Something Special for Me

Standards and Benchmarks

Delaware State Standards for Economics
Standard 1: Grade 2 Benchmark

• K-3a – students will understand that individuals and families with limited resources undertake a wide variety of activities to satisfy their wants.
• K-3b – students will apply the concept that economic choices require the balancing of costs incurred with benefits received.

Lesson Focus
People can satisfy their wants by saving.
Every choice has costs and benefits.

Lesson Essential Question
Why is it important to think about costs and benefits when we make choices?
What is the difference between costs and opportunity costs?

Lesson Description
In this lesson, students listen to a story about a little girl named Rosa and the choices she and her family make. In the story, Rosa’s family has saved money and Rosa gets to spend it on a present for her birthday. The class will complete a decision-making grid with four alternatives, and each student will rank the alternatives and identify the choice Rosa should make and her opportunity cost. As an assessment, each student will identify a problem with three alternatives, complete a decision-making grid, identify his/her choice, and identify his/her opportunity cost.

Math Extension Activity
Using the ranking activity from the lesson, the class will create a graph showing the frequency each alternative was chosen as Rosa’s first choice. Then the class will create a graph showing the frequency each alternative was selected as the opportunity cost. Visuals and Handouts for the Math Extension Activity are labeled with MEA.

Common Core State Standards for Mathematics
CCSS.MATH.CONTENT.2.MD.D.10
• Draw a picture graph and a bar graph (with single-unit scale) to represent a data set with up to four categories. Solve simple put-together, take-apart, and compare problems using information presented in a bar graph.

Created by Bonnie Meszaros and Amanda Jennings
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Grade Level
Grade 2

Concepts
Alternatives
Benefits
Choices
Costs
Opportunity cost
Savings
Wants

Objectives
Students will be able to:
- Define alternatives, benefits, choices, costs, opportunity cost, savings, saving, and wants.
- Explain why people have to make choices.
- Describe how people can satisfy their wants by saving.
- Identify the opportunity cost among three or more alternatives.
- Use a decision grid to make a choice including labeling alternatives and listing positives and negatives of each alternative.

Time Required
60 minutes

Materials
Slides 1 - 13
Visual 1 MEA: Graphing Rosa’s Opportunity Cost (SMART Board)
Poster: Opportunity Cost
Handout 1: Rosa’s Birthday Present Alternatives – one copy for each student
Handout 2: A Decision with Three Alternatives (Assessment) – one copy for each student
1 pair scissors for each student
1 glue stick for each student

Warm-up/Activating Strategy
*Vocabulary in this section: n/a*

1. Display Slide 2. Ask students if they have ever had to make a choice with more than two alternatives. Have students share the times they have had to make a choice with more than two alternatives. *Answers will vary but may include deciding what to eat at a restaurant or deciding what to do at recess.*
Reading and Discussing the Story: Part 1

Vocabulary in this section: savings, wants

2. Display Slide 3. Tell students that they are going to read a new story about Rosa and her family. In this story Rosa has a problem with many alternatives.

3. Read pages 1-9 from Something Special for Me.

4. Display Slide 4. Ask students the following questions:
   a. Why is the money jar only partly full? They spent some money on the chair for Rosa’s mother and even though they are still putting money in it, it isn’t full yet.
   b. Where does the money in the jar come from? Rosa’s mom puts change from her tips every Friday, Rosa puts money that she earns from working at the Blue Tile Diner, Grandma, Aunt Ida and Uncle Sandy put money in too (when Grandma can spare it, and when Aunt Ida and Uncle Sandy get paid they put some in).
   c. Display Slide 5. The money in the jar is money that Rosa and her family are not spending and that they are keeping for later. What do we call money that we are keeping for later? Savings
   d. What does Rosa’s mother decide to do with the money in the jar? Rosa’s mother decides to let Rosa choose how to spend it for her birthday present.

5. Continue reading the story. Stop at page 17 (when Rosa is crying).

6. Display Slide 6. Ask the students:
   a. Why did Rosa cry after they left the camping store? Because she thought she might not ever be able to choose what to purchase for her birthday present.
   b. What were Rosa’s wants? Roller skates, an outfit, and camping equipment
   c. What could Rosa do to help her choose how she wants to spend the money in the jar? Answers will vary but guide students towards the decision grid option from Lesson 1: she could use a decision-making grid to list the benefits and costs of each of her alternatives.

7. Continue reading the story until page 25 (when Rosa imagines playing the accordion).

Activity 1: Guided Practice with Positives and Negatives

Vocabulary in this section: alternatives, cost, opportunity cost

8. Tell students that you are going to make a decision grid to help Rosa decide how to spend her money. Display Slide 7. Create a chart on chart paper or your SMART Board like the one below. Ask the students to help you complete the chart.
9. Display Slide 8. What were Rosa’s alternatives (roller skates, a new outfit, camping equipment, an accordion). As the students list the alternatives, write them on the chart.
   a. What were some positives, or benefits, for each of her alternatives? See chart for examples.
   b. What were some negatives for each of her alternatives? See chart for examples.
   c. What is a cost of choosing the roller skates? Remind students that a cost is what Rosa has to give up if she chooses the roller skates. Rosa’s costs include the money from the jar, the outfit, the camping equipment, and the accordion.
   d. Tell students that now that they have thought about the positives and negatives of each alternative, they are going to decide what they think Rosa should choose, and what Rosa’s opportunity cost is.
   e. Remind students that opportunity cost is their second-best alternative. Explain to students that when they make a choice between lots of alternatives, only their second-best choice is the opportunity cost.

10. Refer to Poster. Ask students the following questions:
   a. What are the girl’s wants? Ice cream cone, popsicle, ice cream sandwich.
   b. Tell the students that the girl has ranked her alternatives. What is her best alternative? Second best alternative? Third best alternative? Ice cream cone, popsicle, ice cream sandwich.
   c. What did she choose? Ice cream cone
   d. What were her costs? Ice cream sandwich, popsicle, and the money she paid for the ice cream cone.
   e. What was her opportunity cost? The popsicle because when she chose the ice cream, she gave up the opportunity to choose her second-best alternative, the popsicle.
   f. How is opportunity cost different from cost? Opportunity cost is only your second-best alternative that you give up when you make a choice. Cost is everything you give up when you make a choice.

Activity 2: Individual Practice Identifying Choice and Opportunity Cost

Vocabulary in this section: alternatives, opportunity cost

11. Display 9. Give each student a copy of Handout 1: Rosa’s Birthday Present Alternatives and a pair of scissors and a glue stick. Tell student to first cut out each of the alternatives from the sheet. Then tell students that they should rank the items from what they think Rosa should get the most to least. The top choice should go in the box labeled 1, the second choice should go in the box labeled 2 (and so on). Tell students to glue their choices in place on their sheet. Then have them complete the sentence frames next to the choices: I think Rosa should choose the (blank) so she has to give up the opportunity to choose her second best alternative (blank). Rosa’s opportunity cost is (blank).

12. Have students share which alternative they selected as their choices by a show of hands.

13. Ask students: Why did you choose that alternative? Answers will vary but should reference the positives and negatives from the decision grid.
14. Have students share which alternative they selected as their opportunity costs by a show of hands.

15. Ask students: How did you know which alternative was your opportunity cost? *It was the second-best alternative, or the item I ranked as number 2.*

16. Tell students that using a decision grid helps us find a good choice, but not everyone will make the same choice because they might think different positives and negatives are important.

**Note:** *This Math Extension Activity replaces procedure numbers 12-16.*

- Once all students have made their choices and identified their opportunity costs, tell students that they are going to create two graphs. The first graph is going to show what everyone in the class thought Rosa should pick for her birthday present. The second graph is going to show what everyone in the class picked as her opportunity cost.
- Open the SMART board graph Visual 1MEA: Graphing Rosa’s Choice (SMART Board) and have students come up to the board one at a time and drag the picture of what they think Rosa should choose for her birthday present to the appropriate column on the graph.
- After all students have selected their choices ask students the following questions:
  - Which item was selected the most? How do you know? *Answers will vary.*
  - Which item was selected the least? How do you know? *Answers will vary.*
  - How many more (or fewer) students selected the roller skates than selected camping equipment? How do you know? *Answers will vary.*
  - How many more (or fewer) students selected the outfit than the accordion? How do you know? *Answers will vary.*

- Open the SMART board graph Visual 1 MEA: Graphing Rosa’s Opportunity Cost (SMART Board) and have students come up to the board one at a time and drag the picture of what they think Rosa should choose for her birthday present to the appropriate column on the graph.
- After all students have selected their opportunity cost ask students the following questions:
  - Which item was selected the most? How do you know? *Answers will vary.*
  - Which item was selected the least? How do you know? *Answers will vary.*
  - How many more (or fewer) students selected the accordion than selected roller skates? How do you know? *Answers will vary.*
  - How many more (or fewer) students selected the outfit than the camping equipment? How do you know? *Answers will vary.*
Reading and Discussing the Story: Part 2

17. Finish reading the story.
18. Display Slide 12. Ask students the following questions
   f. What did Rosa decide to purchase? An accordion
   g. Why did Rosa choose the accordion? She wanted to be able to play music so that everyone would dance to her songs.
   h. What were Rosa’s wants? Rosa wanted roller skates, a new outfit, camping equipment, and an accordion. NOTE: Students may also say that Rosa wanted a present for her birthday. Encourage students to be specific about Rosa’s wants.
   i. How did Rosa satisfy her wants? Rosa used the money she and her family had been saving to buy the accordion she wanted. Her aunt and uncle also gave her some money to use to buy the accordion.

Closure

Display Slide 13. Use the questions to review the key content of the lesson.

19. Why do we have to make choices? Because we can’t have everything we want.
20. Why is it important to think about costs and benefits when we make choices? If we only think about the good things (benefits) and don’t think about the costs of our choices, we might not make a good choice. Rosa thought about her costs when she was choosing her birthday present. She didn’t think just about the good things for each alternative, she also thought about what she might have to give up.
21. What is opportunity cost? Opportunity cost is the second-best alternative.
22. How is opportunity cost different from cost? Costs are everything that you give up when you make a choice. Opportunity cost is just the second-best alternative.

Assessment

23. Give one copy of Handout 2: A Decision with Three Alternatives Assessment to each student. Tell students that they are going to solve a problem about what Julie should buy for her birthday. Julie has three alternatives. First, they are going to look at decision grid and read the positives and negatives of each alternative. Then, they are going to write down their choice and their opportunity cost.
Rosa’s Birthday Choice

<table>
<thead>
<tr>
<th>Best Alternative</th>
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<tbody>
<tr>
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</table>

<table>
<thead>
<tr>
<th>Second Best Alternative</th>
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<tr>
<th>Third Best Alternative</th>
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<table>
<thead>
<tr>
<th>Fourth Best Alternative</th>
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**Rosa’s Decision**

I think Rosa should choose ____________________________

so she has to give up the opportunity to choose her second

best alternative ____________________________.

**Rosa’s Opportunity Cost**

Rosa’s opportunity cost is ____________________________.

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Alternatives

- Roller skates
- Outfit
- Tent
- Accordion

Created by Bonnie Meszaros and Amanda Jennings from the CEEE at the University of Delaware
A Decision with Three Alternatives

Julie’s Problem
Today is Julie’s birthday. Julie’s aunt gave her money so she could pick her own present. Julie wants a game, a soccer ball, and a teddy bear. Julie only has enough money for one toy. Julie has to make a choice. Julie made a decision chart to help her decide what to choose. Look at Julie’s chart. Read the positives (benefits) and negatives of each alternative.

Rank Julie’s alternatives. Write 1 below her best choice, 2 below her second-best choice, and 3 below her third-best choice.

Julie’s Decision
Circle the alternative Julie should choose.

Julie should choose this alternative because ________________________________________________

Julie’s Opportunity Cost
Circle Julie’s opportunity cost.

How can you tell which alternative is the opportunity cost? ____________________________________
### Alternatives

<table>
<thead>
<tr>
<th>Positives (Benefits)</th>
<th>Negatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>You can play inside.</td>
<td>You can’t play by yourself.</td>
</tr>
<tr>
<td>You can practice for your soccer game.</td>
<td>Can’t play if it is raining.</td>
</tr>
<tr>
<td>You can sleep with it.</td>
<td>It could get dirty when you play with it.</td>
</tr>
</tbody>
</table>

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**Created by Bonnie Meszaros and Amanda Jennings from the CEEE at the University of Delaware**
Opportunity Cost

When we make a choice, our opportunity cost is the second best alternative.

Costs are all of the things we give up when we make a choice. 

Opportunity Cost is the second best alternative when we make a choice.