

Comparing Currencies: Converting a U.S. Dollar into Bolivian Bolivianos

LEARNING OBJECTIVE:

Students will be able to calculate the cost of a dinner priced in U.S. dollars and convert that amount into Bolivian Bolivianos using a given exchange rate.

They will also explain how exchange rates affect purchasing power and compare price differences between the two currencies.

ASSESSMENT:

Students will complete a short performance task: given the price of three different dinner options in U.S. dollars and a current USD → BOB (Boliviano) exchange rate, they will

- (a) Compute each price in Bolivianos,
- (b) Show how to work with the conversion steps,
- (c) Compare which dinner is relatively more expensive in Bolivia versus the U.S.
- (d) Write a short paragraph (3–5 sentences) explaining how exchange rate changes would affect a U.S. tourist's spending in Bolivia.

The teacher will use a rubric to score accuracy of conversions (4 points), correctness of arithmetic work (3 points), quality of comparison reasoning (2 points), and clarity of written explanations (1 point).

KEY POINTS:

Exchange rate definition: an exchange rate tells how many units of one currency equal one unit of another currency (for example, how many Bolivianos equal one U.S. dollar).

Conversion process:

To convert from USD to BOB multiply the USD amount by the exchange rate (BOB per USD).

To convert from BOB to USD divide the BOB amount by the exchange rate.

Purchasing power idea: A higher or lower exchange rate changes how expensive foreign goods and services feel to someone holding USD — teach students to compare relative cost, not just raw numbers.

Real-world data use: Exchange rates change over time; use a specified exchange rate for the lesson to ensure consistent student work.

Vocabulary: exchange rate, convert, currency, purchasing power, estimate, rounding.

OPENING:

Hook: Show the class a picture of a popular U.S. casual dinner (e.g., burger, fries, drink) with a price tag of 12.50. Ask: “If you took this same 12.50 to a restaurant in Bolivia, would it buy more, less, or about the same?”

Brief mini-discussion (Think-Pair-Share, 2 minutes): Students guess whether \$12.50 would be considered expensive or cheap in Bolivia and explain their reasoning.

The teacher tells students that today they will learn to convert dollar prices to Bolivianos and compare costs using a provided exchange rate.

INTRODUCTION TO NEW MATERIAL:

Direct instruction (5–7 minutes): Explain what an exchange rate is and write the conversion rule on the board:

To convert from U.S. dollars to Bolivianos: multiply by the exchange rate (BOB per USD).

To convert from Bolivianos to U.S. dollars: divide the BOB amount by the exchange rate.

Find the daily exchange rate by using Google or [exchange rate](#) converter site

Model one full example: Teacher uses a chosen classroom exchange rate for the lesson, such as 1 US Dollar = 6.96 BOB. (The teacher should update the rate before the lesson if desired or have the students research the rate).

Convert a dinner priced at \$12.50 step-by-step:

Show multiplication: $12.50 \times 6.96 = 87.00$ (show rounding if necessary).

Interpret result: explain what 87.00 means for a Bolivian customer or for a U.S. tourist paying in Bolivianos.

Think-pair-share: Have the students discuss what they believe this means financially.

Have them share their interpretation using academic vocabulary.

Anticipated misconception: Students may think that the larger numeric value in a foreign currency always indicates the item is more expensive; clarify that absolute numbers differ with the currency scale — a true cost comparison depends on the exchange rate and local prices/wages.

GUIDED PRACTICE:

Behavioral expectations: Work in pairs, stay on task, show all steps, and check each other's arithmetic. Use calculators if allowed, but require showing the operation.

Practice problems (structured from easy to harder):

Convert a simple meal of \$5.00 to BOB using the classroom rate. (Teacher models and pairs try.)

Convert a dinner price of \$18.75 to BOB; round to two decimal places.

Given a Bolivian menu item price in BOB \$120, convert back to USD.
 $120 / 6.96 = 17.241$ USD.

Scaffolding questions:

“What are we multiplying by and why?”

“If we double the USD price, how does the BOB price change?”

“How would you check if your answer is reasonable?”

Monitoring: The teacher circulates, listens for the correct use of the formula, spot-checks two pairs of problems each, and asks probing questions to correct errors. Use quick formative checks, such as thumbs-up/thumbs-down for confidence, and call on volunteers to explain their methods.

INDEPENDENT PRACTICE:

Assignment (individual): Provide a worksheet with three dinner prices in USD (e.g., \$9.95, \$14.50, \$27.30) and the classroom exchange rate (for example, 1USD = 6.96 BOB).

For each price, students must:

Convert the USD price to BOB, showing all steps and the final, rounded answer to two decimal places.

Determine which meal would be the most expensive for a U.S. tourist in Bolivia and explain why in one or two sentences.

Short reasoning question: If the exchange rate changed to 1 USD = 7.50 BOB, explain qualitatively (no full recalculation required) whether U.S. tourists would find things more or less expensive in Bolivia.

CLOSING:

Exit ticket (3 minutes): Each student writes one sentence answering: “Using today’s exchange rate, which dinner costs the most in Bolivianos and why?”

Collect exit tickets as students leave.

Quick whole-class wrap-up: The teacher highlights the correct conversion steps and addresses a frequent error observed.

EXTENSION ACTIVITY:

Challenge for early finishers: Research and compare the prices of similar dinner items (e.g., burgers or plates of empanadas) in different South American Countries.

Students convert the local price into USD using a current exchange rate they find online, then present a 2–3 sentence summary of whether the item is cheaper or more expensive than the U.S. price used in class, and explain why that might be (considering local wages, cost of ingredients, and tourism). Students can then determine which South American country would be a good financial decision for the student to travel to. Remind students to cite the source and the date of the exchange rate.

HOMEWORK:

Short assignment: Using a given accurate exchange rate (teacher-specified), convert the following: a family dinner cost of \$45.60, a beverage \$2.75, and a dessert \$6.40 into Bolivianos. Then write a 3–4 sentence reflection: “If a U.S. traveler has \$100, how many Bolivianos would that buy, and how might that influence the traveler’s spending choices in Bolivia?”

Students must show all work and include the exchange rate used.

STANDARDS ALIGNED:

Suggested standards (financial literacy):

Understand currency conversion and comparative value when evaluating international prices (Financial Literacy: Personal Finance standard — converting among currencies and interpreting exchange rates). Use mathematical reasoning to compare costs and make informed financial decisions in real-world contexts (Financial Literacy: Decision Making standard — apply calculations to everyday financial situations).

(Teachers should map these suggested standard descriptions to their district/state financial literacy standards or specific frameworks — adjust wording to match the exact standard codes used locally.)