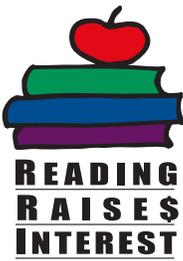


National Teach Children to Save Day

The Monster Money Book by Loreen Leedy

- ▶ **Description:** A clubhouse of goofy monsters and a little girl talk finances. (Ages 5-8)
- ▶ **Personal finance concepts:** Spending, income, saving, comparison shopping, borrowing, investing, profit, giving, budgeting, bank accounts, interest, withdrawals, checks
- ▶ **Time Required:** 30 to 90 minutes
- ▶ **Presentation:**
 1. Explain that today students will listen to a story called The Monster Money Book.
 2. Ask the students if they've ever had to choose between several things they really wanted, or save for a special purchase.
 3. Read the story and discuss it, using the questions below as a guideline.
 - a. Why did Grub and Sarah need money for the Monster Club meeting?
To pay dues. Dues are a sum of money paid to an organization by its members.
 - b. Can you think of examples of when you might pay dues?
Scouts, etc.
 - c. How much money did the club have? How did they end up with that much?
They had \$54.00. At first they spent the dues money on candy, but they decided they wanted to have money to go to the movies and buy fuzzbball equipment, so they had saved their money.
 - d. What did the monsters want to spend the \$54 on?
Toys, games, pickles, paint for the clubhouse, wood for new steps, a refrigerator, T-shirts, sweat-shirts, skateboards
 - e. Why did they decide not to borrow extra money?
They didn't want to be in debt. Debt is money that someone owes to someone else, like a bank.
 - f. Sarah suggested that the monsters invest the money in lemons and sugar to make lemonade. What is it called when you make extra money after your expenses are paid?
Profit.
 - g. What did Spots suggest they do with the money?
Give it to a good cause.
 - h. The monsters came up with a plan for how to spend their money. Does anyone remember what this is called?
A budget. They decided to save \$25, spend \$25 and give \$4 to a good cause.
 - i. What did the monsters do with the money they planned to save?
Put it in the bank.

(continued)



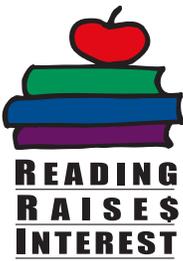
National Teach Children to Save Day

► **Presentation:** (continued)

- j. What is it called when the money in the bank earns extra money?
Interest.
 - k. How do you get your money out of the bank when you need it?
You fill out a “withdrawal” form or go to an automated teller machine. You can also write out a check. You have to have enough money in your account in order to withdraw it or write a check.
 - l. What did the monsters spend \$25 on?
T-shirts.
4. Explain that when we spend money we use it to buy things. Ask students for examples of things that they buy. (Candy, baseball cards, video games, clothes, school lunches)
 5. Explain that some of the things we buy are goods and some are services. **Goods** are things that we can touch and use. **Services** are activities that people do for us, such as raking leaves.
 6. Explain that when people work, they receive **income**. Ask students when they have received income for the work that they have done. (Setting the table, cleaning rooms, picking up toys, helping mom or dad with yard work, walking a neighbor’s pet)
 7. Explain that most people spend some of their income and save some of their income. When they **spend**, they buy goods and services right now. When they **save**, they keep part of their income to spend in the future. The monsters spent some of the dues money on candy but had saved \$54. Discuss the importance of saving money. Ask the children how much, if any, do they save.
 8. Explain that when people put savings in a bank, the bank pays the people interest. This means that the bank gives people a little extra money for saving. **Interest** is the price banks pay to encourage people to save at the bank. Interest is also the price people pay to borrow money.
 9. Point out that when you save, you collect (accumulate) savings. The Monster Club put their money in the local bank. You may want to discuss the different purposes of saving: to fulfill short-term goals (such as buying a telescope, a Game Boy or a bike); to fulfill long-term goals (saving for college, or for adults, buying a home or taking a vacation); to be prepared in case of an emergency (losing one’s job, car breaks down); to invest; and to give to charity, like the monsters did.
 10. Explain that when you put your money in the bank, you can take it out by making a **withdrawal** at the bank or by using an ATM.

Optional: Review the words in glossary on the last page of The Monster Money Book.

(continued)



National Teach Children to Save Day

- ▶ Here are some other ideas, courtesy of author Loreen Leedy (www.loreenleedy.com):

Monster Fundraising

Find a worthy project the class can raise money for, such as a class trip or a charity. Brainstorm to think of creative ways to earn money or get donations. Make flyers or posters explaining why people should assist your cause. Set a realistic goal and make a graph to show the amount raised and how much more is needed. Celebrate reaching the fund-raising goal with a monster of a party!

A Monstrous Job

Make the parts for a silly monster from clay or paper mache. In addition to a body, arms, legs and a head, include wings, a tail, horns and other fun features. Assemble and name the new monster, then think of a job for him. Describe how much he earns, spends and saves. Can he afford to buy a really fancy cave?

My Money

Figure out how you use money for one week. Write down when you get money and what you do with it next ... do you save it, spend it, invest it? After recording your money use for a week, what changes could you make?

