

LESSON #6

LEARNING TO SAVE



What to Do

1. Ask: *What goals could you accomplish if you had more money?* Invite volunteers to share their responses. Also ask students to think about responsibilities that cost money. (For example: a flat tire, a new laptop for college.) Invite students to research online the costs of one goal and one responsibility.
2. Ask students where they save money. Explain that in addition to a savings account, other savings options include Certificate of Deposits (CDs), mutual funds and retirement accounts such as a 401(k) or Individual Retirement Account (IRA). Explain these terms using the Student Glossary.
3. Discuss: *Why should we explore savings options beyond a traditional savings account? What are the advantages of each savings option? What are the risks?*
4. Next, have students create a savings plan for one of their goals or responsibilities. Students should consider: *How much money can I save now? How much money can I save next year? In five years? Which savings vehicles will I use to save? In one year? In five years? How can I make savings automatic?* (For example: direct deposit savings contribution.)