



Saving & Investing

MODULE 2: LESSON GUIDE

This module will discuss what the difference between savings and investing are and what they are used for. First we will discuss how banks make money and how they pay you interest. We will then discuss interest further and how it can work for you. We will then discuss spending habits and best practices to ensure you are properly saving. Then we will talk about investing and how time is your best friend when it comes to the market due to compounding growth. We then talk about the rule of 72 and how that can show the power of investing and saving. To wrap it up we will briefly touch on the value of dollar cost averaging.

Time Required: 60-90 minutes

SUPPLIES:

Notebooks
Computers, Phones or Tablets
Internet Access
Projector
Activity Sheets (Optional)

ACTIVITIES & ARTICLES

ACTIVITIES

- How Long To Double
- Saving & Interest Rates
- Student Interview On Savings
- Analyze Your Checking Account Statement
- The Time Value Of Money

ARTICLES

- Can You Really Budget On Minimum Wage?
- How Can Banks Pay Interest & Make Money?
- How Research Can Help Your Savings
- Improve Your Savings Habits
- Protecting Your Money
- The Importance Of FDIC

GUIDING QUESTIONS

- What is a credit score and why is it important?
- How are you able to keep a good credit score while still utilizing personal debt?
- How do credit cards actually work behind the scenes?
- When is it beneficial to use a credit card to purchase something? When is it not?
- What are the risks of using a credit card versus paying immediately for something?
- What are your rights as a borrower?

ENDURING UNDERSTANDINGS

- Interest is incredibly important when it comes to saving and in everyday life. Interest can work really well for you or can be your worst enemy so understanding interest is crucial.
- Saving and investing are both important to being financially healthy but they serve different purposes. Building a plan to save and invest is best for your future and can make life easier.
- Investing is best if done for the long-term rather than the short. Time is your best friend when it comes to investing as it can help your money grow exponentially.

STANDARDS ALIGNMENT

Earned Income: 8.6a-c, 8.7a-c, 12.5a-c, 12.9a-d

Spending: 8.1a-d, 12.1a-d, 12.3a

Saving: 8.1a-b, 8.2d, 8.3a-c, 8.4a-c, 8.5a-b, 8.6a-b, 12.1a-b, 12.2a-b, 12.4a-b, 12.9a-d

Investing: 8.1a-b, 8.2a-c, 8.7a-d, 12.3a, 12.4a-b

Managing Risk: 8.1a-b