*Ella Earns Her Own Money*

by Lisa Bullard

Discussion Questions:

1. Ella really wanted to buy a new soccer ball. Earning money for this item is her **savings goal**. How does she intend to reach this goal? [Ella plans to earn extra money providing goods and services to others. She will add this money to the weekly allowance she receives from her mother.]
2. How does Ella let friends and neighbors know she is will to work to earn money? [Ella and her mom make posters that state “Hire Ella” letting people know she can do work/jobs to earn money. She is **advertising**, promoting the fact that she has goods and services she is willing to sale.]
3. **Work** is any activity we do for which someone will pay us. What were some of the things Ella does to earn money? [She cleaned out the car, pulled weeds, gave a neighbor’s dog a bath, babysat, sold a game to a friend, made bracelets and sold them to the twins next door, and helped her grandma clean out her garage.]
4. What **services** did Ella provide to earn money? Services are activities performed by people to meet other people’s wants. [She weeded, washed a dog, babysat and cleaned a garage.]
5. What **goods** did Ella sell? Goods are tangible things. [She sold an old game and two bracelets.]
6. Why do you think Ella’s mother wants her to learn to **save**? [Ella’s mother knows that saving money is a good habit. She knows this will help Ella have more money in the future.]
7. Ella puts $2.00 weekly allowance in three jars. How does she determine what amount to place in each jar? [She puts half her money, $1.00, in the **spend** jar. She puts three quarters in the **save** jar. She puts one quarter in the **share** jar.]
8. Where does Ella take the money in the save jar? [She and her mother take the money from the save jar to the bank. A **bank** is a financial institution that provides various products and services to its customers, including checking and savings accounts.]
9. What are the advantages of saving money in a **bank**? [Money in a bank won’t get lost or stolen.]
10. What is Ella going to do with the money is the share jar? [She plans to **donate** this money to a place that helps animals.]
11. When Ella is working and earning income, what is she? [Ella is a **producer**. She is a **human resource**.]
12. When Ella buys her favorite gum at the store, what is she? [Ella is a **consumer** when she purchases goods at the store.]
13. What is Ella’s **opportunity cost** of spending money at the store? Her opportunity cost would be the next-best alternative in making the choice to buy gum. [Her opportunity cost is saving this money to help buy a soccer ball.]
14. Was Ella able to earn enough money to **purchase** a new soccer ball? [Yes, she earned the $20.00 to buy a new soccer ball. However, she was so tired from all the work she did, she decided to wait until the next day to go to the store and buy it.]

Extension:

Share the “Make a Money Chart” found on pages 22-23 with the students. Along with the directions, supply the paper, tape, makers, and crayon in a learning center. Encourage students to create their own savings chart.