LESSON PLAN

Growing Money

IT'S A MONEY THING®

INCLUDED IN THIS PACKAGE

- **LESSON PLAN** *(2 pages)*
- **ACTIVITY** *(4 pages)*
- **QUIZ** *(1 page)*
- **ACTIVITY ANSWER KEY** *(2 pages)*
- **QUIZ ANSWER KEY** *(1 page)*

COLLECT FROM YOUR LIBRARY

- **VIDEO JR6** *(Growing Money)*
- **PRESENTATION JR6** *(Growing Money)*
- **ACTIVITY SHEET JR6** *(Growing Money)*
- **COMIC JR6** *(Growing Money)*



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LESSON PLAN

Growing Money

GRADES
5 to 6

TIME
45 minutes



OVERVIEW

Some financial goals cannot be met by saving money alone; investing is required to grow our savings over time. This lesson introduces students to the concept of investing and the important role it plays in meeting long-term goals. Students will explore the relationship between saving and investing and learn to identify the key differences.

GOALS

- Introduce students to the concept of growing their money through investment
- Help students understand the relationship between saving and investing their money
- Familiarize students with common types of investment

OBJECTIVES

- Demonstrate the importance of growing money to meet long-term financial goals
- Identify the similarities and differences between savings accounts and investments
- Describe the potential risks and rewards associated with investing

ASSESSMENT

An optional quiz has been provided with this lesson plan (the quiz is not factored into the lesson's 45-minute runtime).

Did you know? *The New York Stock Exchange signals the start of every trading day by ringing a brass bell. The bell, which was introduced in 1903, has been rung by entrepreneurs, CEOs and celebrities.*

MATERIALS

- ☐ **VIDEO JR6**—*Growing Money*
- ☐ **PRESENTATION JR6**—*Growing Money*
- ☐ **ACTIVITY**—*Venn Diagram and Answer Key*
- ☐ **COMIC JR6**—*Growing Money*
- ☐ **ACTIVITY SHEET JR6**—*Growing Money*
- ☐ **QUIZ**—*Growing Money and Answer Key*

PREPARATION

- *Gather digital materials (video and presentation)*
- *Print and cut out one copy of the* **ACTIVITY** *cards*
- *Before class, draw the blank diagram from the* **ACTIVITY** *on the board or on a large sheet of paper; gather the supplies needed for students to affix cards to the diagram (e.g., tape or magnets)*
- *(Optional) Print* **COMIC JR6** *and* **ACTIVITY SHEET JR6** *for each student*
- *(Optional) Print* **QUIZ** *(Growing Money) for each student*

LESSON PLAN

Growing Money

TIMELINE

5 minutes	Intro and show **VIDEO JR6** *(Growing Money)*
10 minutes	Go over **PRESENTATION JR6**
25 minutes	Facilitate **ACTIVITY**
5 minutes	Wrap up
(Optional)	Assessment: **QUIZ** *(Growing Money)*

INSTRUCTIONS

1. Ask your class:
   - What do people need to do with their money in order to afford big financial goals?

   Acknowledge any mention of saving. Then suggest that, in some cases, saving money is not enough on its own. Some goals can only be achieved by growing your money.
2. Show **VIDEO JR6**
3. Go over **PRESENTATION JR6**
4. Facilitate the **ACTIVITY**
   - Present the class with the blank Venn diagram
   - Distribute the cards to the class
   - Allow time for students to attach their cards in the appropriate section of the Venn diagram
   - Use the answer key to review card placement and to correct any misplaced cards

   Note: To adapt this from a group activity to an individual activity, have each student draw the Venn diagram on a regular sheet of paper. Display the cards on pages 2–4 and allow time for students to assign each card to their diagram. Students may do so by putting the corresponding card numbers into the appropriate section of their diagram.
5. Wrap up by summarizing any observations made during the **ACTIVITY** and by discussing the following questions:
   - Why do you think people invest their money despite the risk involved?
   - What can you do to reduce risk when investing?
   - Why do you think a savings account is the best place to store an emergency fund?
6. (Optional) Distribute **QUIZ** for individual assessment.
7. (Optional) Distribute copies of **COMIC JR6** and **ACTIVITY SHEET JR6** for students to take home.

NOTES

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ACTIVITY

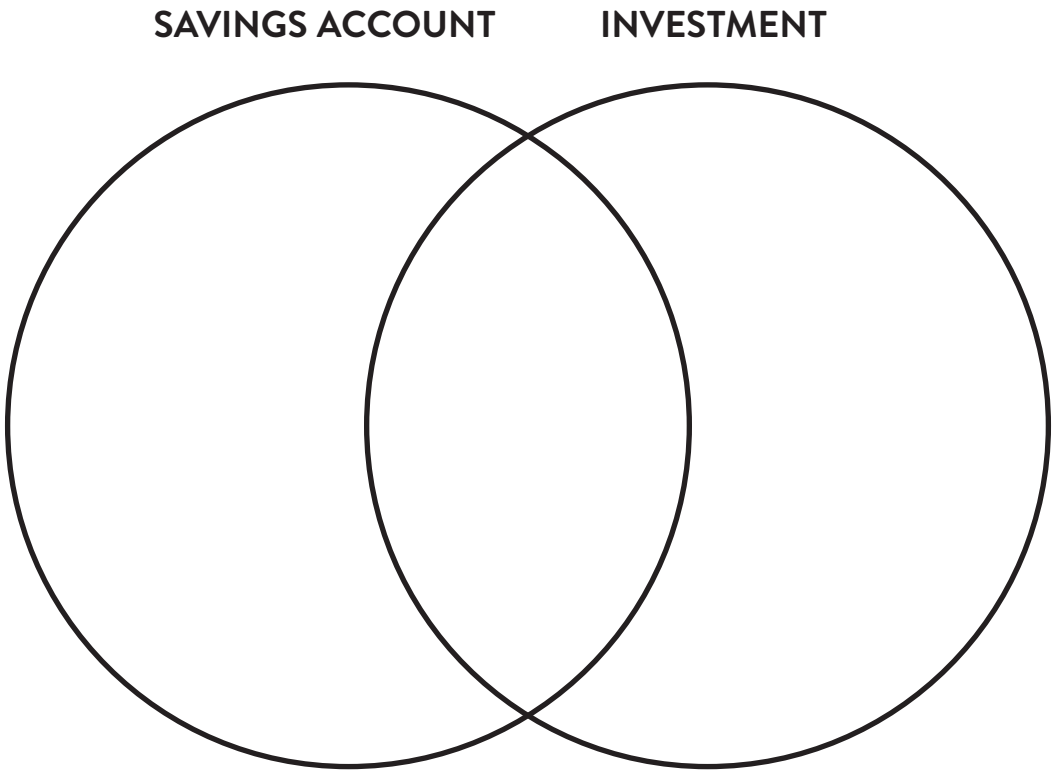
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VENN DIAGRAM

Directions: Recreate the Venn diagram below on the board or on a large piece of paper. Cut out the cards on pages 2–4 and distribute them to the class. Tell students to place their cards on the appropriate section of the Venn diagram.



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ACTIVITY

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VENN DIAGRAM

Directions: Cut out the cards on pages 2-4 and distribute them to the class. Tell students to place their cards on the appropriate section of the Venn diagram.

1

Stores your money with little or no growth

2

Grows your money over time

3

Puts money aside for future goals

4

Best for short-term goals, like buying a new phone

5

Best for long-term goals, like retirement

6

Requires an account at a bank or credit union

7

Requires an account at a brokerage

8

Can be set up with the help of a parent or guardian

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ACTIVITY

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VENN DIAGRAM

Directions: Cut out the cards on pages 2-4 and distribute them to the class. Tell students to place their cards on the appropriate section of the Venn diagram.

9

Tends to have a higher rate of return

10

Tends to have a lower rate of return

11

Considered a safe option

12

Can be considered a risky option

13

Plays an important role in your financial planning

14

A better option for money you'll need soon (within 5 years)

15

A better option for money you won't need for a long time (5 years or more)

16

May require you to pay fees

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ACTIVITY

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VENN DIAGRAM

Directions: Cut out the cards on pages 2-4 and distribute them to the class. Tell students to place their cards on the appropriate section of the Venn diagram.

17

Can be set up with automatic contributions

18

Best for storing your emergency fund

19

Insured (you can't lose your money)

20

Not guaranteed (you can lose your money)

21

Takes more time to access your money

22

Takes less time to access your money

23

Usually pays a little interest

24

Varies greatly in its rate of return

QUIZ
Growing Money

NAME: _____

TOTAL
/ 6 pts

MULTIPLE CHOICE

Directions: CIRCLE the best possible answer to each question.

1. Which of the following is **not** a type of investment?
   a. Real estate
   b. Stocks
   c. Rate of return
   d. Mutual funds

2. All investment includes:
   a. Risk
   b. Profit
   c. Dividends
   d. All of the above

/2 pts

SHORT ANSWER

Directions: Answer the following questions in one or two sentences.

3. Why might someone choose to invest their money rather than save it in a bank account?

_____

_____

/2 pts

4. Why might someone choose to save their money in a bank account rather than invest it?

_____

_____

/2 pts

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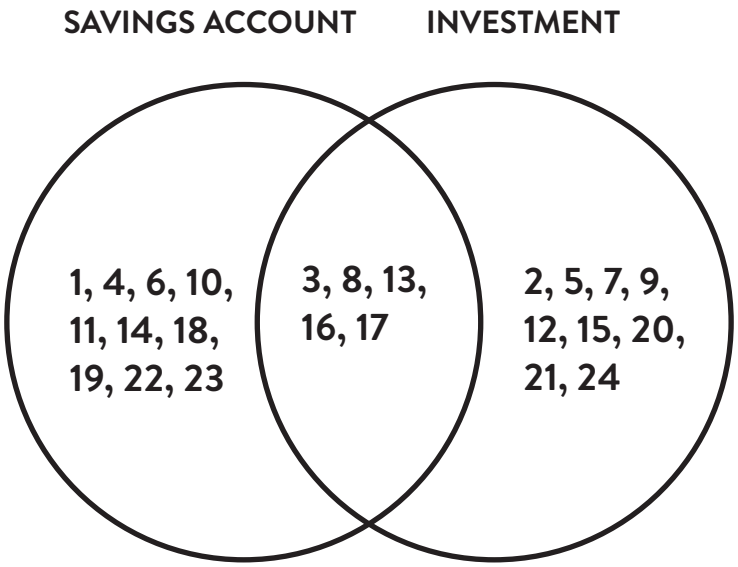
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ACTIVITY ANSWER KEY

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VENN DIAGRAM

Directions: Remind the class that the information in this activity is general in nature and does not take into account the many types of savings accounts and investments there are to choose from. Review each card to confirm it is placed in the correct section of the Venn diagram. Correct any misplaced cards while providing additional context.



CARD	SECTION	REASON
1	SAVINGS ACCOUNT	Savings accounts typically offer interest rates less than 1%
2	INVESTMENT	Investing means putting your money into something that can potentially make you more money
3	BOTH	Saving and investing both help you afford future purchases
4	SAVINGS ACCOUNT	Investments are especially unpredictable in the short term; a savings account is the better option for short-term goals
5	INVESTMENT	Investments are likely to outperform savings accounts over long periods of time; investment is the better option for long-term goals
6	SAVINGS ACCOUNT	You can open a savings account at a bank or credit union
7	INVESTMENT	A brokerage connects people looking to buy and sell stocks, bonds and other types of investments
8	BOTH	Many financial institutions offer youth savings accounts; brokers offer custodial accounts that can be set up for you by your parent or guardian

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ACTIVITY ANSWER KEY

Growing Money

VENN DIAGRAM

CARD	SECTION	REASON
9	INVESTMENT	Investments tend to outperform savings accounts in the long term
10	SAVINGS ACCOUNT	A savings account typically has a very low interest rate
11	SAVINGS ACCOUNT	The money in a traditional savings account is insured, meaning you can't lose the money you contribute to your account
12	INVESTMENT	All investments carry some degree of risk; they have the potential for higher returns as well as the potential for greater losses
13	BOTH	Saving and investing each play a part in helping you meet your financial goals in life
14	SAVINGS ACCOUNT	Investments are especially unpredictable in the short term; a savings account is the better option for short-term goals
15	INVESTMENT	Investments are likely to outperform savings accounts over long periods of time; investment is the better option for long-term goals
16	BOTH	Some savings accounts may have transaction fees; investments may have brokerage fees, management fees and other charges
17	BOTH	Most savings and investment accounts can be set up with direct deposits or recurring transfers
18	SAVINGS ACCOUNT	The money in your emergency fund should be easy to access and impossible to lose; a savings account is the best option
19	SAVINGS ACCOUNT	Most savings accounts are insured by the government (up to a certain amount)
20	INVESTMENT	All investments carry some degree of risk; they have the potential for higher returns as well as the potential for greater losses
21	INVESTMENT	Accessing the money you've invested can take several days
22	SAVINGS ACCOUNT	Accessing the money in your savings account usually takes a day or two
23	SAVINGS ACCOUNT	Savings accounts typically offer interest rates less than 1%
24	INVESTMENT	Investments have the potential for higher returns as well as the potential for greater losses

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QUIZ ANSWER KEY

Growing Money

MULTIPLE CHOICE

Directions: CIRCLE the best possible answer to each question.

1. Which of the following is **not** a type of investment?
   a. Real estate
   b. Stocks
   (c.) Rate of return
   d. Mutual fund

2. All investment includes:
   (a.) Risk
   b. Profit
   c. Dividends
   d. All of the above

/2 pts

SHORT ANSWER

Directions: Answer the following questions in one or two sentences.

3. Why might someone choose to invest their money rather than save it in a bank account?

   TO GROW THEIR MONEY/TO EARN A HIGHER RETURN; TO SAVE FOR RETIREMENT;

   TO ACHIEVE A LONG-TERM GOAL (5 YEARS OR MORE)

/2 pts

4. Why might someone choose to save their money in a bank account rather than invest it?

   TO ACCESS IT EASILY/IT'S PART OF THEIR EMERGENCY FUND; TO AVOID RISK;

   TO ACHIEVE A SHORT-TERM GOAL (5 YEARS OR LESS)

/2 pts