

**PLANET ORANGE**

**ACTIVITY  
BOOK II**



# HAVE A WORLD OF FUN LEARNING ABOUT MONEY

AND GET THE BASICS OF EARNING, SPENDING,  
SAVING AND INVESTING

By Lori Mackey  
with Judy Austin

Brought to you by Planet Orange ING DIRECT USA







# **PLANET ORANGE**

## **ACTIVITY BOOK II**

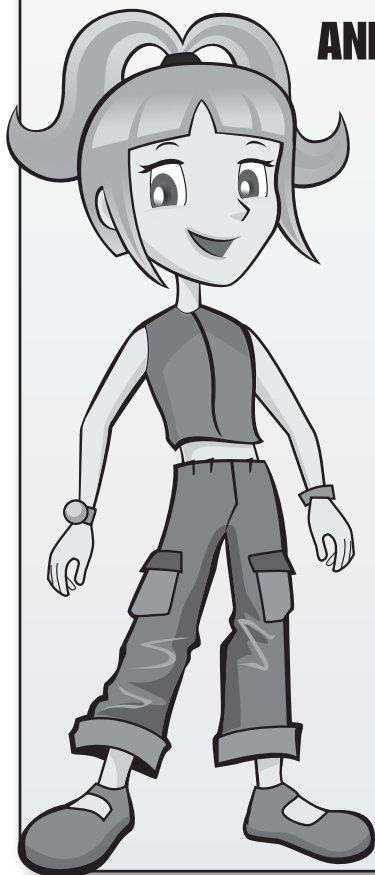
### **HAVE A WORLD OF FUN LEARNING ABOUT MONEY**

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Created by Lori Mackey  
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Published by  
P4K Publishing / Prosperity4Kids, Inc.  
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# Prosperity4Kids Inc...

Empowering Kids for a Healthy Financial Future!



A special thanks to those whose vision and expertise made this book possible: the Planet Orange Team at ING DIRECT USA (Brenda Dean, Christine Givens, Karen Halesky, Cathy MacFarlane, Dana McCloskey and Kendall Roy) for their dedication, creative collaboration and countless hours bringing this project to completion; and Judy Austin, whose 34 years of experience teaching grades 1 – 5 and expertise in economic education and entrepreneurship, focused us daily on producing content to meet the needs of both teachers and students.

Lori Mackey is an award-winning author, speaker and founder of Prosperity4Kids, Inc. who is committed to positively impacting the next generation's ideas, habits and attitudes toward the responsible use of money. Through the creation of products that are engaging, fun and inspiring, children learn the basics about giving, investing, saving and spending and the miracle of compound interest! Educating our children about the responsible use of money can change the financial direction of our country, our world, and future generations.

The activities in this book are designed to help children understand how money works in the world in which they live. Upon completion children should understand the value of money and the possibilities that saving can create.

Created by Lori Mackey  
Founder of Prosperity4Kids, Inc.

Published by  
P4K Publishing / Prosperity4Kids, Inc.  
<http://www.Prosperty4Kids.com>

PRINTED IN THE USA

*This activity book is available in a PDF download directly from the website <http://www.orangekids.com> or in printed version from ING DIRECT USA by calling 302-255-3696.  
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Book Design and Layout by Nicole Lomonaco Design  
[www.LomonacoDesign.com](http://www.LomonacoDesign.com)



# INTRODUCTION



Welcome to the Planet Orange Activity Book!

Within these pages are dozens of activities that will enrich your knowledge of the world of money. You will have fun solving problems and learning how money works!

This activity book is available in a PDF download directly from the website <http://www.orangekids.com> or in a printed version from ING DIRECT USA by calling 302-255-3696.

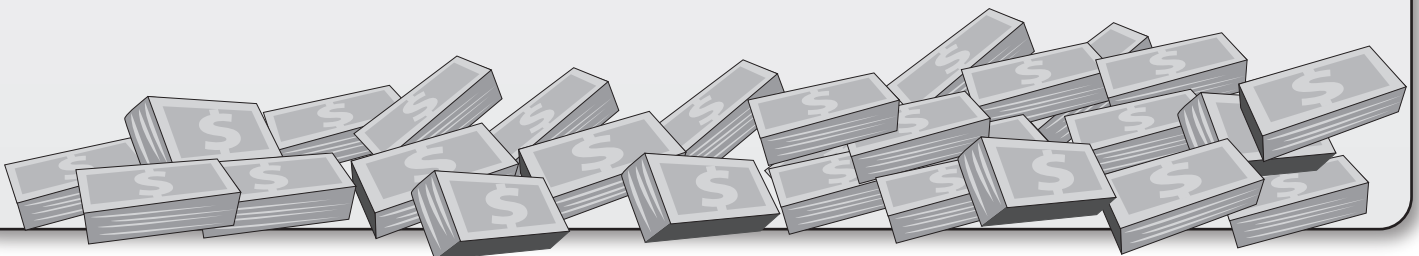
Planet Orange Activity Book I is for those just beginning to learn about money. It incorporates addition, subtraction, word problems, creative writing and simple activities which reinforce the vocabulary and basics of money and finances.

Planet Orange Activity Book II incorporates reading, writing, and higher-level math into more advanced lessons about money. Lessons include: budgeting, paychecks and pay stubs, deposit slips and checks, and the fundamentals of investing.

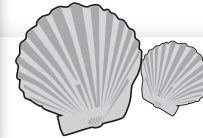
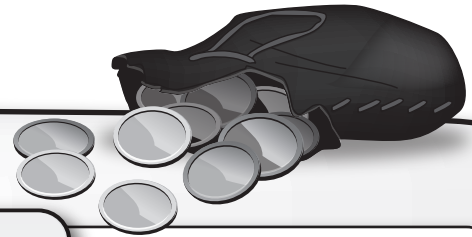
This activity book is a complement to the Planet Orange Website, [www.orangekids.com](http://www.orangekids.com). The book can be used to reinforce the lessons from the website or as an independent financial education resource.

Content includes:

- Mandarin Mountains – introduction of money, its history, and sources of income; the differences between needs and wants; and choices matching interests with careers
- Tangy Town -- earning, paychecks, taxes, budgeting;
- Navel City -- earning and paying interest; the rule of 72; money decisions; inflation
- Orangeopolis -- compound interest, stocks, bonds, investing



# PLANET ORANGE



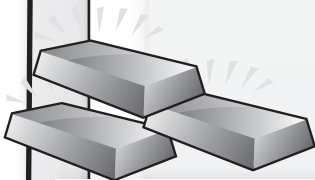
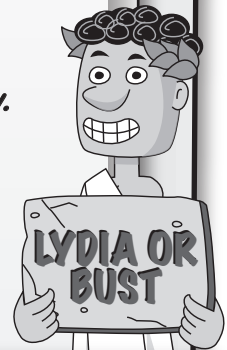
Welcome! If you're seeking knowledge of money you've come to the right place.

Money hasn't always been paper or coins. Before there was money, people would just trade with each other for whatever they needed. This process was called **barter**.

It was not easy to lug around such things as cows and tools for barter, so societies decided they needed more portable means of exchange. Eventually each society chose one item that it valued and would make exchanges using that item.

For instance, coastal Native Americans valued special shells such as cowry or mother-of-pearl. When everyone in a society uses the same medium of exchange, that item is called **currency**.

Paper money and coins were later created to represent valuables such as gold or silver. The first coin is believed to have been created around 700 BC in the ancient Greek city of Lydia.



## Think About This

At lunchtime kids often barter, trading a sandwich for chips or chips for a cookie. If your teacher has given you a token for bringing in an assignment, or your table earns points that can be exchanged for something special, the token and points are currency.

Describe a time (other than lunchtime) when you bartered for something you wanted.

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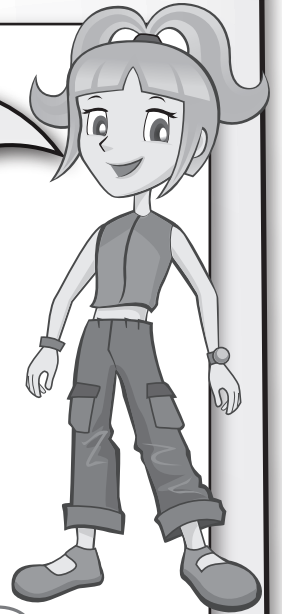
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Can you think of any situation in which you have been paid with a different type of currency?

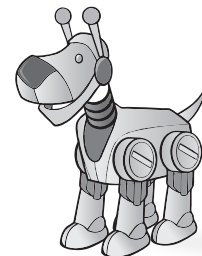
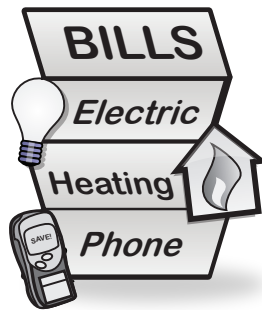
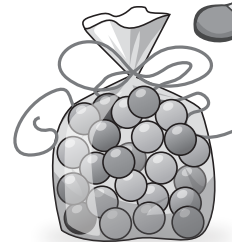
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Money is everywhere, and it plays a huge role in our everyday lives. It's used to buy the things we want, like toys, candy or a brand new robot puppy. But it's also used to pay for the things we need such as rent, groceries and gasoline.



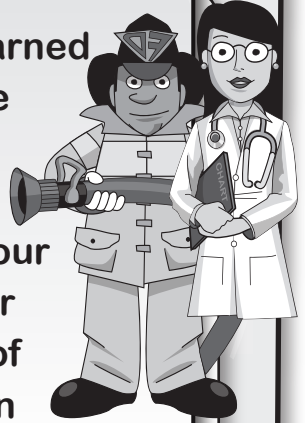
Circle what you and your parents feel are items you *need* and draw a box around the items you would *want* to have.



# PLANET ORANGE



As the saying goes, money doesn't grow on trees! Most adults get jobs in order to earn money. This earned money is called a *wage* or *salary*. Different skills are needed for each job. The best way for a person to choose a *job* (short-term employment) or a *career* (long-term employment) is to select one that uses your individual skills and interests. Some people use their special skills to start their own businesses instead of working for an employer. People who have their own businesses are called *entrepreneurs*.



**Salary** – a fixed amount of money you receive regularly for a job, often contracted annually

You don't need to decide just yet what kind of a job you want when you become an adult, but it's fun to figure out your special skills and interests.

**Wage** – an amount of money you are paid for working, usually at an hourly, daily, or weekly rate

What is your favorite subject in school?

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What jobs or careers might relate to that subject?

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What jobs or careers do you think you might enjoy when you're an adult?

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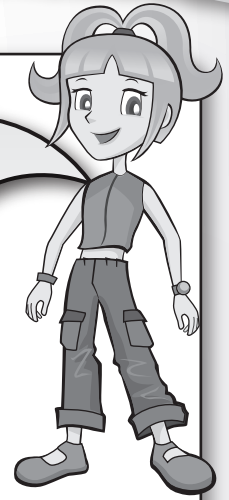
Name one of your favorite hobbies. How could you turn that hobby into a job?

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Think about all of your talents, interests, and hobbies. Jobs and careers are most satisfying when you can use your skills and interests, and in many cases you can earn an income by combining them. For instance, if you are interested in health, food, and sports you could become a sports nutritionist or work in sports medicine as a trainer or physical therapist.



Circle all categories below that that sound interesting to you.

- Science    Education    Auto mechanics    Communications    Entertainment
- Engineering    Nature    Construction    Business    Creative writing
- Decorating    Food    Healthcare    Sports    Government    Fashion
- Transportation    Beauty    Computers    Art    Travel    Gardening

Describe three careers that could combine some of the categories you have circled and that you might enjoy. If you can't think of any then the next step is to ask questions. Consult with your family, teachers, or counselors.

1. \_\_\_\_\_  
\_\_\_\_\_
2. \_\_\_\_\_  
\_\_\_\_\_
3. \_\_\_\_\_  
\_\_\_\_\_

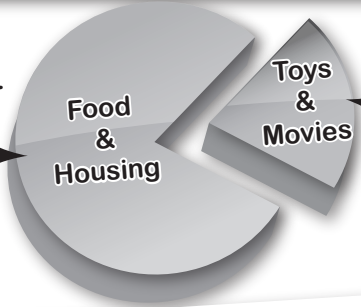
# PLANET ORANGE



A **budget** is a plan you make to determine how you will use your **income**. The first part of the plan is figuring out your **expenses**, which are those goods and services you must pay for. Then you will know how much money you have left over for saving, sharing, and buying extra wants such as toys and movies.

**SAMPLE BUDGET**

Things you need to pay for



Money left over for the items you want

**Income**  
Any money that you take in, including job earnings, allowance, or gifts.

Creating a budget and spending wisely are very important. Most people have basic goods and services that need to be purchased regularly, such as food and housing. List three more goods or services that you or your parents need to pay for on a regular basis.

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Saving money is important also. You want to have an emergency fund for unexpected things you might need to pay for. Write as many examples as you can think of that might be unexpected expenses for you or your parents.

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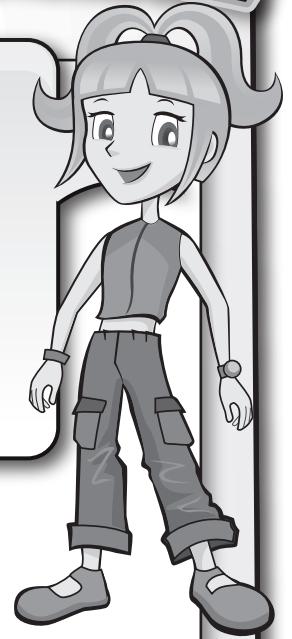
Your plan should also include saving money for big purchases such as a house or a new car. You could start saving now to prepare for your future. List a few expensive items you might want to purchase in the future.

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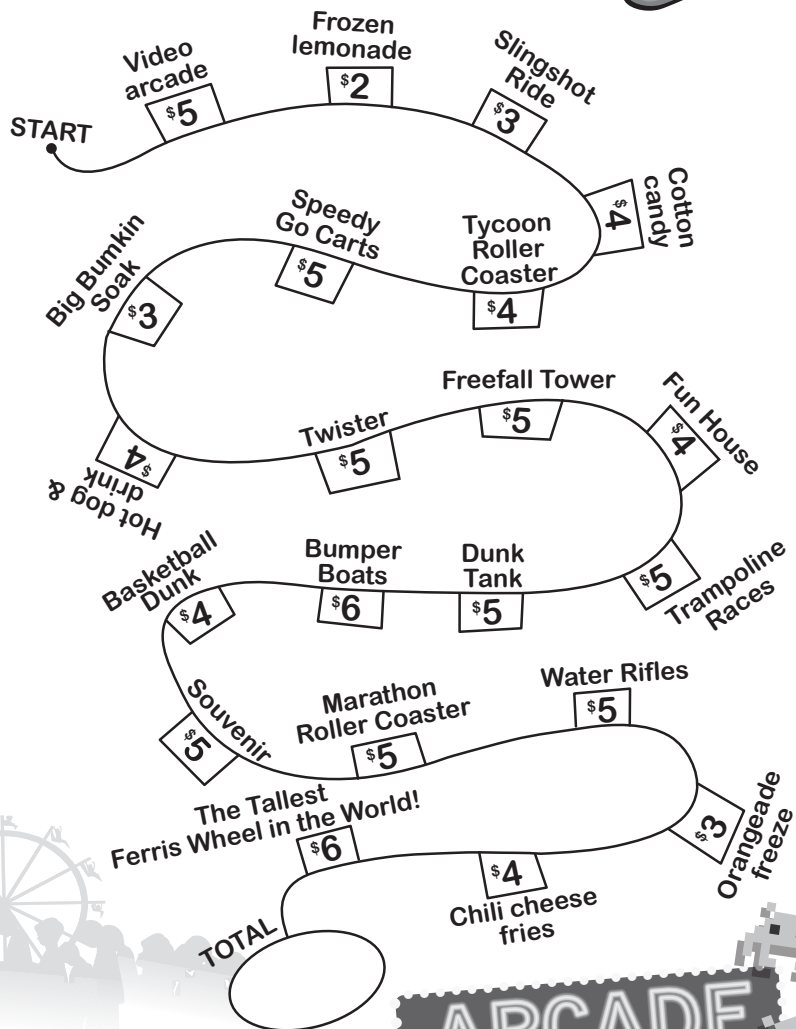
# PLANET ORANGE



Lucky you! You are going to an amusement park with your friends for the day! Before you go, remember what happened the last time you went. The first thing you saw when you walked into the park was one of your favorite things -- the video arcade! You were so excited that you spent all of your money there, which meant you had no money left for rides or hot dogs or that big foam hat you wanted to get.

*You always have to plan ahead when it comes to money!*

Creating a **budget** would let you plan how many arcade games you could play and still have enough money left to enjoy the rest of the day. Directions: You have brought \$40.00 to spend at the amusement park. Circle your choices of how you will budget your money. Be sure to include both entertainment and food. After making your choices, write your total in the oval.

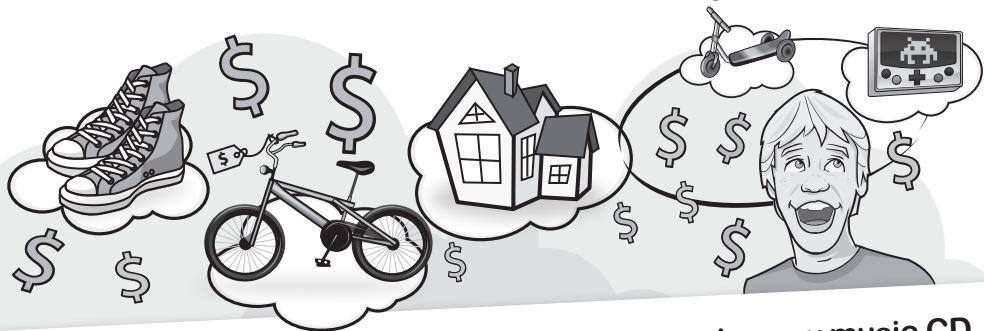


# PLANET ORANGE



There's one important fact you should always keep in mind about money....you're always going to need it! Spending is easy because we see things every day that seem worth buying. But saving can be very hard. You save money to make sure there will be enough for what awaits us in the future. You may be saving for something you don't even know about!

Before spending, it's always good to ask yourself, "How much do I want this? Should I save this money instead?"



Spending is about making choices. Let's say you have \$20. You want a new music CD, but you also found a t-shirt you really like, and \$20 isn't enough to buy both. You could buy the CD and listen to your favorite music, or you could buy the t-shirt and enjoy wearing it often. Sometimes you might be lucky enough to "have your cake and eat it too". If you watch for the t-shirt to go on sale and buy a couple of songs instead of the entire album, you might be able to afford both.

On the lines below list two items you want, your reasons for wanting them, and about how much they would cost. Pretend that you cannot afford to buy both items now. Decide which would be your first choice and explain why. The item that is second choice is called your *opportunity cost*.

Item#1 \_\_\_\_\_  
 Cost \_\_\_\_\_  
 Why? \_\_\_\_\_

## MY CHOICE

\_\_\_\_\_

Item#2 \_\_\_\_\_  
 Cost \_\_\_\_\_  
 Why? \_\_\_\_\_

## MY OPPORTUNITY COST

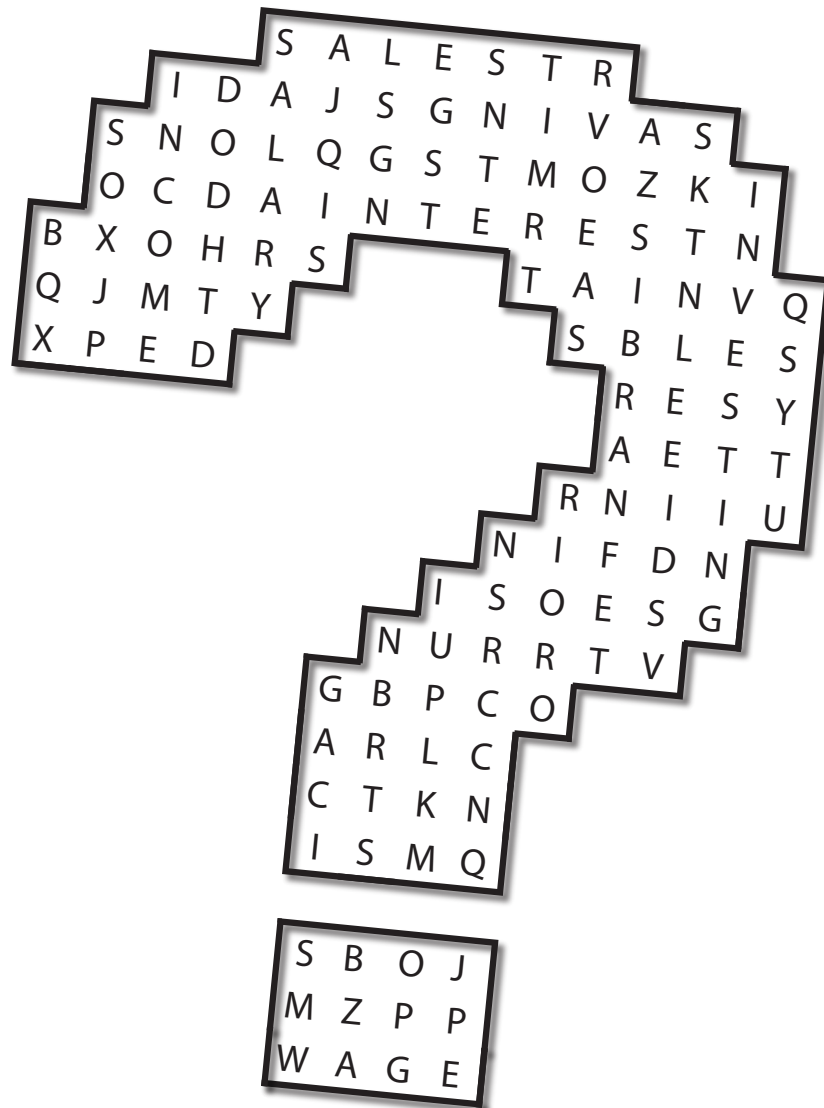
\_\_\_\_\_

# MONEY

## Where Does Money Come From?

The words listed below will help you understand where money comes from. Find and circle the words in the puzzle.

- ASSETS
- ATM
- BONDS
- BUSINESS
- CREDIT
- EARNING
- INCOME
- INTEREST
- INVESTING
- JOBS
- PROFIT
- SALARY
- SALES
- SAVINGS
- STOCKS
- WAGE





## WORDS THAT INVOLVE MONEY

Write the following list of words in alphabetical order.  
Then use each word in a sentence that shows  
you know the meaning of the word.

currency 1. \_\_\_\_\_

---

---

goals 2. \_\_\_\_\_

---

---

wants 3. \_\_\_\_\_

---

---

needs 4. \_\_\_\_\_

---

---

money 5. \_\_\_\_\_

---

---

coins 6. \_\_\_\_\_

---

---

wage 7. \_\_\_\_\_

---

---

career 8. \_\_\_\_\_

---

---

income 9. \_\_\_\_\_

---

---

barter 10. \_\_\_\_\_

---

---

# CHANGE IS GOOD!

Use the information from the pictures below to answer the questions.  
Show your computation on the notes page in the back of the book.

1. Bill wants a new pair of sneakers. He hands the clerk \$50.  
How much change will he get back? \_\_\_\_\_
2. Dean has \$23.00 and wants to buy three gifts to give to his sister for her tenth birthday. He needs to estimate to make sure he has enough money.  
What items will he buy and what are their estimated amounts? \_\_\_\_\_  
\_\_\_\_\_
3. Lisa wants an MP3 player, a bike, and a pair of sunglasses. How much money will she need? \_\_\_\_\_



## HOW MUCH DOES IT COST?

4. Bonnie has saved \$100 to redecorate her bedroom in a tropical theme. She wants a purple lava lamp, two large plants, and a totem pole. If she buys all four items, how much money will she have left? \_\_\_\_\_
5. Jill has \$29.00. She wants to purchase sunglasses, a Frisbee, and a soccer ball. Does she have enough money to buy them all? How much change will she get back or how much more money does she need?  
\_\_\_\_\_
6. Rob got \$52.00 in gifts for his birthday. How much more money does he need to save if he wants to buy a bike and new high-top sneakers?  
\_\_\_\_\_
7. Brian has \$19 to buy two toys he can play with at the park. He doesn't want to spend the entire amount because he wants to have at least \$3.00 left to buy food at the snack shack. What two toys can he buy? How much money will he have left for food? \_\_\_\_\_  
\_\_\_\_\_



## TONS OF MONEY!

Write out the following amounts in word form.

1. \$43,203.00

---

2. \$75,499.00

---

3. \$589,987.23

---

4. \$232,605.00

---

5. \$60,027.97

---

Write the following money amounts in numeric form.

6. Two hundred twenty-five thousand dollars

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7. Five hundred sixty-five thousand dollars and twenty-three cents

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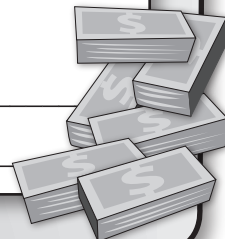
8. Seven hundred fifty-five thousand six hundred one dollars

---

9. Write in words how much money would you like to have one day.

Then write the same amount as a number.

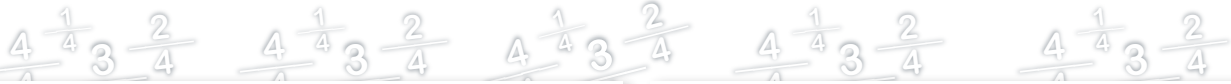
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# PLANET ORANGE



## Fractions of a Dollar

1. What is  $\frac{1}{4}$  of a dollar? \_\_\_\_\_
2. What is  $\frac{2}{4}$  of a dollar? \_\_\_\_\_
3. What is  $\frac{3}{4}$  of a dollar? \_\_\_\_\_
4. What is  $\frac{4}{4}$  of a dollar? \_\_\_\_\_

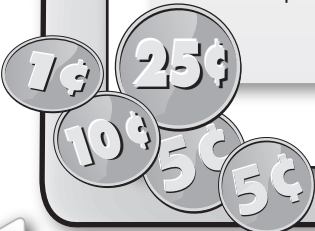
## Money - Decimals - Fractions

example : 34 cents = \$0.34 =  $\frac{34}{100}$

5. 55 cents = \$ \_\_\_\_\_ = \_\_\_\_\_
6. 99 cents = \$ \_\_\_\_\_ = \_\_\_\_\_
7. 87 cents = \$ \_\_\_\_\_ = \_\_\_\_\_
8. 64 cents = \$ \_\_\_\_\_ = \_\_\_\_\_

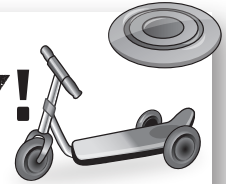


9. How many dimes are in \$5? \_\_\_\_\_
10. How many nickels are in \$3? \_\_\_\_\_
11. How many quarters are in \$20? \_\_\_\_\_
12. How many pennies are in \$19? \_\_\_\_\_
13. How many \$5 bills equal \$100? \_\_\_\_\_
14. How many \$10 bills equal \$140? \_\_\_\_\_
15. How many \$100 bills equal \$1,000? \_\_\_\_\_
16. How many \$20 bills equal \$260? \_\_\_\_\_





## MONEY, MONEY, MONEY!



Solve the problems below. Show your work.

1. The new soccer team has 18 players. Each player needs his own soccer ball which cost \$6.64 each. How much money will the team need to buy new soccer balls? \_\_\_\_\_
2. The athletic department wants to incorporate a new activity called "Frisbee Baseball." There are 28 students in the class. Each Frisbee costs \$1.76. How much money will the athletic department need to purchase a frisbee for each student? \_\_\_\_\_
3. The afterschool program has a budget of \$235. They want to buy 24 new scooters that cost \$9.55 each. Do they have enough money? \_\_\_\_\_  
How much will they cost? \_\_\_\_\_ How much money will they have left over? \_\_\_\_\_
4. The student body is having a "Tropical" theme dance in the spring. Julie found some great totem poles for decorations. She wants to order 2 dozen. Each totem pole costs \$15.83. How much will the totem poles cost in all? \_\_\_\_\_
5. Eight bikes cost a total of \$601.60. How much does each bike cost? \_\_\_\_\_
6. Krista bought six plants for her room and spent \$91.20. Each plant cost the same amount. How much did each plant cost? \_\_\_\_\_



# PLANET ORANGE



Hey there! Now we're in Tangy Town where we'll learn about budgeting and paychecks. I'm picking up my paycheck at the Tangy Town Inn, where I work. I've been saving money to buy these space boots that cost \$75.00. Seriously, how cool are these?

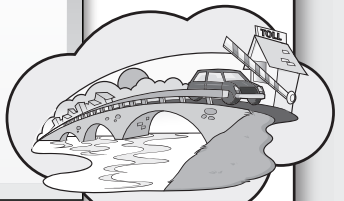


When anybody earns wages for working you never actually get all the money you earn. A lot of it goes to the state and federal governments for **taxes** that will be used to pay for roads, public schools, and many other programs. This information is explained on a **pay stub** which is attached to your paycheck.

Weekly Pay Stub	
Name	Amy
Gross Pay (total amount earned)	\$40.00
Federal Taxes	\$ 7.69
State Taxes	\$ 3.82
Net Pay (the amount you actually receive)	\$ _____



**FEDERAL**



**STATE**

1. How much weekly net pay will Amy get? \_\_\_\_\_
2. How much monthly net pay will she receive? \_\_\_\_\_
3. If Amy saves \$8.00 a week for the boots, how many weeks must she save before she will be able to buy them? \_\_\_\_\_
4. What could Amy do to get the boots sooner? \_\_\_\_\_  
\_\_\_\_\_



# PLANET ORANGE

# CHECK WRITING



Congratulations! You've received your first paycheck. With your budgeted money for spending, you bought a pair of pants from Pants Town for \$12.89, a pizza and drink at Tony's Pizza for \$5.56, and a great pair of sunglasses on sale at Sunglass Palace for \$15.37. Using the checks below, write a check for each purchase.

Below is a completed check to Pants Town. Follow this sample and complete checks for Tony's Pizza and Sunglass Palace.

Amy Planet  
567 Orange Lane  
Tangy Town P.O. 78986

1001  
01-2345/6780

DATE May 1, 2020

PAY TO THE ORDER OF Pants Town \$ 12.89

Twelve dollars and 89/100 Dollars

MEMO Pants Amy Planet

⑆ 012345678 ⑆ 87654321 ⑆ 1001

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

1002  
01-2345/6780

DATE \_\_\_\_\_

PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ Dollars

MEMO \_\_\_\_\_

⑆ 012345678 ⑆ 87654321 ⑆ 1002

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

1003  
01-2345/6780

DATE \_\_\_\_\_

PAY TO THE ORDER OF \_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ Dollars

MEMO \_\_\_\_\_

⑆ 012345678 ⑆ 87654321 ⑆ 1003



## EARNING A PAYCHECK

Each clock shows the time you began work.  
Write that beginning time, then calculate how many hours you worked and how much gross pay you earned for the day.



You are earning \$4.75 an hour

1)



Started work at \_\_\_\_\_ P.M.  
Ended work at 8:30 P.M.  
Hours worked \_\_\_\_\_  
Gross pay \_\_\_\_\_

2)



Started work at \_\_\_\_\_ A.M.  
Ended work at 5:40 P.M.  
Hours worked \_\_\_\_\_  
Gross pay \_\_\_\_\_

3)



Started work at \_\_\_\_\_ P.M.  
Ended work at 6:05 P.M.  
Hours worked \_\_\_\_\_  
Gross pay \_\_\_\_\_

You are earning \$5.25 an hour

4)



Started work at \_\_\_\_\_ A.M.  
Ended work at 3:20 P.M.  
Hours worked \_\_\_\_\_  
Gross pay \_\_\_\_\_

5)



Started work at \_\_\_\_\_ P.M.  
Ended work at 8:25 P.M.  
Hours worked \_\_\_\_\_  
Gross pay \_\_\_\_\_

6)



Started work at \_\_\_\_\_ A.M.  
Ended work at 4:55 P.M.  
Hours worked \_\_\_\_\_  
Gross pay \_\_\_\_\_

## MONEY SCRAMBLE

Unscramble the following money words.

The first letter is underlined.

1. sxeta \_ \_ \_ \_ \_

2. caypkceh \_ \_ \_ \_ \_

3. eernitts \_ \_ \_ \_ \_

4. peanty (2 words) \_ \_ \_ \_ \_

5. afedre \_ \_ \_ \_ \_

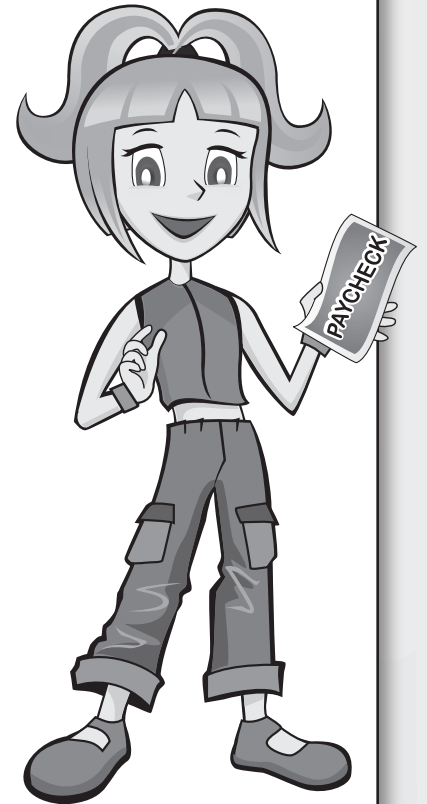
6. vsgsnia \_ \_ \_ \_ \_

7. spodtei \_ \_ \_ \_ \_

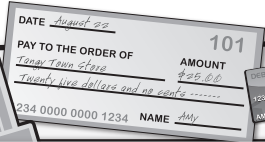
8. gswae \_ \_ \_ \_ \_

9. sgsroyap (2 words) \_ \_ \_ \_ \_

10. khegcin \_ \_ \_ \_ \_







Use a dictionary to find the entry words below.  
Write the monetary definition on the line provided.

1. allowance \_\_\_\_\_

\_\_\_\_\_

2. balance \_\_\_\_\_

\_\_\_\_\_

3. bank \_\_\_\_\_

\_\_\_\_\_

4. budget \_\_\_\_\_

\_\_\_\_\_

5. check \_\_\_\_\_

\_\_\_\_\_

6. debt \_\_\_\_\_

\_\_\_\_\_

7. deposit \_\_\_\_\_

\_\_\_\_\_

8. tax \_\_\_\_\_

\_\_\_\_\_

Use your thesaurus to find synonyms for the words listed below.

interest \_\_\_\_\_

\_\_\_\_\_

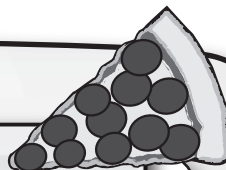
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save \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# PLANET ORANGE

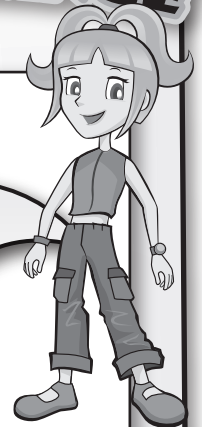


Remember I told you about a plan called a **budget** that you create in order to use your money wisely? You must divide your money into three categories every month: saving, sharing, and spending. Sometimes the items in my budget change – I don't buy a birthday present for Cedric every month!

Amy needs to try different budgets to see what would work best for her this month. Use Amy's net monthly pay (\$113.96) to create three different budgets for Amy. Be sure to include some spending, some saving, and some sharing in each one.

Net Monthly pay	\$ _____	\$ _____	\$ _____
Pizza with friends \$3.75 each time			
Movies \$4.25 each time			
Donation to Save the Forest \$5.00			
Donation to Feed the Hungry			
Saving for space boots			
Saving for college			
Birthday present for Cedric \$4.00			
Other ( _____ )			
<b>TOTAL</b>			

## CREATING A BUDGET!

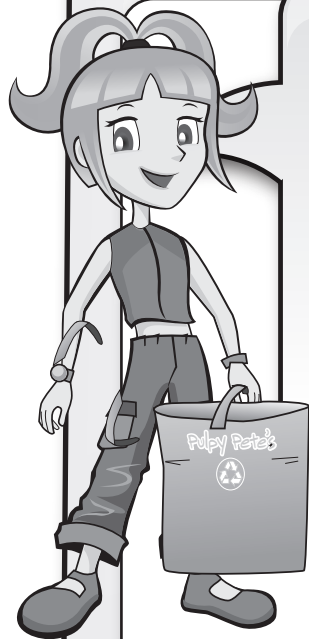


You can get money from many sources – allowance, gifts, or wages from a job. All money you get is called **income**. Creating a budget for that income is all about making choices. Below is a sample budget. Pretend you have a weekly income of \$30.00 and create your own budget in the chart below.

**EXAMPLE:** Let's pretend your weekly allowance is \$30.00. You must budget \$15.00 to buy school lunches for the week. That leaves only \$15.00 for the week's activities, such as eating dinner out with friends and then going to the movies. This is where your creativity comes in. How can you earn more money to add to your weekly income or spend less money? Examples... Bring lunch one day -- save \$3! Eat dinner at home before the movies -- save \$5! Ask family, neighbors and friends if they have any extra jobs you can do -- earn \$5! Sell something -- earn \$5!

Weekly Income	Explanation How did you earn, save or spend the money!	\$ Amount
<b>Allowance</b> (how much you receive each week)		\$ <u>30.00</u>
<b>Earned Income</b> (money you earned outside of your allowance)		\$ _____
<b>Gifts</b> (birthday/holiday money)		\$ _____
<b>Total income for the week</b>		\$ _____
<b>10% Savings</b> Where will you save this money?		\$ _____
<b>10% Sharing</b> Where will you donate this money?		\$ _____
<b>Expenses</b>		\$ _____
<b>Food</b>		\$ _____
<b>Entertainment / Fun</b>		\$ _____
<b>Other expenses / wants</b>		\$ _____
<b>Total expenses</b>		\$ _____
<b>Balance</b> (the amount not spent)		\$ _____

# PLANET ORANGE



Now that I have some money I am going shopping at Pulpy Pete's General Store. I am headed to the beach and I've saved \$50.00 to buy stuff for the trip. Ahh! I love this place. I can get everything I want here, but I have to be careful. I'm easily tempted to buy the cool stuff I see instead of the things I came for. Can you help me with shopping? I know I need to buy sunscreen. We must remember to buy first what I need and then see how much money is left over to buy other items I want.

In the columns below, try purchasing different combinations of items to decide what would be the wisest use of the \$50.00. Round the prices up to the next dollar amount and use the rounded numbers to get your estimated amount. Total the estimates at the bottom of each column.

				_____	_____	_____
\$8.00	\$4.50	\$5.95	\$2.75			
				_____	_____	_____
\$35.00	\$15.99	\$22.50	\$42.00			
				_____	_____	_____
	\$6.50	\$10.00	\$7.99			
				_____	_____	_____
\$0.75	\$0.99	\$1.50	\$4.00			
				_____	_____	_____
\$8.89	\$9.97	\$1.75	\$14.99			
				_____	_____	_____
				TOTAL	TOTAL	TOTAL

## MILLION DOLLARS OR A PENNY DOUBLED!

What would you rather have? One million dollars today...  
or a penny doubled every day for the next 31 days?



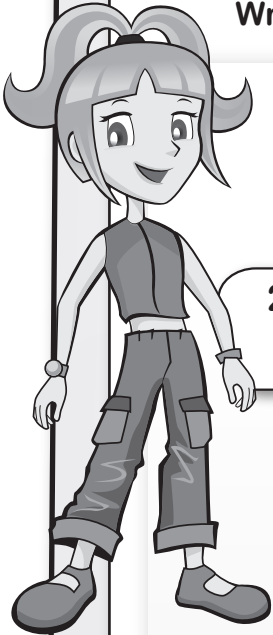
Continue doubling and complete the calendar  
to the end of the month.

Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 \$ .01	2 \$ .02	3 \$ .04	4 \$ .08	5 \$ .16	6 \$ .32	7 \$ .64
8 \$ 1.28	9 \$ 2.56	10 \$ 5.12	11 \$ 10.42	12 \$ 20.48	13 \$ 40.81	14 \$ 81.92
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## MONEY MATCH UP!

Write the letter of the definition on the line below the matching entry word.



1. expenses  
\_\_\_\_\_

2. savings account  
\_\_\_\_\_

3. interest  
\_\_\_\_\_

4. balance  
\_\_\_\_\_

5. checking account  
\_\_\_\_\_

6. sharing  
\_\_\_\_\_

7. allowance  
\_\_\_\_\_

8. income  
\_\_\_\_\_

A) a bank account you use for money you expect to spend in the near future

B) money that you are given on a regular basis (often by parents) for completing chores / or meeting other requirements

C) money you get from wages, allowance, and gifts

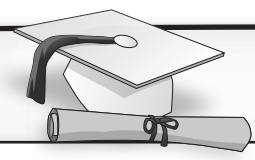
D) money that is paid out for any reason

E) donating money to a special cause

F) the amount of money remaining in an account (amount not spent)

G) a bank account that you use for the money you don't plan to spend in the near future

H) money the bank pays you for depositing your savings there



Let your creativity shine by writing an acrostic poem related to **SAVING** in which the first letter of each line begins a word or phrase. Choose words beginning with each letter in the word below that relate to **SAVING**.



S \_\_\_\_\_

A \_\_\_\_\_

V \_\_\_\_\_

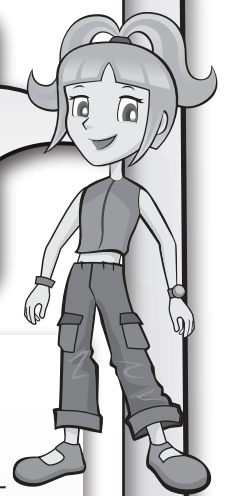
I \_\_\_\_\_

N \_\_\_\_\_

G \_\_\_\_\_



Now try your hand at writing a Haiku. Haiku is 3-line Japanese poetry which is written by counting syllables. The first line contains 5 syllables, the second line has 7 syllables, and the third line has 5 syllables. Choose *income* or *budget* as your subject.



\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



## MONEY WORD PROBLEMS

Read and solve each problem.  
Show your work.

1. Gail receives \$9 a week for her allowance. If she saves her money for seven weeks, how much money will Gail have saved?  
\_\_\_\_\_
2. Jill had \$23 in her bank account. Then her grandfather gave her \$9.28, her mom gave her \$11.27 and her dad gave her \$17.54. How much money does Jill have now? \_\_\_\_\_
3. David has \$52.00. He is donating 10% of his money to the animal shelter. How much will he donate? \_\_\_\_\_
4. Daniel has 270 quarters. How much money in dollars does Daniel have? \_\_\_\_\_
5. Ava has \$223.00 in her savings account. Her money is earning 12% interest monthly. How much interest will Ava earn in the first month? \_\_\_\_\_
6. Jenny bought 4 shirts for \$11.32 each and 3 pairs of pants for \$15.48 each. How much money did Jenny spend in all? \_\_\_\_\_





Welcome to Navel City, where we will learn the true value of money. Remember you learned about earning *interest* with your savings account? Well, there's another kind of interest too –sometimes instead of *earning* interest, you must *pay* interest!

## EARNING INTEREST

When you *deposit* money into your savings account, the bank pays you for letting them use your money to loan to other people. The money you are paid, called *interest*, is a certain percentage (%) on the amount in your savings account.

## PAYING INTEREST

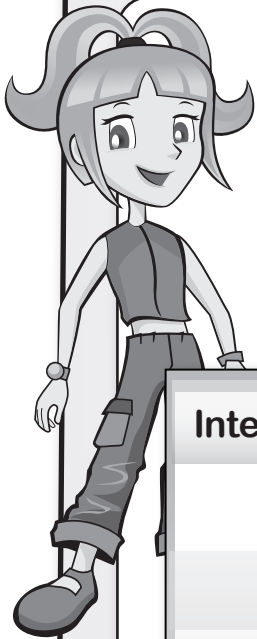
When you *borrow* money the exact opposite happens. You must pay extra for using money that's not yours. That extra amount you pay is called *interest*, which is a certain percentage (%) on the amount you have borrowed.

Percentages and decimals and fractions are all the same, just written in different ways. Here are some facts you've learned about money:  
 $25¢ = 1$  quarter, which is  $\frac{1}{4}$  of one whole dollar (100¢)  
 $25¢ = 25/100$ , which is a fraction  
 $25¢ = \$.25$  which is a decimal. As a decimal (.25) you read it "twenty-five hundredths" (25/100)  
 $25/100 = \frac{1}{4} = 25\%$

Do you get it? They're all the same thing!  
 $25¢ (\$.25) = 25/100 = .25 = 25\%$

Try these! Convert the money into a fraction, then into a decimal, then a percentage.

Money	Fraction	Decimal	Percentage
\$.30			
\$.65			
\$.04			



## SIMPLE INTEREST

When you earn *interest* you are paid a certain percentage on every dollar you deposit in the bank. There are two types of interest – *simple interest* and *compound interest*.

Simple interest is the most basic type. Fill in the chart below comparing different earned interest rates.

Interest rate per year	Amount	Interest earned	Total earned
Example 4%	\$500.00	\$20	\$520.00
5%	\$500.00		
7%	\$500.00		
10%	\$500.00		
12%	\$500.00		
15%	\$500.00		

1. How much more does \$500.00 earn each year at 15% interest than 4% interest? \_\_\_\_\_
2. How much money will you have in 10 years with your money earning 12% interest a year? \_\_\_\_\_
3. At 7% how much interest will your \$500 earn in 6 years? \_\_\_\_\_
4. At 15% interest, how much money will you have after 5 years? \_\_\_\_\_

## COMPOUND INTEREST --THE EIGHTH WONDER OF THE WORLD!

We know that savings accounts are really great because they earn interest, but it gets even better! Not only does your deposited money earn interest, the interest earns interest ! This is called *compound interest*.



Let's say that you deposited \$100 in a bank that pays 5% monthly interest.

Percentages are written as decimals, so 5% is also .05.

Month 1 -- \$100 X .05 = \$5.00 interest

$$\$100 + \$5.00 = \$105.00$$

Month 2 -- \$105 X .05 = \$5.25 interest

$$\$105 + \$5.25 = \$110.25$$

Month 3 -- \$110.25 X .05 = \$5.52

$$\$110.25 + \$5.52 = \$115.77 \dots\dots \text{And you only deposited } \$100!$$

Try this! We're going to pretend that you deposit \$15 a month into your savings account which pays 5% interest. Calculate your interest rate and see how your money can compound!

Month 1 – Deposit (\$15) x Interest rate (.05) = Interest     \$15.00 x \_\_\_\_\_ = \_\_\_\_\_

Deposit (\$15) + Interest = New total     \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_

Month 2 – New Deposit (\$15) + Amount from Month 1 = Total     \$15.00 + \_\_\_\_\_ = \_\_\_\_\_

Total x Interest rate = Interest     \_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_

Total + Interest = New total     \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_

Month 3 – New Deposit (\$15) + Amount from Month 2 = Total     \$15.00 + \_\_\_\_\_ = \_\_\_\_\_

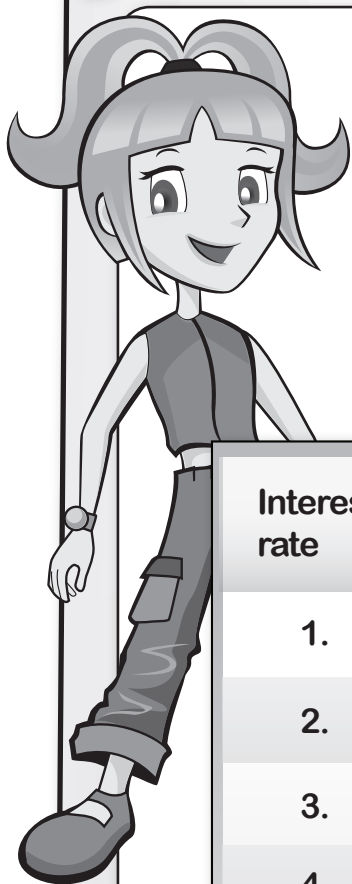
Total x Interest rate = Interest     \_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_

Total + Interest = New total     \_\_\_\_\_ + \_\_\_\_\_ = \_\_\_\_\_

Because of compound interest, you now have \$ \_\_\_\_\_ instead of just the \$45.00 you deposited!

# THE RULE OF 72

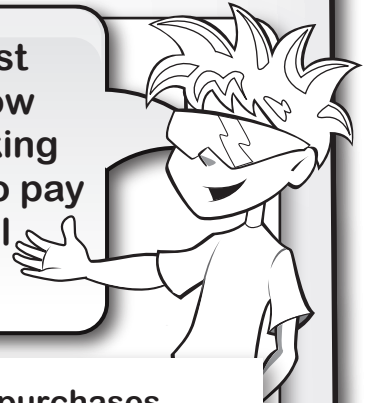
Interested in how fast your money can double? Divide 72 by the interest rates below to find out the number of years needed for your money to double! Show your work at the bottom of the page.



Interest rate	Amount	Rate of return	Number of years to double
1.	72 divided by	1%	
2.	72 divided by	3%	
3.	72 divided by	5%	
4.	72 divided by	8%	
5.	72 divided by	10%	
6.	72 divided by	20%	
7.	72 divided by	25%	
8.	72 divided by	30%	

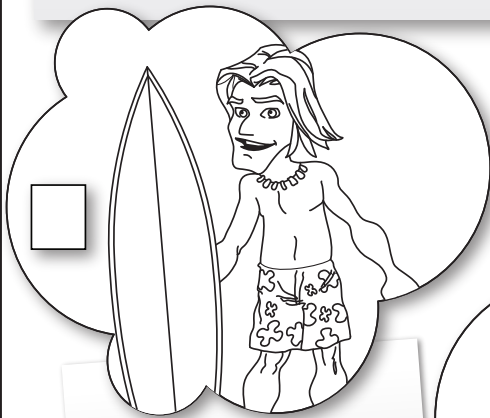


So when do you have to pay interest instead of earning it? If you borrow money by using credit cards or taking out a loan from a bank, you need to pay this money back quickly or you will have to pay interest.



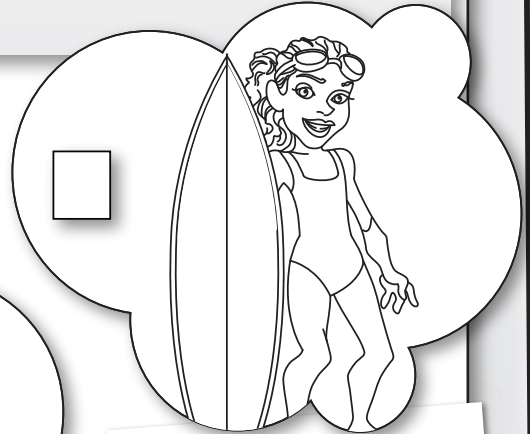
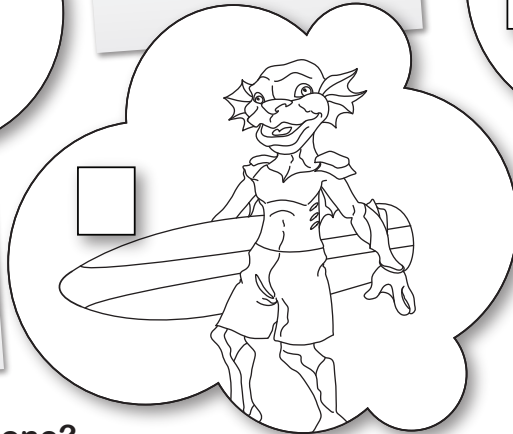
People often get loans for really expensive purchases such as college, a car, or a house. People use credit cards to buy things when they don't have cash handy. The amount of money you borrow is called the *principal*. When you use your credit card, you receive a bill every month. If you pay the entire amount (called the *balance*) by the due date you don't have to pay any interest. If you only pay a portion of the bill, you will be charged interest on the remaining amount.

Lucas, Zuuk, and Sonya each paid \$50.00 for their new surfboards. Put an X in the box next to the customer who will end up paying the most for the new board.



I'm Lucas. Check out my shiny new board. I paid all cash, my friend!

I'm Zuuk . I paid with my credit card, and I plan on paying it off over several months.



I'm Sonya. I love my new board! I put it on my credit card and I'm paying it all off the minute I get my bill.

Why did you pick that one? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



## PAYING INTEREST!



**Scenario:** Imagine you are a freshman in college and you were just approved for your first credit card. Because you are in school you only work on weekends (both Saturday & Sunday, and you work 4 weeks a month throughout the year). You work 4 hours each day, earning \$5 an hour. Your new credit card came in the mail with a \$600.00 limit (the amount you can accumulate on the card). Your interest rate is 24% monthly for any remaining balance on the card.



Your friends invite you out for pizza, but they forget their money! Because you have a new credit card you buy the pizza, salads and drinks for a total of \$55.97. The next day you find a great outfit that normally sells for \$100 but is on sale for \$74.49. You can't pass up such a great deal, so you charge it. Your favorite band is making a surprise visit to your town. The tickets costs \$80.00, but you have your charge card and a new outfit, so why not! You have dinner before the concert, pay for parking and get a couple munchies at the concert. By the time you get home you've spent another \$43.25.

1. What is the total amount you have charged on your card for the week? \_\_\_\_\_
2. How much do you earn each month at your job? \_\_\_\_\_
3. What is the difference between your monthly income and the amount you spent?  
\_\_\_\_\_
4. If all of your income goes toward paying the charges you have accumulated, how many months will it take you to pay off just the principal? \_\_\_\_\_
5. Was the weekend worth it to you? Explain why \_\_\_\_\_

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As you know, spending money is a choice. If you use a credit card, the actual cost of your purchases is the **principal**. If you don't pay the entire principal within a month, you also have to pay **interest**.

Pretend you have your own business. Customize the surfboard at the left with colors and designs. How much you will charge for your masterpiece? \_\_\_\_\_

Different banks charge different interest rates. Solve the problems below. Keep in mind that percentages are written as decimals. For example, if you want to figure how much interest you would pay at 24% for a \$300 item, your equation will be: "\$300 X .24 = \$72.00."

1. A surfboard sells for \$249.00. Joe will pay with a credit card which charges 26% interest. How much interest will be charged? \_\_\_\_\_  
What is the total charge for the surfboard plus interest? \_\_\_\_\_

2. A surfboard sells for \$249.00. Susie will pay with a credit card which charges 32% interest. How much interest will be charged? \_\_\_\_\_  
What is the total charge for the surfboard plus interest? \_\_\_\_\_

3. A surfboard sells for \$249.00. Rob will pay with a credit card which charges 17% interest. How much interest will be charged? \_\_\_\_\_  
What is the total charge for the surfboard plus interest? \_\_\_\_\_

4. The cost of the surfboard you designed is \_\_\_\_\_. Jess will pay with a credit card which charges 17% interest. How much interest will be charged? \_\_\_\_\_  
What is the total charge for the surfboard plus interest? \_\_\_\_\_

# PLANET ORANGE



It's important to take the time to think and make wise decisions about your money.

If you were going to take surfing lessons and you had a choice of three instructors, how would you choose the best one for you?

Each instructor has value. The instructor with more experience, education, and ability is able to charge a higher price. The key is to think about what you can afford and what is most important to you. If you do that, the rest is just a day at the beach!

Read about the instructors and their qualifications. Which instructor would you choose for yourself? Check the box next to your choice and then explain your reasons for choosing that one.



**SPLASH JOHNSON** - is a local who is here year-round. He teaches the basics, but no tricks. He comes pretty cheap - 5 lessons for \$10!

**"Tubular" TY WEST** - comes to Navel City every summer. He teaches the basics and a few tricks. He gets sort of busy and charges \$10 for 3 lessons.



**KATHY KAHUNA** - is a world-famous instructor who knows all the top tricks. She's only here for 2 weeks and gets booked quickly. Each lesson costs \$10.



Why would you choose that one? \_\_\_\_\_

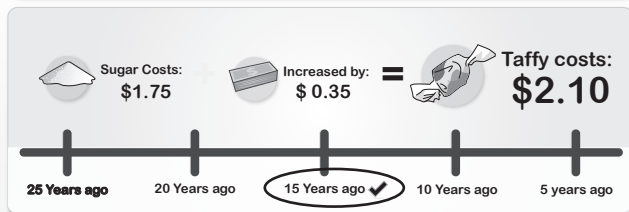
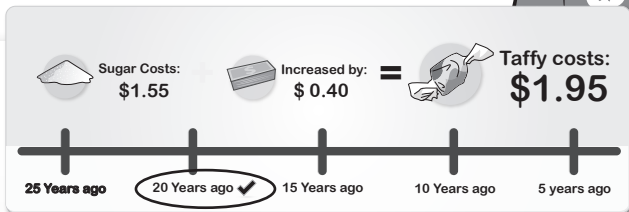
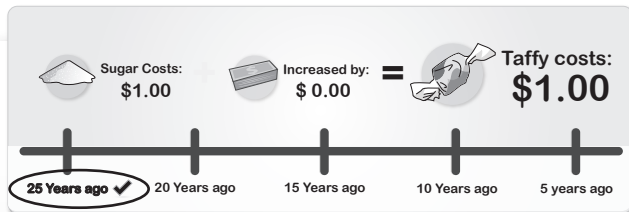
How many lessons would you like to take? \_\_\_\_\_

Would you need to save your money to afford them? \_\_\_\_\_





Phineas has been in the taffy-making business for more than 25 years! His prices have been affected by what is know as inflation. **Inflation** means that the prices of things increase over time. The price of the sugar that goes into making taffy has really gone up through the years, so it costs more for Phineas to make it. Twenty-five years ago sugar cost Phineas \$1.00, and now he has to pay \$3.05 for the same amount. That is a 200% increase since he started his business!



If the prices of ingredients have increased by that much, guess what has happened to the prices for the consumer? You guessed it! Those prices have increased by the same percentage!

To find out more about inflation, ask your parents what these things cost when they were your age. Record the answers in the **THEN** column, and write today's prices in the **NOW** column.

	THEN	&	NOW
1 pack of Bazooka Bubble Gum	_____		_____
1 child's movie ticket	_____		_____
1 regular-size Hershey's candy bar	_____		_____
1 gallon of regular gasoline	_____		_____
1 bike (no gears)	_____		_____
1 regular McDonald's hamburger	_____		_____



## THE COST OF INFLATION!

So many things in our everyday lives, such as cars, houses, and even clothes, have increased in price due to **inflation**! To figure how much inflation has increased costs, you can figure the percentage of increase, then add that amount to the original cost.



A car that cost \$15,000 ten years ago now costs 30% more.

$$\$15,000 \times .30 = \$4,500$$

$$\$15,000 + \$4,500 = \$19,500$$

The car that cost \$15,000 ten years ago would now cost \$19,500 because of inflation.

Figure what these items would cost now as compared to ten years ago.

1)



This house cost \$143,500 ten years ago. The price has increased by 8%. (Be careful – this one is tricky!)

The inflation increase is \_\_\_\_\_.

Now the price of the house is \_\_\_\_\_.

2)



Ten years ago the price of a college education cost \$8,350 per year. Because of the prices of books, inflation has increased the cost by 13%.

The inflation increase is \_\_\_\_\_.

Now the cost per year is \_\_\_\_\_.

3)



An average surfboard used to cost \$186. Surfing has become very popular, so the cost of surfboards has increased by 27% in the past ten years.

The inflation increase is \_\_\_\_\_.

Now this same board will cost \_\_\_\_\_.

4)



The price of basketball shoes used to be \$35.99. The cost of rubber to make the soles has greatly increased, so the price of shoes has increased 43%!

The inflation increase is \_\_\_\_\_.

These shoes now cost \_\_\_\_\_.

## ROUNDING OFF YOUR MONEY

Round each number to the place indicated in the ( ).

1. \$1,996.70 (tens) \_\_\_\_\_
2. \$3,989.67 (hundreds) \_\_\_\_\_
3. \$4,218.20 (thousands) \_\_\_\_\_
4. \$2,319.60 (tens) \_\_\_\_\_
5. \$10,391.78 (ten thousands) \_\_\_\_\_
6. \$8,929.72 (ones) \_\_\_\_\_
7. \$507.65 (tenths) \_\_\_\_\_
8. \$82.60 (hundreds) \_\_\_\_\_



## PLACE VALUE OF MONEY

Circle the digit in the hundred thousands place.

9. \$929,678.23

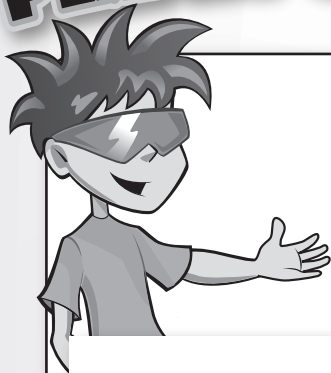
10. \$737,761.58

Circle the digit in the ten thousands place.

11. \$561,905.23

12. \$1,492,536.94

# PLANET ORANGE



## SOLVE THE RIDDLE!

What money advice would an owl give?  
Use the code below to solve the riddle.

A	B	C	D	E	F	G	H	I	J	K	L	M
1	2	3	4	5	6	7	8	9	10	11	12	13
N	O	P	Q	R	S	T	U	V	W	X	Y	Z
14	15	16	17	18	19	20	21	22	23	24	25	26

20 8 15 19 5      23 8 15 15 15      1 18 5

23 9 19 5      19 1 22 5

18 5 7 21 12 1 18 12 25      1 14 4      2 21 25

15 14 12 25      1 6 6 15 18 4 1 2 12 5

20 8 9 14 7 19      20 8 1 20      8 1 22 5

22 1 12 21 5



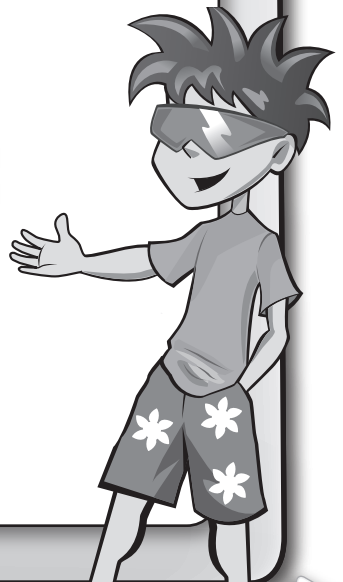
The words listed below all relate to borrowing money.  
Find and circle the words in the puzzle

- Balance
- Borrow
- Charge
- Credit cards
- Due date
- Interest
- Loans
- Inflation

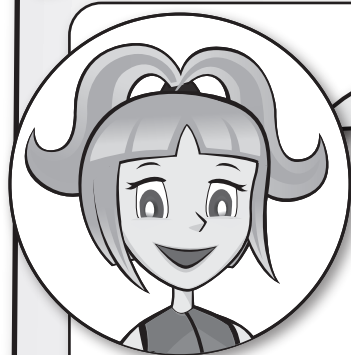
F  
E  
L O O  
U D Z  
I F J  
X W T P I  
G J E S V  
B K X U T  
C H A R G E Q  
X D O L L Q D  
M A E A A R V  
P Q F W A C N M D

Z C I N F L A T I O N S D B T R A R T U A C W N J A G S Y A D N X O E W N  
F I N A N C I A L U C Y N S R I O M H I N E I N T E R E S T P G U A F  
E P Z R O G V D T F V D S S N O I N K B R S O C C D X D O V Z  
V S Q J S P M I E H A L V H C O K M Q E S A J Q C W X G O  
D P E R C E N T A G E A B I I S T J X A F T I G P I F  
A X M S I G E E L N T V D P E D U C A T I O N  
R V W W A P X M C M R Y N A M O B N M R N  
D O R K D A D A U Q T O L F V D B  
U R I S K C K H P H P R O X H  
I E N H T W N B N X X L V B Y  
C A D I H E C F O I X M A F J  
O R R D A Z D C A Q R A Q L B H F  
T R E H P T C Z A Q P R V U Z H Q  
M R E S J P E E I T L G O E O J E  
T C V A R I A B L E R A T E W C V I N  
T E R M S V C S W C L E A V D U  
L E F C J D M C S V E S Q U  
O P E H O S J L T G  
T A O F Z S K R Z D  
Z N P N B N U W  
W E S G F G  
A T S G

- Terms
- Transaction
- Percentage
- Principal
- Risk
- Withdrawal
- Can you find these extra words?
- Save
- Value
- Financial
- Education



# PLANET ORANGE



Welcome to Orangeopolis, where investing is the name of the game! There are many different ways to *invest* money, but the reason for investing is always the same -- you want your money to grow over time. You can invest in stocks, bonds and mutual funds. You can invest in gold, silver and collectibles. You can invest in real estate, businesses and anything that you feel will be worth more in the future.

Do you already have some knowledge of investing, or is this brand new to you? Make educated guesses to try matching the words on the left to their definitions on the right. Draw a line from the word to its definition. There's no penalty for wrong answers! By the time you reach the end of the book you'll know them all!

portfolio

invest

shares

CD (certificate of deposit)

stock

bonds

fixed income

When you invest in this you own a tiny part of the company. If the company makes money, you share in the profits. If the company loses money, you will lose money also.

This is a set amount of money that you get back from specific investments like bonds or CDs.

When you invest in these, you lend money to the government or a company, which promises to pay you back, plus interest, after a specific amount of time.

This is a combination of investments that includes stocks, bonds, and cash savings.

These are pieces of paper that represent ownership of a piece of a company. The more you have, the more of the company you own.

You do this when you use money to create more money, or to buy something of value, such as baseball cards or shares of stock that you expect will become more valuable.

This is an insured time deposit with a bank. When you open it, you agree to not use the money in your deposit for a specific period of time (usually 3 months to 5 years) and you earn the interest.

When saving your money it's important to look for accounts that earn a high interest rate. To do that you want to research your options. A bank is a wise choice for saving your money because, in addition to earning interest, your money is protected with deposit insurance.



Banks offer several types of saving plans.

## SAVINGS ACCOUNT

Savings accounts earn interest and are used to store money you don't plan to spend in the near future or money you might need for an emergency. Interest is the money a bank gives you for letting it use your money when you don't need it. You can withdraw your savings at any time. High interest savings accounts usually have no fees and no minimum deposit amounts.

## CERTIFICATES OF DEPOSIT



CDs (certificates of deposit) are bank deposits that you agree not to use for a set amount of time. You can choose the length of time your money will be in a CD – from short-term 3 month CDs to long-term 5 year CDs. CDs typically earn higher interest than savings accounts because banks know they have the money for a longer amount of time. The longest-term CDs earn the highest interest rates.

## INVESTMENT ACCOUNT

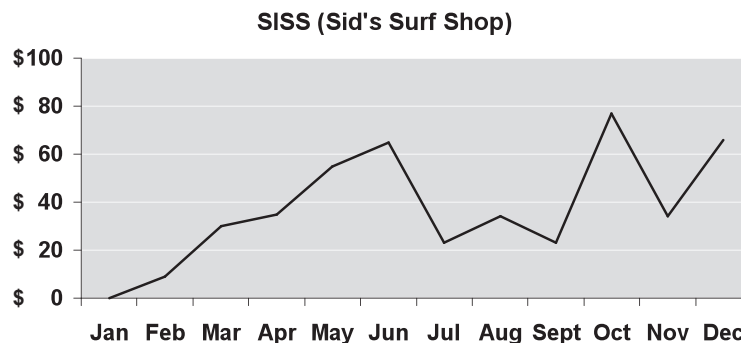
Investment accounts combine a variety of types of investments with the expectation of profit. Some investment accounts such as stocks and mutual funds involve high risks and can cause you to lose money. Other accounts like bonds are safer and less risky.

## STOCKS

You might have heard of a type of investment called **stocks**. If you purchase stock you are buying a certificate called a **share** that says you own a small part of a company, and you have become a **shareholder**. The good news is that since you own part of the company, if the company does well and makes a **profit**, you get part of that profit! However, can you guess what happens if the company loses money or goes bankrupt? Uh-huh, you've lost money too. So you can see that you take a risk by investing in stocks – you could earn a lot of money or you could lose some or all of the money you invested -- there are no guarantees. The trick is to do your research and choose wisely.

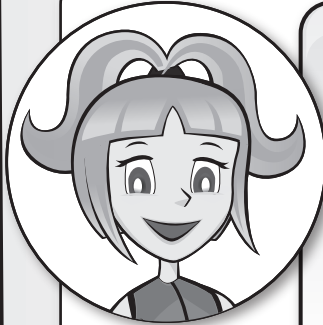
A graph lets you see just how much the stock has risen and fallen in a day or a month or a year.

Look at the graph below that shows how the Sid's Surf Shop's (SISS) stock has been doing, then answer the questions below.

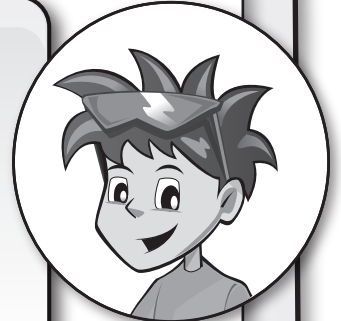


1. What was the highest cost of the stock in the past year? \_\_\_\_\_
2. What was the lowest? \_\_\_\_\_
3. Has the value of the stock increased or decreased in the past year?  
\_\_\_\_\_
4. Is this a stock you think you'd like to purchase? Explain your answer.  
\_\_\_\_\_  
\_\_\_\_\_





Your grandparents gave you \$90 for you to invest. Read the newspaper headlines and decide which stocks you think will increase in value based on the news reports. Decide how many shares of each of those stocks you would like to buy and write that amount on the line.



\$5 a share \_\_\_\_\_

**SSS** Sunshine Sam's Swimsuits Inc.



\$10 a share \_\_\_\_\_

**UUU** Umberto's Umbrellas Ultd.



\$3 a share \_\_\_\_\_

**PBRU** Picnic Baskets-R-Us



\$5 a share \_\_\_\_\_

**DRC** Dr. Cheesy's Pizza Inc.



\$10 a share \_\_\_\_\_

**PSP** Peterman & Sons Peanuts



\$3 a share \_\_\_\_\_

**HDC** Handy Dandy Candy Co.



\$5 a share \_\_\_\_\_

**EVR** Evergreen Recycling Co.



\$10 a share \_\_\_\_\_

**SSI** Stytech Styrofoam Inc.



\$3 a share \_\_\_\_\_

**PBG** Pest-B-Gone Pesticides Intl.



Total amount spent \_\_\_\_\_

## STOCKS

It's fun and easy to follow whether stocks are increasing or decreasing in value. If you have access to a computer, you can go on the [www.sharebuilder.com](http://www.sharebuilder.com) website and type in the name of a company that you are interested in. You will see lots of information about the company.

Every company has been given a stock market symbol, usually 3 capital letters.

The information includes the highest and the lowest amounts the stock has reached in the past year. This is called the 52-week high and low.

The value of stocks changes constantly during a day, depending on how many people worldwide are buying or selling a particular stock. You can find out the high and low prices for the day. The current price is the **stock quote**.

What companies would you like to own part of? Think of activities and hobbies you like to do, foods and drinks you like, places you like to go, and clothes you like to wear. In the column on the left write the names of ten companies whose stock you would like to own. Use your local newspaper or a computer to look up that company's symbol and stock quote and write it in the column on the right.

Companies I would like to own!	Symbol / Stock quote
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.

Another way of investing money is to buy **savings bonds**. When you buy savings bonds, you are lending money to governments or companies to finance projects and programs. These investments provide what is called a **fixed income**. This means they earn a set amount of money or interest. **U.S. government savings bonds** can help pay for schools, highways and interstate roads, airports, and hospitals. They also help pay off government debt. The word **municipal** means a town or city. **Municipal bonds** support city governments and are also used for public projects such as schools, housing, and sewer systems. Bonds are risk-free because the government guarantees that you will receive a specific amount of money when you cash them in. They are great for long-term planning.

### Can you solve these money maxims?

Many famous people have offered wise life lessons about money. Something crazy has happened to the sayings below – they are all missing vowels! Try to figure out these famous quotes and write each correctly on the line below. Words in ( ) are not missing any letters.



1. (A) pnn svd s (a) pnn rnd.

\_\_\_\_\_.

2. Mny dsn't grw n trs.

\_\_\_\_\_.

3. (A) pnn fr yr thghts.

\_\_\_\_\_.

4. (A) fl nd hs mny ar sn prtd.

\_\_\_\_\_.

5. Dn't lt mny brn (a) hl n yr pckt.

\_\_\_\_\_.

6. Tm s mny.

\_\_\_\_\_.

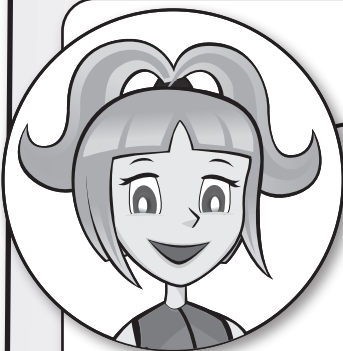
7. t's mprtnt t pt n yr tw cnts.

\_\_\_\_\_.

8. rl t bd, rl t rs, mks (a) mn hlth, wlth,nd ws.

\_\_\_\_\_.

# PLANET ORANGE



I'm working on building my *portfolio*, which is a combination of stocks, bonds, and cash savings. When you put together a portfolio it's important to balance risky stocks with safer investments such as bonds.

In terms of investments, *risk* deals with the possibility that your investment could lose some of its value, and you never know what the monetary return will be. With a *high-risk* investment the return (profits) could be great, but the chance of losing value could also be great. A *low-risk* investment is the opposite, less likely to lose value and the return is fairly predictable.

When creating a portfolio, go for the high reward with lowest risk. Look at the investments below. Circle one investment in each category that can give the highest reward while keeping the total risk at 10.



Reward = 4  
Risk = 3



Reward = 9  
Risk = 6



Reward = 12  
Risk = 7



Reward = 1  
Risk = 0



Reward = 2  
Risk = 1



Reward = 3  
Risk = 1



Reward = 3  
Risk = 2



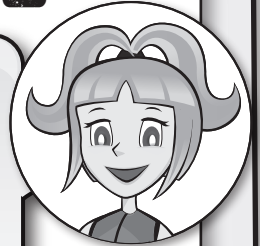
Reward = 4  
Risk = 4



Reward = 8  
Risk = 5

Total reward \_\_\_\_\_ Total risk \_\_\_\_\_

## CREATE YOUR OWN BUSINESS



You may be too young to get a job but you are never too young to earn a profit! Do you recall from the beginning of the book what people who own their own businesses are called? **Entrepreneurs!** To become an entrepreneur you must be a self-starter and a risk-taker. It's fun to own a business, but it's also a lot of hard work and requires a lot of planning.

### Consider your talents and interests.

How could you turn one of those into a business? Create your own imaginary business. Begin by choosing a name for your business. The name must be clever and catchy while still indicating what the business is.

These are actual business names. Write what you think each business is.

Sew What! \_\_\_\_\_

Drain Surgeons \_\_\_\_\_

Maid for You \_\_\_\_\_

Come On Inn \_\_\_\_\_

Bird and Barrow \_\_\_\_\_

Now think about your own business. Would you like to sell a product (items you make) or perform a service (such as babysitting, dog walking, lawn mowing)?

\_\_\_\_\_

Describe what you'd like to do as your business.

\_\_\_\_\_

\_\_\_\_\_

What will you name your business? \_\_\_\_\_

## **WRITE YOUR BUSINESS PLAN**

To determine what your business could be, ask yourself: Can I solve a problem? Can I make people's lives easier? Can I make people happy? Becoming an entrepreneur requires a great amount of planning. The first step is writing a business plan. Answer the questions on this plan about your business.

What is my vision of my business? When I close my eyes what do I see my business looking like? How will it help people?

---

---

---

Who is my perfect customer?

---

---

---

Where will my business be located?

---

---

---

How much will I charge for my service or product?

---

---

---

How will I advertise?

---

---

---

Now you have learned all about investing! Carefully read each definition below and write the letter of the definition below its matching entry word.



1. CD

2. Fixed income

3. Portfolio

4. Shares

5. Bonds

6. Stock

7. Invest

A. This is a combination of investments that includes stocks, bonds, and cash savings.

B. These are pieces of paper that represent ownership of a piece of a company. The more you have, the more of the company you own.

C. When you invest in these, you lend money to the government or a company, which promises to pay you back, plus interest, after a specific amount of time.

D. This is an insured time deposit with a bank. When you open it, you agree to not use the money in your deposit for a specific period of time (usually 6 months to 5 years) and you earn the interest.

E. You do this when you use money to create more money, or to buy something of value, such as baseball cards or shares of stock that you expect will become more valuable.

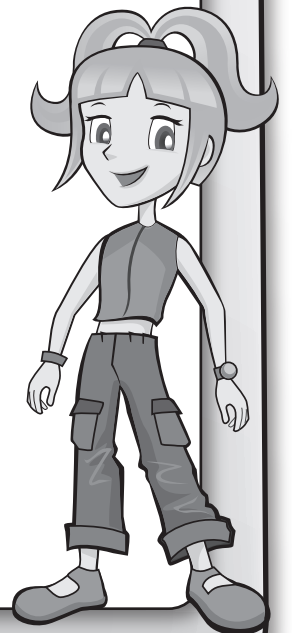
F. This is a set amount of money that you get back from specific investments like bonds or CDs.

G. When you invest in this you own a tiny part of the company. If the company makes money, you share in the profits. If the company loses money, you will lose money also.





# NOTES



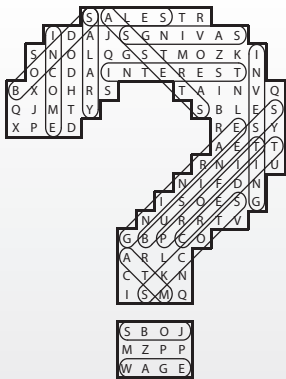
**NOTES**



## ANSWER KEY

### PAGE 8

Where Does Money Come From



### PAGE 9

1. barter
2. career
3. coins
4. currency
5. goal
6. income
7. money
8. needs
9. wage
10. wants

### PAGE 10

Change is Good

1. \$6.00
2. Scooter (\$10), plant (\$10), and frisbee (\$2); soccer ball (\$7), frisbee (\$2) and scooter (\$10).
3. \$165.24
4. \$34.49
5. Yes; She will get back \$.62 change
6. \$62.31
7. He could buy: scooter and frisbee for \$11.31; \$7.69 left over. soccer ball and frisbee for \$8.40; \$10.60 left over. 2 soccer balls for \$13.28; \$5.72 left over. 2 frisbees for \$3.52; \$15.48 left over.

### PAGE 11

Tons of Money

1. Forty-three thousand two hundred three dollars
2. Seventy-five thousand four hundred ninety-nine dollars
3. Five hundred eighty-nine thousand nine hundred eighty-seven dollars and twenty-three cents
4. Two hundred thirty-two thousand six hundred five dollars
5. Sixty thousand twenty-seven dollars and ninety-seven cents
6. \$225,000.00
7. \$565,000.23
8. \$755,601.00

### PAGE 13

Fractions

1. \$0.25
2. \$0.50
3. \$0.75
4. \$1.00
5.  $\frac{55}{100} = 0.55$
6.  $\frac{99}{100} = 0.99$
7.  $\frac{87}{100} = 0.87$
8.  $\frac{64}{100} = 0.64$
9. 50
10. 60
11. 80
12. 1900
13. 20
14. 14
15. 10
16. 13

### PAGE 14

Money, Money, Money

1. \$119.52
2. \$49.28
3. Yes- \$229.20 - \$5.80
4. \$379.92
5. \$75.20
6. \$15.20

### PAGE 15

Weekly Pay

Net pay. \$28.49

1. \$28.49
2. \$113.96
3. 10 weeks
4. Save more money.

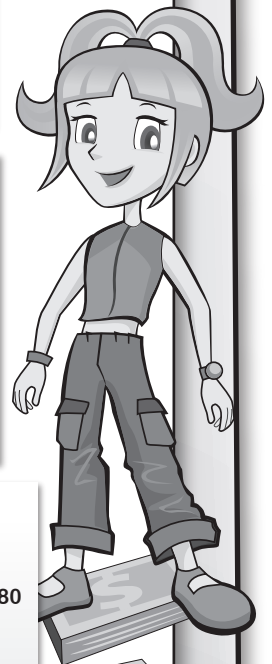
### PAGE 16

Deposit Slip

Check number 01-2345/6780

Check amount \$28.49

Total deposit \$28.49



## ANSWER KEY

### PAGE 18

Earning a Paycheck

- 3:00; 5.5; \$26.13
- 11:25 ; 6.25; \$29.69
- 1:20; 4.75; \$22.56
- 9:35; 5.75; \$30.19
- 5:55; 2.5; \$13.13
- 10:40; 6.25; \$32.81

### PAGE 19

- taxes
- paycheck
- interest
- net pay
- federal
- savings
- deposit
- wages
- gross pay
- checking

### PAGE 24

Million Dollars or a Penny Doubled

- \$20,971.52
- \$41,943.04
- \$83,886.08
- \$167,772.16
- \$435,544.32
- \$671,088.64
- \$1,342,177.28
- \$2,684,354.56
- \$5,368,709.12
- \$10,737,418.24

### PAGE 25

Money Match-Up!

- D
- G
- H
- F
- A
- E
- B
- C

### PAGE 27

Money Word Problems

- \$63.00
- \$61.09
- \$5.20
- \$67.50
- \$26.76
- \$91.72

### PAGE 28

Earning/Paying Interest

$$$.30 = 30/100 = .30 = 30\%$$

$$$.65 = 65/100 = .65 = 65\%$$

$$$.04 = 04/100 = .04 = 4\%$$

### PAGE 29

Simple Interest

$$5\% = \$25 - \$525.00$$

$$7\% = \$35 - \$535.00$$

$$10\% = \$50 - \$550.00$$

$$12\% = \$60 - \$560.00$$

$$15\% = \$75 - \$575.00$$

$$1. \$50.00$$

$$2. \$1100.00$$

$$3. \$210.00$$

$$4. \$875.00$$

### PAGE 30

Compound Interest

$$\text{Month 1 -- } .05, \$ .75$$

$$.75, \$15.75$$

$$\text{Month 2 -- } \$15.00, \$15.75, \$30.75$$

$$.30.75, .05, \$1.54$$

$$\$30.75, \$1.54, \$32.29$$

$$\text{Month 3 -- } \$15.00, \$32.29, \$47.29$$

$$.47.29, .05, \$2.36$$

$$\$47.29, \$2.36, \$49.65$$

### PAGE 31

The Rule of 72

- 72 years
- 24 years
- 14.4 years
- 9 years
- 7.2 years
- 3.6 years
- 2.88 years
- 2.4 years

### PAGE 33

Paying Interest

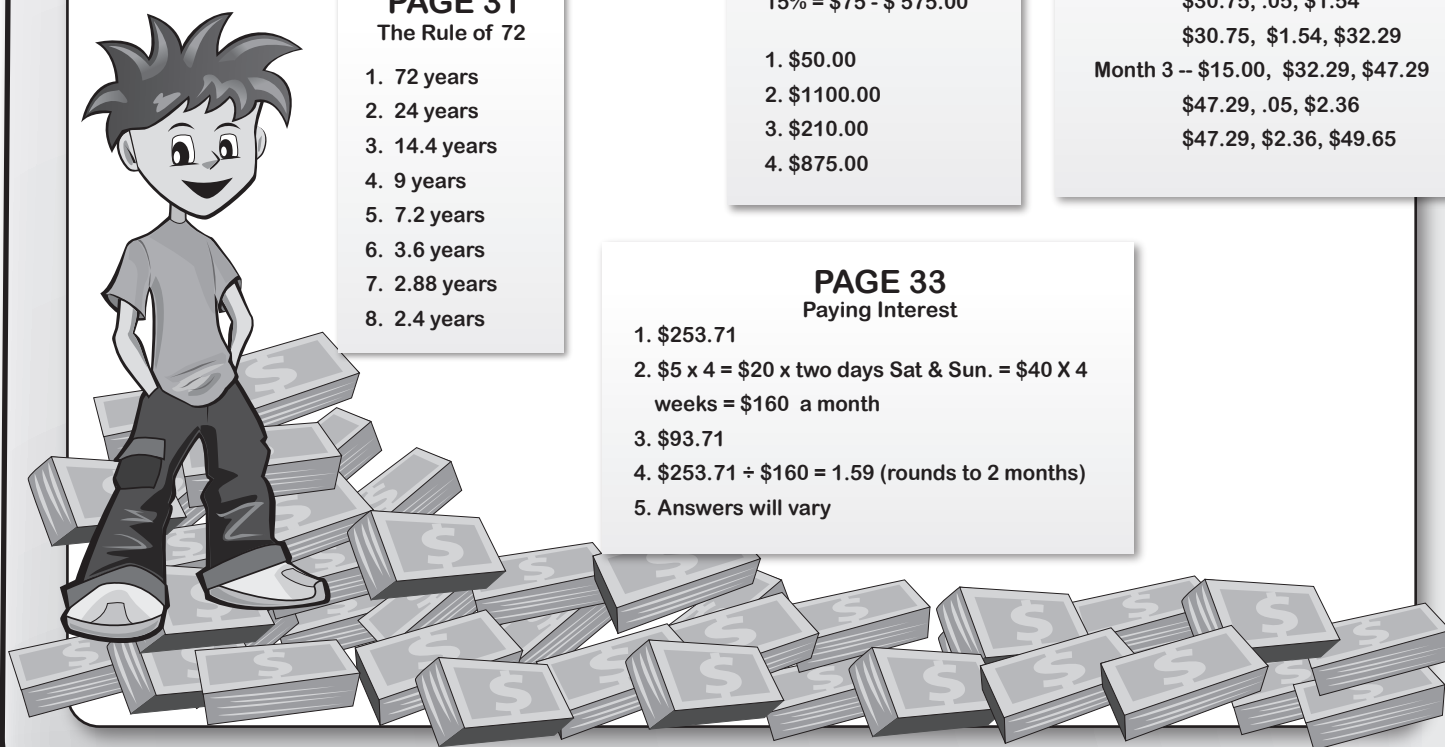
$$1. \$253.71$$

$$2. \$5 \times 4 = \$20 \times \text{two days Sat \& Sun.} = \$40 \times 4 \text{ weeks} = \$160 \text{ a month}$$

$$3. \$93.71$$

$$4. \$253.71 \div \$160 = 1.59 \text{ (rounds to 2 months)}$$

5. Answers will vary



## ANSWER KEY

### PAGE 34

1. \$42.33; \$291.33
2. \$79.68; \$328.68
3. \$64.74; \$313.74
4. Answers will vary

### PAGE 37

Cost of Inflation

1. Increase: \$11,480  
Cost: \$154,980
2. Increase: \$1085.50  
Cost: \$9435.50
3. Increase: \$50.22  
Cost: \$236.22
4. Increase: \$15.48  
Cost: \$51.47

### PAGE 38

1. \$2000.00
2. \$4000.00
3. \$4000.00
4. \$2320.00
5. \$10,000.00
6. \$8930.00
7. \$507.70
8. \$100.00
9. 9
10. 7
11. 6
12. 9

### PAGE 39

Solve the Riddle

Those who are wise save regularly and buy only affordable things that have value.

### PAGE 44

Investing in Stocks

1. UUU \$10 a share
2. HDC \$3 a share
3. EVR \$5 a share
4. The total amount spent is your decision

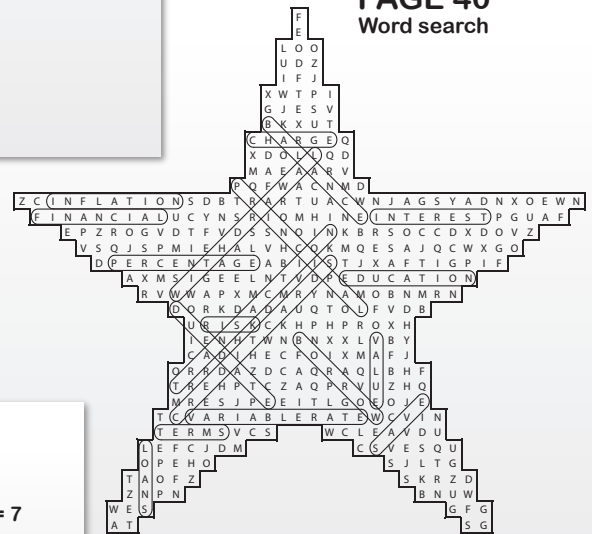
### PAGE 45

Track Your Favorite Stocks

1. \$80.00
2. \$0
3. Increased
4. Answers will vary

### PAGE 40

Word search



### PAGE 46

Can You Solve These Money Maxims?

1. A penny saved is a penny earned.
2. Money doesn't grow on trees.
3. A penny for your thoughts.
4. A fool and his money are soon parted.
5. Don't let money burn a hole in your pocket.
6. Time is money.
7. It's important to put in your two cents.
8. Early to bed, early to rise, makes a man healthy, wealthy and wise.

### PAGE 47

Creating a Portfolio

- 1st row / reward = 12 / risk = 7  
 2nd row / reward = 3 / risk = 1  
 3rd row / reward = 3 / risk = 2  
 Total reward 18 / Total risk = 10

### PAGE 50

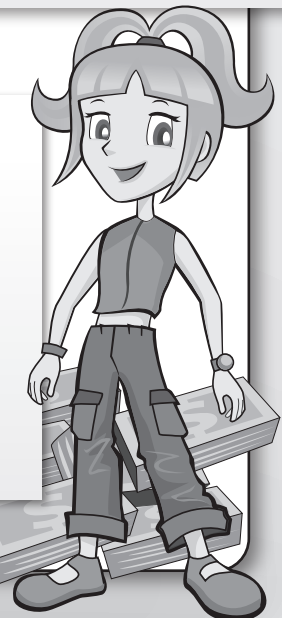
All About Investing!

1. D
2. F
3. A
4. B
5. C
6. G
7. E

### PAGE 51

Solve the Puzzle

1. Portfolio
2. Share
3. Municipal bond
4. Certificate of Deposit
5. Invest
6. Fixed income
7. Stock
8. An Entrepreneur



# GLOSSARY

**Allowance** - A sum of money given on a regular basis for a particular purpose.

**ATM (Automated Teller Machine)** - An electronic banking machine that lets customers gain access to their accounts to withdraw cash, make deposits, and perform other transactions upon inserting their bank card and entering a personal identification number.

**Balance** - An amount of money you have in a bank account, or the total amount of money charged to a credit card.

**Bank** - An institution that is used for receiving, lending, exchanging, and safeguarding money.

**Barter** - To trade one item for another without the use of money.

**Bill** - A statement with a description of money owed for goods or services.

**Bonds** - A certificate of ownership of a specified portion of a debt that bears a fixed rate of interest due to be paid by a Government or corporation to an individual holder.

**Borrow** - To obtain or receive money on loan with the understanding that it must be paid back over time and that a fee may be charged for the use of the money borrowed.

**Budget** - An amount of money set aside for a specific purpose.

**Business** - The occupation, work, or trade in which a person is in.

**Career** - An occupation chosen by a person based on his or her personal interests and educational background.

**CD (Certificate of Deposit)** - A bank savings program in which your money is set-aside for a specific period of time and earns a fixed rate of interest during that time. If money is withdrawn before the maturity date a penalty applies.

**Charge** - The act of using a credit card to pay for a goods or services.

**Checking Account** - A bank account where a person can withdraw money through the use of checks or a debit card.

**Compound Interest** - The deposited amount earns interest, and then the interest earns interest.

**Cost** - The total amount of money spent for goods or services.

**Credit** - The ability to borrow money or to purchase goods and services at a specific interest rate with the agreement to repay the money borrowed, plus the interest rate charged at a later date.

**Credit Card** - Any card that may be used repeatedly to borrow money or buy goods and services on credit.

**Currency** - An accepted form of money that includes coins and paper bills to be used in exchange for goods and services.

**Debt** - An amount of money borrowed and owed by one party to another.

**Demand** - The number of customers who want to purchase a product or service.

**Deposit Insurance** - Insurance provided by the Federal Deposit Insurance Corporation (FDIC) which insures the deposits of individuals who invest at banks that are members of the Federal Reserve System. Deposits are insured up to \$250,000 per depositor.

**Deposit Slip** - A paper on which a person records information for making deposits into a bank account.

**Due Date** - A specific date on which a bill must be paid.

**Emergency Fund** - Money set aside in an interest bearing savings account for unexpected financial situations (i.e. auto repairs, job loss, medical expenses).

**Employment** - An occupation by which a person earns a living.

# GLOSSARY CONT.

**Entrepreneur** - A person who starts his/her own business instead of working for someone else.

**Exchange** - To trade one item for another item.

**Expense** - The cost to purchase an item.

**Federal Government** - A government body that presides over a federation of states that are independently run from each other by state governments.

**Fees** - An amount of money charged for goods or services.

**Fixed Income** - Any type of investment that earns a set amount of money or interest. (i.e. bond, stock, money market account).

**Goals** - Short and long-term plans that require money and guide a person's future plans and savings decisions.

**Goods** - Products that are bought and sold that satisfy the wants of consumers.

**Gross Pay** - A person's total income before taxes and deductions have been taken out.

**High Interest Savings Account** - A bank account in which you save money that you don't plan to spend in the near future and which earns a higher interest rate.

**Income** - A payment received for goods or services, or from other sources such as gifts or investments.

**Inflation** - A steady rise in the prices of items over a period of time as a result of people exchanging too much money.

**Interest** - The money that is paid or received on borrowed money. The interest is calculated as a percentage of the amount you borrowed.

**Interest Rate** - The percentage (%) paid or received on borrowed money.

**Investing** - To buy something of value that you expect will become more valuable.

**Investment accounts** - An account at a financial institution that is held for long term investment purposes.

**Job** - The occupation a person chooses in order to earn money based on his/her education and personal interests.

**Long Term CD** - A type of certificate of deposit where the money you put in is kept for a longer term (usually 1 year or more) and often earns a higher interest rate than a shorter term CD.

**Loan** - A specific amount of money borrowed in exchange for repayment of the original amount plus interest to be paid over a set amount of time.

**Minimum Deposit** - The lowest dollar amount that a person is required to put into an account they are opening at a bank.

**Municipal Savings Bond** - A type of **low-risk** bond that is issued by cities to support their governments and their public projects such as schools, housing, and sewer systems.

**Needs** - A requirement, necessary duty, or obligation to have something.

**Net Pay** - The amount of money a person actually receives for doing a job, which is your gross pay minus taxes and other deductions.

**Opportunity Cost** - The cost of a missed opportunity; your second choice that you couldn't afford.

**Paycheck** - A check you receive from your job as payment for the time you have worked.

**Payee** - A person who receives payment.

# GLOSSARY CONT.

**Pay Stub** - A paper included with a paycheck on which is recorded how much money has been earned and how much has been taken out (taxes and deductions).

**Principal** - The amount you borrowed or that you still owe on a loan, not including the interest owed on the loan.

**Product** - An item made by a business to sell to customers in order to earn a profit.

**Profit** - The amount of money you make when you sell something for more than you originally paid to buy or create it.

**Portfolio** - A group of investments held by an investor, investment company, or financial institution.

**Risk** - In terms of an investment, risk deals with the possibility that your initial investment could lose some of its value, as well as the uncertainty of what the monetary return will be. A low-risk investment is less likely to lose value and the return can be more predictable. A high-risk investment is the opposite, there is a greater chance it could lose value and returns are less predictable.

**Rule of 72** - When you divide the number 72 by the interest rate of your investment, it will tell you the approximate number of years it will take to double your investment's value.

**Salary** - A fixed amount of money you receive regularly for doing your job (not an hourly wage).

**Saving** - Setting aside money to use in the future.

**Savings Account** - A bank account that earns interest in which to deposit money you don't plan to spend in the near future. This means they earn a set amount of money or interest.

**Savings Bond** - A bond issued by the government that has a fixed rate of interest for a fixed period of time that is generally risk-free.

**Simple Interest** - Interest that is only paid on the principal balance. This is different than compounding interest, which includes accrued interest on top of the principal.

**Services** - Activities or work you do for others as your job.

**Shares** - Ownership of a small piece of a company's assets and earnings.

**Short Term CD** - A type of certificate of deposit where the money you put in is kept for a shorter term (usually less than 1 year) and often earns a competitive interest rate, but sometimes not as high as a long-term CD.

**Stocks** - Investments in a company that represents ownership. When you invest in a company's stock you own a tiny part of that company. The value of your stock can go up or down depending on profits.

**Taxes** - An involuntary fee collected by the government from companies and individuals to be used for public purposes.

**Terms** - The time or period through which something lasts.

**Transaction** - An agreement between a buyer and a seller for the exchange of goods or services for payment

**Value** - The monetary cost of a product or in economic terms how much something is in demand.

**Variable rate** - Changes in the interest rate, adjusted periodically in accordance with prevailing market conditions.

**Withdrawal** - Removing funds from an account.

**Wage** - Money that is paid for work by the hour, day, or week.

**Wants** - To desire or wish for something.





## AWARDS

- 2006 W3 Awards Gold Winner in Family/Parenting and Silver Winner in Education for creative excellence on the web, recognizing the creative and professionals behind the award-winning sites and marketing programs.
- USA Today Education "Best Bet"
- Webby Awards nominee for excellence in Web design, creativity, usability and functionality-Family/Parenting category.
- WeSurfForYou.com Top 10 Site Awards-Online Activities/Educational category.
- Software and Information Industry Association, Codie Awards Finalist for best Online Personal Finance Service.
- PR Safe Leading Firms/Best Practices in Consumer Financial Education, Best Firm Consumer Financial Education/Banking

## TESTIMONIALS

ING DIRECT's Planet Orange Teacher Resource Center and specifically, it's unique Curriculum Matrix, makes it easy for teachers who want to introduce personal finance into their classrooms without the headache of wondering whether they are meeting core academic standards for their state. With easy-to-follow lesson plans and creative approaches to making learning about money "fun"—the site is ideal for educators of all backgrounds.

*Dallas L. Salisbury, Chairman  
American Savings Education Council*

- I would highly recommend Planet Orange to teachers who want to explore basic financial literacy as well as more advanced concepts such as investing. The site also provides good reference tools, including a comprehensive dictionary and fun interactive examples.

*Ronni Cohen, Director  
Delaware Financial Literacy Institute and Delaware Teacher of the Year, 2000*

- ING DIRECT's Planet Orange does a fantastic job of teaching kids about earning, saving, investing, and spending money in a compelling and entertaining way. I would definitely recommend the site to other parents as an up-to-date educational tool to use with their kids. Well done!

*Todd Romer, Founder  
Young Money magazine and parent of 3 young boys*

- I thoroughly enjoyed my sojourn on Planet Orange. Thanks for the trip and I'll be sure to send more tourists. Perhaps The Wall Street Journal travel section will have a feature on this little orange corner of the globe.

*Bernie Piel, ING DIRECT Customer*

- "A site like Planet Orange is a great resource for parents... I visited the site and it's colorful and fun, and best of all not one of those kid sites that talks down to kids. It's a smart resource that kids can actually learn from."

*Jennifer Chait, Thrifty Mommy 6/24/09*

- "Planet Orange stresses the need to budget and reminds kids that they need to keep earning money for future expenses. It also does a particularly good job giving kids a basic understanding of investing."

*Stacey Bradford, CBS Money Watch 6/22/09*

- "In our present economic crisis and debt-ridden society, nothing could prepare kids better for a sound financial future than a hands-on experience on handling money, albeit in a virtual world. The site not only teaches the basic saving and spending skills, it also orients the younger generation on what impact money has on their lives and how greater that effect will be as they grow older and have more responsibilities."

*My Bank Tracker 9/10/09*



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