

# Counting Money: An Everyday Life Skill

Money is something we use every day to buy the things we need and want. Learning how to **count money** is an important skill that helps us make smart choices when shopping or saving. This lesson teaches how to count coins and bills and use this knowledge in real-life situations.

## What is Counting Money?

Counting money means adding the value of **coins** (small round metal pieces of money like pennies, nickels, dimes, and quarters) and **bills** (paper money like \$1, \$5, \$10).

For example:

- A **penny** is worth 1 cent.
- A **nickel** is worth 5 cents.
- A **dime** is worth 10 cents.
- A **quarter** is worth 25 cents.
- A **dollar bill** is worth 100 cents or \$1.

When you add these together, you find the **total value** of your money.

## Why is Counting Money Important?

- **Shopping:** When you buy something, you need to know if you have enough money to pay for it.
- **Saving:** Counting money helps you keep track of how much you've saved.
- **Budgeting:** It helps you plan how to spend your money wisely.

## Example: Counting Coins and Bills

Imagine you have these coins and bills:

- 2 quarters = 50 cents
- 1 nickel = 5 cents
- 1 \$1 bill = 100 cents

**Total = 50 + 5 + 100 = 155 cents or \$1.55**

Now, you know you have \$1.55 to spend!

## Practical Applications

1. **At the Store:** When you go shopping, count your money first. If something costs \$2.00 and you only have \$1.55, you'll know you need more money.
2. **Saving for a Toy:** If a toy costs \$10.00, you can save a few coins and bills each day until you have enough to buy it.

3. **Making Change:** If you give the cashier \$5.00 for a \$3.00 item, they will give you back \$2.00 in **change**.

### **Practice at Home**

- Gather some coins and bills and practice adding their values.
- Set up a pretend store at home with your family. Use real or play money to “buy” and “sell” items.

### **Important Words**

- **Coins:** Small metal pieces of money (e.g., pennies, nickels).
- **Bills:** Paper money (e.g., \$1, \$5, \$10).
- **Budgeting:** Planning how to spend your money.
- **Change:** Money you get back when you pay more than the item costs.

### **References**

- U.S. Mint. (n.d.). *Coins and currency*. Retrieved from <https://www.usmint.gov>
- National PTA. (n.d.). *Tips for teaching kids about money*. Retrieved from <https://www.pta.org>