

WEEKLY ELEMENTARY LESSON

#KEEPLARNING



Week Two: Compare and Contrast Payment Methods!

Overview: This lesson will help students understand the similarities and the differences between the different types of payment methods.

Preparation: Review the activity and session materials. Make sure your students have all the needed materials to complete the lesson.

Recommended Time: 30-45 minutes

Materials:

Computer/Tablet with Internet

Writing Utensil

Paper

1) Presentation: Begin the lesson by asking your students if they know about different kinds of payment methods. (Cash, Debit, Credit, Gift Card, etc.). Have them verbally explain or have them write down what they currently know.

2) Watch: Have your students watch the video [Payment Methods](#).

3) Activity: Read the descriptions of the payment methods below to your students (or have them read them out loud to you.). Click here for a Payment Methods Photo. Students can either type into this document or you can print it. Match the payment type with its description by writing the name on the line under the picture.

Cash - Bills and coins created by the government. Advantages may include: easy to use; accepted nearly everywhere; fits nicely in a pocket; you can only spend what you have. Disadvantages may include: cannot be replaced if lost or stolen; spending not easily tracked.

Checks - A written order to a bank to pay money from a bank account to a person or business. Advantages may include: easy to track spending; can safely be mailed. Disadvantages may include: slow to write; a lot to carry (a pen and register); money not always taken out of bank right away; not accepted everywhere.

Credit card - A plastic card that allows the holder to buy goods and services by taking out a bank loan for the purchases. Advantages may include: items can be purchased without having the money to pay for them; handy for emergency purchases; convenient. Disadvantages may include: possible yearly fee; interest charged on unpaid balances; can lead to financial difficulties if misused.

Debit card - A plastic card that provides electronic access to a personal bank account. It and the similar ATM card can be used to complete bank transactions much like a check. Advantages may include: quick and easy to use; funds are immediately deducted; money comes straight from your account; there is no bill in the future; you don't have to carry cash; it's relatively safe because only you know your PIN or Personal Identification Number. Disadvantages may include: harder to track spending; easy to lose; possibility of identity theft; must remember the PIN number.

Electronic payments - Payments made using an app that allows the user to automatically debit a bank account or charge a credit card without using a card. Advantages: doesn't require cash, checks, or cards. Disadvantages: hard to keep track of; danger of identity theft; not accepted everywhere.

Gift card - A card that is purchased in a specific monetary value and used like cash to purchase goods and services. Advantages may include: like cash, you can only spend what you have. Disadvantages may include: must be loaded with funds from bank (extra step); if lost or stolen, cannot be replaced; store-specific cards can only be used in one place.

Prepaid card - A card that allows you to spend only the amount you have pre-deposited into that account. Advantages may include: like cash, you can only spend what you have; can be used to pay bills online or by phone; can be attached to a specific bank account and loaded automatically with direct deposit; can be canceled if lost or stolen. Disadvantages may include: extra bank fees and charges; not accepted everywhere.

4) **Activity:** Now have your students complete the:

[Comparison Chart Worksheet](#)

[Comparison Chart Answer Key](#)

5) **Discussion:** Ask the following questions. You can ask them verbally or have them write out their answers.

- What are some advantages to cash? checks? debit? credit? electronic payments?
- What are some disadvantages to cash? checks? debit? credit? electronic payments?
- What form of payment do you feel most comfortable using and why?

The Money JAR - Financial literacy is important to teach to children as early as possible. The issue is how to make something as complex as finances clear and simple. On this episode, Todd and Evan talk with Eric Brotman, a parent and professional financial advisor, about ways that he is teaching his kids about being financially literate through literal money jars. [Click here](#) to listen to this week's episode - **Effective Financial Literacy Tips for Parents**.

Bonus Activity! I Know It Math Games

Extended Activity: 30 minutes

Materials:

Computer or Tablet with Internet

Overview: Students will identify coins and cash and work on their mathematics' skills. This activity will use the site - [I Know It](#). This is a comprehensive, interactive math practice site for students in Kindergarten to fifth grade. There are tons of math activities here. Below highlights a few of the lessons, but we would encourage students to try out many of the math lessons.

Students can work at their own level and pace towards mastery of concepts and skills aligned with common core. For the activity please click on the specific grade levels below:

[Kindergarten A](#) [Kindergarten B](#) [First Grade](#)
[Second Grade](#) [Third Grade](#) [Fourth Grade](#) [Fifth Grade](#)