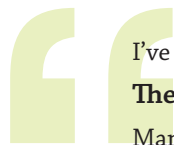


KIRA VERMOND
Illustrated by CLAYTON HANMER

Teachers and Librarians Teaching Resource Guide



I've been writing about finance for adults for years, but when I started work on **The Secret Life of Money**, I had to look at cash differently — from a kid's perspective. Many preteens and young teens do not yet have a job, and even if they do, their financial responsibilities are miles away from grown-up money issues. But that doesn't mean money doesn't affect kids deeply, or that they can't have an effect on it themselves.

With this book, I wanted to shine light on what makes money tick in a fun and kid-friendly way. What does it feel like to shred or burn cash? Does money buy happiness? Why is a 'bull' market not called a 'fluffy bunny market'? Although these questions might seem light at first glance, they are rooted in sophisticated concepts that curious kids want to know more about. So I find it incredibly inspiring that school boards are now adding financial literacy to their curriculums.

The activities here are targeted to students in grades 4+ and can be used in financial literacy and social studies curriculum strands. I hope you enjoy trying these activities with your students!



Kira Vermont



Ready to get your students started? Flip the page. I'll be waiting for you on the other side.

Financial Literacy

Money is time and time is money

Bzzz! It's that pesky alarm clock again, telling Future You it's time to head out the door for work. But are you slipping into a fast-food restaurant uniform or reaching for a briefcase? Depending on your job, your clothing and accessories change, and so does your paycheck. And make no mistake, the amount of money you pull in each week has a big impact on your life.

Give your students the choice of five professions. The groups do not have to be even — let them decide which profession they would enjoy most. Once the groups are settled, tell each group their chosen profession's average hourly wage. Some examples:

Firefighter: \$21.50 an hour

Video Game Designer: \$30 an hour

New York Philharmonic Orchestral Musician: \$53 an hour

Electrician: \$25 an hour

Magazine Copyeditor: \$14.50 an hour

Now give each group the same shopping list and tell them the cost of each item.

New iPod: \$150

Pair of designer jeans: \$90

Tropical vacation for two: \$5000

Ask each group to determine how many hours someone in their profession would have to work to buy each item. Have them share their findings with the rest of the class.

Further Discussion: Now that they know how much money each job makes, do they wish they'd chosen a different group? Why or why not? Can they brainstorm some reasons why some jobs pay more than others? Check out **Chapter 3 "It's Off to Work We Go"** (pages 25-39) for more talking points.



Dreams build jobs

On page 42, we meet Cameron Herald, founder of Backpacket COO in Vancouver, who has been dreaming up business ideas since he was just seven years old. "Every single company out there...one person started it. Someone like you said, 'I want to start this company.' Why not you?"

This activity can be done individually or in small groups. Explain to your students that a real business must start with a plan. That means doing lots of research, and figuring things out like:

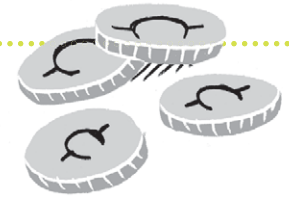
- What will your company offer customers?
- Who will your customers be?
- How many other companies are a lot like yours?

Check out Teang Tang's expert tips for writing a business plan on page 49 for a full list of things to consider. Then ask your students to dream up their own business and business plan.

Further Discussion: Can your students "pitch" their business to their classmates? How about write a letter to a potential investor? See **Chapter 4 "Be Your Own Boss, Baby"** (pages 41-51) for more about what it takes to be an entrepreneur.

Two bucks? That's peanuts!

Over half of the world's population lives in what the World Bank calls "moderate poverty." That means living on less than \$2 a day. Even when you factor in countries' different currency rates and standards of living, \$2 isn't much at all.



Ask your students to create posters or lists of all the different things \$2 would buy them in North America. Have them share their posters or lists with their classmates. Turn to page 114 for examples of what \$2 could buy in Brazil, Germany, Kenya, Mexico, South Korea, and the Philippines.

Further Discussion: What would it be like to live on just \$2 a day? Explore **Chapter 9 "Can You Spare a Dime?"** (pages 113-127) for more launching points for discussing poverty in the classroom.

Social Studies

Don't eat the marshmallow!

In the late 1960s at Stanford University, researchers asked hundreds of kids to sit in a room with a marshmallow and recorded how many of them ate it right away and how many of them saved it for later (a second marshmallow was proffered if the kids were able to resist temptation). Fifteen years later, the researchers contacted the children (now young adults) who participated in the study to find out how they were doing — and found an interesting pattern!

Offer each of your students a marshmallow or other treat during a quiet study period. Tell them that they can eat their treat now if they like — but that if they save it for 15 minutes, you will give them a second treat.

Record how many students were able to put off eating their treat, and how many waited for the better deal. Use your classroom results and the conclusions drawn from the original study (found on page 88) to launch a discussion about how delaying gratification relates to money.

Further Discussion: What were some of the tactics that your students used to avoid eating their treat? Can any of these tactics be used to help them reach their savings goals? Check out **Chapter 7 "Bang for Your Buck"** (pages 85-95) for kid-friendly ideas on how to stash away some cash.



(Don't) go for broke

If you're like most people in the Western world today, your cabinets and drawers are probably full of stuff you no longer wear or need. And it's not always that you've outgrown these items — oftentimes you've just grown bored with them, or never really needed them in the first place. It's called over-consumption, and it's on the rise.

Have your students make a list of all the things they (and their families) plan to buy this month. Food? DVD rentals? Gas for the car? Ask students to volunteer some of the items on their list for the chalkboard. As a class, decide if each item is a need or a want. Use this list as an entry point to discuss the difference between consumerism and consumption (page 56).

Further Discussion: Could it ever be true that what is a want for one person is a need for someone else? What are some of the pros and cons of spending money? Share some of the points in **Chapter 5 "Hey, Smart Spender"** (pages 53-70) to get your class talking.

Real rags to riches

So you're ready to clean out your closet. Why not donate what you've outgrown to a charity? Your sweater will surely go to someone who needs it, right?

Launch a class-wide clothing or toy drive by asking each student to bring in one item they no longer need or use. As a class, decide where their previously loved goods should go. Using the information on pages 138-139, discuss what can happen to a piece of clothing when it is donated to charity.

Further Discussion: Are all charities created equal? What are some of the ways you can protect yourself from being scammed by a fake charity? Check out **Chapter 10 "Raise a Little Fun"** (pages 131-141) for more information.

Further Reading for Teachers and Librarians

Dig a little deeper!

I'm a journalist when I'm not having fun writing books for kids so I love to dig through files, interview sources, and find facts that will illuminate issues and make them fun to read about. Here is a small sample of some of the more eye-opening websites, books, and periodicals I found while researching **The Secret Life of Money**.

"Tweens: A Billion-Dollar Market" by Rebecca Leung for CBS News

An interesting look at how companies market to girls and why. You may wish to use concepts in this story to launch a discussion about media and marketing.

Read the full article at <http://bit.ly/wj4Kqz>

"The Truth About Where Your Donated Clothes End Up"

by Mike Lee for ABC News

Find out where a piece of clothing winds up after it is donated — and the impact it can have in foreign countries. Highly recommended.

Read the full article at <http://abcn.ws/wGQ0uC>

"Spending Money on Others Leads to Higher Happiness than Spending on Yourself"

by Lara B. Aknin and Elizabeth W. Dunn, University of British Columbia

One of the many fascinating social experiments Elizabeth Dunn, Associate Professor of Psychology at UBC, and her team have conducted around money and happiness.

Read the full article at <http://bit.ly/wMVsf0>

The Great Hangover: 21 Tales of the New Recession from the Pages of Vanity Fair

The superb article about Iceland's financial crisis was, in part, my inspiration when creating the text for the "Bubbleland" cartoon on pages 82-83. The original article can also be found in the April 2009 issue of *Vanity Fair*.

