



What Are Savings? | Lesson Plan

What are savings, and how do I start saving money?

Students learn about savings accounts, why they are important, and the steps they can take to start saving money.

Learning Objectives:

- Understand what a savings account is and how it works.
- List reasons why someone would want to get a savings account.
- Define key terms associated with saving, including savings account, emergency fund, nest egg, deposit, and withdraw.
- Explore different ways to save money.
- Set personal savings goals and create an action plan to reach them.

Key Vocabulary:

- **Savings Account:** Account designed to earn interest and save money.
- **Emergency Fund:** Savings for covering unexpected expenses.
- **Nest Egg:** Savings for building wealth for the future.
- **Deposit:** Adding money to a financial account.
- **Withdraw:** Removing money from a financial account.

Educational Standards: CCRA.R.7, CCRA.R.10, CCRA.W.2, CCRA.W.4, CCRA.W.7, CCRA.SL.1, CCRA.SL.2, CCRA.L.6

Academic Subject Areas: Financial Literacy, Decision Making, Personal Responsibility, Personal Finance

What You'll Need

- Video: *Ca\$h Cour\$e: What Are Savings?* (Watch [Here](#))
- Worksheet: *Ca\$h Cour\$e: What Are Savings?* (Click [Here](#))
- Use classroom whiteboard and dry-erase markers (Or use a technology solution if available).

Lesson Plan (45 mins.)

Warm-Up: What are savings, and how do I start saving money? (10 mins.)

1. Begin by creating an engaging scenario: Imagine saving for a significant purchase, like a new phone. Determine the cost of a brand-new phone and write this amount on the board.
2. Calculate how much would need to be saved each month to afford the phone in one year. This exercise helps in understanding the practical aspects of saving.



3. Encourage students to think of ways they could save money for this item. Students on the classroom whiteboard could write suggestions. Possible ideas include setting aside money from jobs, doing extra chores, or selling unneeded items.
4. Reflect on the students' ideas, highlighting the effort and discipline required to save effectively. This sets the stage for a deeper exploration of savings in the next activity.

Watch and Apply: (25 mins.)

1. Introduce the video *Ca\$h Cour\$e: What Are Savings?* as a tool to gain further insights into savings. Watch the video together.
2. Following the video, draw a pie chart on the board labeled "Spending Habits," inspired by the video. Invite students to contribute by naming things they spend money on, which are then added to the chart.
3. Facilitate a discussion on which spending habits could be adjusted to enhance savings, focusing on minimizing unnecessary or luxury expenses.

Wrap-Up: (10 mins.)

1. Hand out the "Ca\$h Cour\$e: What Are Savings? Worksheet" for students to complete. This can be a low-stakes assessment to reinforce learning.
2. Review the worksheet as a group, addressing any areas where students need clarification or have questions.
3. Engage students in a discussion about what they've learned regarding savings and their personal saving goals. Encourage them to think about how they could achieve these goals.
4. For those interested, assign a take-home activity where students calculate an emergency fund or create a savings plan for a significant purchase. They can apply strategies from the video or use a budgeting app to track and save money. A reflective piece on what they learned can be an enriching addition.

Don't have time for the full lesson? Quick Activity (10-15 mins.)

Distribute the worksheet and allow students to complete it while they follow along with the video. Or, have students watch the video at home and use the worksheet as a quick quiz the next day in class.