TEKS Cluster: Personal Financial Literacy

2.11 **Personal financial literacy.** The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security.

Earning, Spending, and Saving
Supporting Standards
2.11(A)   calculate how money saved can accumulate into a larger amount over time
2.11(B)   explain that saving is an alternative to spending
2.11(C)   distinguish between a deposit and a withdrawal

Borrowing
Supporting Standards
2.11(D)   identify examples of borrowing and distinguish between responsible and irresponsible borrowing
2.11(E)   identify examples of lending and use concepts of benefits and costs to evaluate lending decisions

Economics
Supporting Standards
2.11(F)   differentiate between producers and consumers and calculate the cost to produce a simple item

2.11(A)

2.11 Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

(A) calculate how money saved can accumulate into a larger amount over time

Stimulus

Word Problem	Verbal Description	Chart/Table	Graph
Equation/ Expression	Manipulatives	Diagram/Image	Number Line
Base Ten Blocks	Measurement Tool	Formula	Geometric Figures

Academic Vocabulary

Math	Social Studies	
Vocabulary	Vocabulary	Terms
saving	choice goods services work earning income saving spending	U.S. free enterprise system

Role in Concept Development

Supports	2.11 Personal financial literacy
Connection/ Relevance	Calculating how savings accumulates larger amounts over time supports one's ability to manage financial resources more effectively for a lifetime of financial security.
When to Teach	With 2.11
Instructional Implications	Instruction should include discussions about how saving money over a period of time can yield you a larger amount of money. Providing real-world second grade examples of savings accumulation allows students to relate to the state expectation (e.g., saving your positive behavior tickets allows you to buy a more expensive prize from the class store). Story problems involving real-world situations of how money can be saved over a period of time could be incorporated into the Number and Operations strand [see 2.4(C)].
Learning from Mistakes	Students may make the following mistakes: • Not relating the operation of addition to calculating savings

🌐 Social Studies Connection: Earning, Spending, and Saving

Student Expectations
2.6(A)   explain how work provides income to purchase goods and services (R)
2.6(B)   explain the choices people can make about earning, spending, and saving money (S)

Instructional Implications
Income is earned and varies by the type of work people do. Give groups of students cards with varying amounts of income. Using a list of expenses for needs, have them allocate their income into four categories: earning, spending for needs, spending for wants, and saving. Compare how groups vary and how income can be used. What choices do families have to make?

2.11(B)

2.11 Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

(B) explain that saving is an alternative to spending

Stimulus

Word Problem	Verbal Description	Chart/Table	Graph
Equation/ Expression	Manipulatives	Diagram/Image	Number Line
Base Ten Blocks	Measurement Tool	Formula	Geometric Figures

Academic Vocabulary

saving
spending

Role in Concept Development

Supports	2.11 Personal financial literacy
Connection/ Relevance	Explaining savings and spending supports one's ability to manage financial resources more effectively for a lifetime of financial security.
When to Teach	With 2.11
Instructional Implications	Students need to distinguish between spending money (on either wants or needs) and saving money (for either wants or needs). Providing real-world second grade examples of student spending versus saving allows students to relate to the state expectation (e.g., spending a student's weekly allowance on buying candy versus saving his/her money to purchase a video game that can be played at home over and over). Story problems involving real-world situations of money being spent and saved could be incorporated into the Number and Operations strand [see 2.4(C)].
Learning from Mistakes	Students may make the following mistakes: • Misunderstanding the differences between saving and spending

2.11(C)

2.11 Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

(C) distinguish between a deposit and a withdrawal

Stimulus

Word Problem	Verbal Description	Chart/Table	Graph
Equation/ Expression	Manipulatives	Diagram/Image	Number Line
Base Ten Blocks	Measurement Tool	Formula	Geometric Figures

Academic Vocabulary

deposit
withdrawal

Role in Concept Development

Supports	2.11 Personal financial literacy
Connection/ Relevance	Distinguishing between a deposit and a withdrawal supports one's ability to manage financial resources more effectively for a lifetime of financial security.
When to Teach	With 2.11
Instructional Implications	Students decipher between a deposit (funds placed in to an account) and withdrawal (funds removed from an account). Providing real-world second grade examples of a deposit and a withdrawal allows students to relate to the state expectation (e.g., Joshua's dad deposits $20 into Joshua's school lunch account. Every time that Joshua eats lunch at school, the school withdrawals $2 from the account). Story problems involving real-world situations of money being deposited and withdrawn could be incorporated into the Number and Operations strand [see 1.2(E)/(F)/(G) and 1.3(F)].
Learning from Mistakes	Students may make the following mistakes: • Misunderstanding the differences between deposits and withdrawals • Not relating the operations of addition and subtraction to deposits and withdrawals, respectively

2.11(D)

2.11 Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

(D) identify examples of borrowing and distinguish between responsible and irresponsible borrowing

Stimulus

Word Problem	Verbal Description	Chart/Table	Graph
Equation/ Expression	Manipulatives	Diagram/Image	Number Line
Base Ten Blocks	Measurement Tool	Formula	Geometric Figures

Academic Vocabulary

borrowing

Role in Concept Development

Supports	2.11 Personal financial literacy
Connection/ Relevance	Understanding the role of a responsible borrower supports one's ability to manage financial resources more effectively for a lifetime of financial security.
When to Teach	With 2.11
Instructional Implications	Providing real-world second grade examples of borrowing allows students to relate to the state expectation (e.g., borrowing a pencil from a friend, borrowing a dollar from your mom, borrowing a video game from a brother, etc.). Classroom discussion should extend to the difference between responsible and irresponsible borrowing (e.g., responsible borrowing means returning the item in a timely manner and returning the item in good condition; irresponsible borrowing means not returning the item, not returning the item in a timely manner, returning the item damaged, or losing the item).
Learning from Mistakes	Students may make the following mistakes: • Misunderstanding the differences between responsible and irresponsible borrowing

2.11(E)

2.11 Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

(E) identify examples of lending and use concepts of benefits and costs to evaluate lending decisions

Stimulus

Word Problem	Verbal Description	Chart/Table	Graph
Equation/ Expression	Manipulatives	Diagram/Image	Number Line
Base Ten Blocks	Measurement Tool	Formula	Geometric Figures

Academic Vocabulary

lending

Role in Concept Development

Supports	2.11 Personal financial literacy
Connection/ Relevance	Identifying the benefits and costs to lending supports one's ability to manage financial resources more effectively for a lifetime of financial security.
When to Teach	With 2.11
Instructional Implications	Providing real-world second grade examples of lending allows students to relate to the state expectation (e.g., lending a pencil to a classmate, lending a dollar to your best friend, lending a video game to your brother, etc.). Classroom discussion should extend to the difference between the benefits and costs of lending, for example: • Benefits – making a new friend, earning interest on the money lent, getting to play the video game with someone instead of alone • Costs – not having enough money for school supplies or not being able to play a video game
Learning from Mistakes	Students may make the following mistakes: • Incorrectly identifying examples of lending • Confusing the benefits and costs when evaluating lending decisions

2.11(F)

2.11 Personal financial literacy. The student applies mathematical process standards to manage one's financial resources effectively for lifetime financial security. The student is expected to:

(F) differentiate between producers and consumers and calculate the cost to produce a simple item

Stimulus

Word Problem	Verbal Description	Chart/Table	Graph
Equation/ Expression	Manipulatives	Diagram/Image	Number Line
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Academic Vocabulary

Math	Social Studies
consumer	consumer
cost	consuming
producer	finished product
product	natural resource
	producer
	producing

Role in Concept Development

Supports	2.11 Personal financial literacy
Connection/ Relevance	Understanding the difference between producers and consumers and calculating the cost to produce a simple item supports one's ability to manage their financial resources more effectively for a lifetime of financial security.
When to Teach	With 2.11
Instructional Implications	This supporting standard serves as an informal study of producers and consumers in terms of economics. Instruction should make connections to those terms in relationship to the real world (e.g., People are consumers as they buy groceries from the producer, our local grocery store. The grocery store becomes the consumer as they rely on the local farmers for their product, etc.). Classroom discussions can then lead to the costs involved for producers to make simple items (e.g., the production of shoes includes the cost of leather, laces, rubber, dye, design, advertisement, shoe salesman, etc.) Story problems involving real-world situations of the cost to produce simple items could be incorporated into the Number and Operations strand [see 1.2(E)/(F)/(G) and 1.3(F)].
Learning from Mistakes	Students may make the following mistakes: • Confusing the terms producers and consumers • Not relating addition as the operation to calculate the cost of production

🌐 Social Studies Connection: Economics

Student Expectations

2.7(A)   distinguish between producing and consuming (R)

2.7(B)   identify ways in which people are both producers and consumers (S)

2.7(C)   trace the development of a product from a natural resource to a finished product (S)

Instructional Implications

Have groups of students design, produce, and price an item for sale in the classroom. Using class currency, have them purchase other group's items. How will students be both producers and consumers? How can they describe the process of creating the product?