2004). Students should then put their numbers on the board and compare. Were there any differences in the way they wrote the budget figure? Can students identify the place values of each number in front of the decimal point? What about after the decimal point?

##### Workbook Activity

In small groups, students work on the *In Print* activity *Know Your Place, Know Your Value—or Both* (Issue 22, pp. 4–5). When everyone has completed the exercise, ask groups to compare answers.

##### Create

Distribute the graph paper to students and ask them to create a monthly balance sheet by following these steps:

- Draw a line down the middle of the page
- Write "Monthly Income" on the top of the left-hand side
- Write "Monthly Expenses" on the top of the right-hand side

# Finances, Part 1: Place Value and Money Management

## Step by Step (cont.)

### Create (cont.)

- Itemize their gross income and expenses, making sure that the numbers line up in the proper place
- Subtract their total expenses from their net income to find an amount they might be able to save each month

### Discuss

Has anyone in the class ever used a computer program, such as MS Excel, to create a spreadsheet? Can they explain how it works?

## 4. EXTENDING AND PRACTICING THE STRATEGY VIDEO 1

### Create

How can learners decrease their expenses and save more?

Divide learners into small groups and ask them to brainstorm strategies for regular saving: for example, by using coupons, reading newspaper ads for sales, joining local food and consumer goods cooperatives, buying in bulk when possible, avoiding credit card use. Ask the groups to share their answers with the whole class.

## 5. INTRODUCING THE CONTENT - VIDEO 2 Pre-Viewing Activities

### Discuss

If students are not reluctant to talk about personal finances, ask for a show of hands: how many students have savings accounts? How many are planning to put money aside, like Question Man, for an important purchase?

## Finances, Part 1: Place Value and Money Management

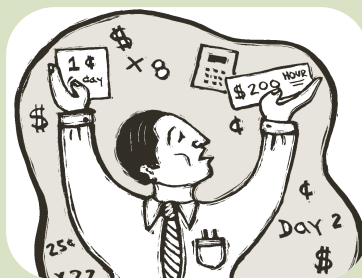
### Step by Step (cont.)

#### 6. MODELING THE STRATEGY - VIDEO 2

View Video

*Street Beat: Money Jar*  
Episode 22: Length: 1:03  
Start Time: 6:37

A worker on his lunch break gives a great tip on how to get small change to add up to big savings.



#### 7. MINING THE STRATEGY - VIDEO 2

Post-Viewing Activities

##### Discuss

Do any learners already do what the worker advised? What kinds of savings accounts do they have? What's the range of interest these accounts pay? Do learners understand what "compound interest" means? [For a sidebar lesson on how compound interest works, go online to [www.tv411.org](http://www.tv411.org), click on Math and then on Understanding Interest.]

#### 8. EXTENDING AND PRACTICING THE STRATEGY VIDEO 2

##### Workbook Activity

In small groups, students should read and complete *Small Change? What Good Is It?* (Issue 22, p. 3). It may take them some time to do the math. Remind them to make sure they keep their decimal points aligned.

Have groups compare answers: did anyone misplace decimal points or put numbers in the wrong column?

When students have arrived at their answers, discuss why the salary that doubled every day would end up growing exponentially. [For an explanation of exponential growth, see Issue 22, pp. 10–11.]

## Finances, Part 1: Place Value and Money Management

### Step by Step (cont.)

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#### 9. PORTFOLIO

Students save their completed *In Print* pages in their portfolio. If class time runs out, they can pick up where they left off the next time you meet.

#### 10. WEB CONNECTION

For lessons on budgeting, interest, getting out of debt, and more, go to [www.tv411.org](http://www.tv411.org) and click on **Math** or check out our online index.