
**Literature Annotation**
Complaining of legs grown too long for the kitchen washtub, a farm family’s children set out to earn enough money for a real bathtub.

**Grade Level:** 3

**Duration:** 1-2 class periods

**Personal Finance Concepts:** savings, opportunity cost, savings goal

**Maryland State Curriculum for Personal Financial Literacy Education**

*Standard 1:* Students will apply financial literacy reasoning in order to make informed, financially responsible decisions.
1.5.A.2 Identify opportunity cost of financial decisions made by individuals
1.5.A.3 Apply the steps in the decision-making process to a financial situation

*Standard 5:* Students will develop skills to make and maintain long-term goals related to saving and investing in order to build financial security and wealth.
5.5.A.1 Determine savings goals
5.5.C.1 Describe steps involved in saving

**College and Career Ready Standards for Reading Informational Texts**

RI.4.1 Refer to details and examples in a text when explaining what the text says explicitly and when drawing inferences from the text.
RI.4.2 Determine the main idea of a text and explain how it is supported by key details; summarize the text.
RI.4.3 Explain concepts in a technical text, including what happened and why, based on specific information in the text.
RI.4.4 Determine the meaning of general academic and domain-specific words or phrases in a text

**Objective:** Students will be able to...
- define and identify opportunity cost
- explain what is meant by saving
- explain and give an example of a savings goal
- explain and give an example of a savings plan

**Vocabulary**
saving: keeping or not spending money today to use in the future
opportunity cost: the foregone benefit of the next best alternative when an economic decision is made. (Your next best choice!)
decision-making: a process used to solve a problem using the following steps: identify the problem, list choices, explain the pros and cons of choices, make a decision based on the choices available, and identify the opportunity cost of the choice made
Teacher Materials
- Copy of the book *The Pickle Patch Bathtub*
- One dime
- Copy of Resource 1: *The Class Trip* for a Document Camera
- Copy of Resource 2: *Decision-Making* for a Document Camera
- Copy of Resource 3: *Donna’s Savings Plan* for a Document Camera

Student Materials
- Resource 4 (one per student)
- Crayons, color-pencils or markers
- Hangar with paper cover (like those that come from the cleaners)
- String or yarn cut into 6” strips

Motivation
Show students a dime. Ask them if they would be excited about getting a dime for Christmas or as a birthday gift? *(Most will not.)* Why not? *(Doesn’t buy much.)* Tell them that once upon a time a dime could buy much more than it can today. Explain that you are going to read a story called *The Pickle Patch Bathtub* that takes place in 1925 when a dime bought bought a lot more. It is based on a true story about a girl named Donna and her four siblings. Ask them to listen for the important role that a dime plays in the story.

Development
DAY 1
1. Conduct a Read-Aloud of the book.

2. Discuss the following:
   a. What was Donna’s problem? *(The bathtub was too small for her long legs.)*
   b. How did she propose to solve her problem? *(She wanted her parents to buy a new tub.)*
   c. How much would a new bathtub cost? *(9.25 plus 1.50 shipping = 10.75)*
   d. Why were her parents unwilling to buy a new tub? *(Her mother said that the family had more important things to spend their money on and that her father was saving for a tractor.)*

3. Explain that the family had to make decisions about how to use their money. If they bought a new bathtub they wouldn’t be able to buy something else. Ask the students: What kinds of things do you think Donna’s mother felt the family should buy? *(food, clothes, things for the farm, etc…)*

4. Explain that an **opportunity cost** is what is given up when a choice is made. If Donna’s family bought the bathtub, her family wouldn’t be able to buy a tractor. The tractor would be the opportunity cost.

5. Project a copy of Resource 1: *The Class Trip* on a Document Camera. Work through the decision-making process with the class.
   a. Why can’t you go to both parks? *(not enough money)*
   b. What are the pros and cons of each park? *(Answers will vary)*
   c. If you go to the water park, what do you give up? *(the amusement park)*
d. Explain that by going to the water park, the class lost the opportunity to go to the amusement park.

e. What is the opportunity cost of going to the water park? *(the amusement park)*

f. If you go to the amusement park, what do you give up? *(the water park)*

g. Explain that by going to the amusement park, the class lost the opportunity to go to the water park.

h. What is the opportunity cost of the amusement park? *(the water park)*

6. Project a copy of Resource 2 on a Document Camera: Work through the decision-making process with the class.

   a. Why can't the family buy the bathtub and clothing? *(not enough money)*

   b. What are the pros and cons of each? *(Answers will vary)*

   c. If they bought clothing, what did they give up? *(the bathtub)*

   d. What was the opportunity cost of buying clothing? *(the bathtub)*

   e. If they bought the bathtub, what did they give up? *(clothing)*

   f. What was the opportunity cost of buying the bathtub? *(clothing)*

**DAY 2**

1. Ask for a volunteer to summarize the story of *The Pickle Patch Bathtub*. Ask the class if anyone knows what saving means. Define. Ask students for examples of things for which they have saved. *(Answers will vary.)*

2. Explain that Donna had a savings goal, i.e. a new bathtub. To achieve her goal, she put together a savings plan. Display a transparency of Resource 3 and work through it with the class. *(See Resource 3 Answer Key)*

3. Discuss the following:

   a. Why did Donna’s savings plan fail? *(No one wrote a poem and the only dime in the jelly jar was hers.)*

   b. What was Donna’s new plan for reaching her goal? *(Grow cucumbers to sell to the cannery to make into pickles)*

   c. How much money did she and her siblings save by October? *($10.65)*

   d. How much money did they need? *($10.75)*

   e. How did Carlyle help his sisters reach their goal? *(He contributed his Christmas dime.)*

4. Remind students that before reading the story, they didn’t think a dime was very valuable and that they wouldn’t be happy receiving one for Christmas or as a gift. Point out that in 1925 a dime was able to purchase more than it does today. Ask students how much they think something that cost a dime in 1925 would cost today. *(about $1.12)* How much would a bathtub that cost $9.25 in 1925 cost today? *(about $103.23)*

**Assessment**

Distribute Resource 4 and have the students work individually to draw a picture of something for which they would like to save and, then, list the steps in their savings plan. Have students share their goal and plan with the class. Post their work on the bulletin board.
Application
Have students work in groups to create a *Savings Goal & Plan* mobile.
1. Brainstorm items for which they want to save.
2. Come to consensus on one item.
3. Draw a picture of that item on the paper that covers the hanger.
4. Students should determine 4-5 steps in a savings plan for their goal, write them in the boxes on Resource 5.
5. Cut out the boxes on Resource 5 and attach them to the bottom of the hangar with string or yarn to create a mobile that illustrates a savings plan directed towards the item for which they want to save.
# The Class Trip

**What is the Problem?** Your class only has enough money to take one trip this year. You can go to an amusement park or a water park.

<table>
<thead>
<tr>
<th>Choice A: Amusement Park</th>
<th>Choice B: Water Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good (+) points</td>
<td>Good (+) points</td>
</tr>
<tr>
<td>Bad (-) Points</td>
<td>Bad (-) Points</td>
</tr>
</tbody>
</table>

**Decision:**

**Opportunity Cost:**

Adapted by the Maryland Council on Economic Education from a lesson developed by the Federal Reserve Bank of St. Louis and Philadelphia
**Decision - Making**

**What is the Problem?** Donna’s family did not have enough money to buy the bathtub and clothing for the family.

<table>
<thead>
<tr>
<th>Choice A: Buy clothing</th>
<th>Choice B: Buy the bathtub</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good (+) points</td>
<td>Good (+) points</td>
</tr>
<tr>
<td>Bad (-) Points</td>
<td>Bad (-) Points</td>
</tr>
</tbody>
</table>

**Decision:**

**Opportunity Cost:**
Donna’s Saving Plan

Savings Goal: ___________________________  

Savings Plan:  

______________________________________  

______________________________________  

______________________________________  

______________________________________  

______________________________________  

______________________________________
Donna’s Saving Plan
Answer Key

Savings Goal: Donna, her sisters and brother would reach the goal of buying a bathtub by doing the following:

Savings Plan:

Save 5 Christmas dimes

Save 5 dimes received for their birthday

Weed the pasture

Pick cherries, strawberries and blackberries

Win the poetry contest
**Resource 4**

**My Savings Goal and Plan**

**MY SAVINGS GOAL:** I would like to save for a...
(Draw a picture in the space below)

**MY SAVINGS PLAN:**
(List your steps on the lines below.)

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________

_____________________________________________________________________
STEP 1:  

STEP 2:  

STEP 3:  

STEP 4:  

Adapted by the Maryland Council on Economic Education from a lesson developed by the Federal Reserve Bank of St. Louis and Philadelphia