



# MONEY SMART 2.0 LESSON GUIDE

for Grades 6-8



The National Theatre for Children

NTC Financial Literacy  
K-12 Curriculum

# LESSON 6 *Super Savers*

## LESSON OVERVIEW

Learners explore **savings** at a deeper level in Lesson 6 by debating when an emergency fund is applicable, discussing how to plan for special purchases and how to set and achieve long-term financial goals. Using collaborative learning, students will craft savings strategies that lead to positive savings habits and demonstrate how financial institutions can help grow money.

**TOPIC:** The Importance of Saving

**CLASS TIME:** 45 minutes (excluding Expanded Information to Share activities)

### LEARNING OBJECTIVES:

Students will be able to:

- Understand and explain the importance of saving money
- Evaluate methods for saving money, both for a scenario and in their own lives

### SUPPLIES:

- Projector (for teacher presentation slides)
- Access to the internet (optional)

### PROCEDURE:

- Make copies of student handouts and group handouts
- Set up projector with presentation slides
- Set up individual or group computers with access to the internet (optional)

### STUDENT HANDOUTS:

- What Would You Do?

### TEACHER PRESENTATION SLIDES:

- Scenarios
- Savings Options

### CRITICAL THINKING QUESTIONS:

- *How do you save money?*
- *Why should I save money?*
- *What are the most effective methods for saving money?*

### ASSESSMENT ACTIVITIES:

#### PRE-ASSESSMENT:

- Saving Money and Me activity

#### POST-ASSESSMENT:

- What Would You Do? activity
- The Best Methods discussion

### ANSWER KEY

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## INSTRUCTION STEPS

### WARM UP

#### SAVING MONEY AND ME [5 MINUTES]

Prompt students to think about getting their first paycheck. Remind them that it won't be a huge amount of money, but it might be more than they've ever had at one time. Ask them to consider how they might save that money.

Pose the questions:

- *How could you save your money?*
- *Why would you save some of your money?*

Allow students some time to think about their answers, and then share. Prompt students to start thinking about how effective their money saving methods are. For example: If a student says that they put money into a piggy bank, ask them whether they are ever tempted to use that money for something other than what they are saving for, or whether that money slowly grows over time as they add more money to the piggy bank.

# 6

## LESSON 6 *Super Savers*

### INSTRUCTION STEPS

#### GUIDED EXPLORATION

##### EVALUATING SAVING OPTIONS [35 MINUTES]

Split your class into four groups and provide each student with the **What Would You Do?** handout. Then, on the **Scenarios** slide, provide each group with its scenario and have them write their scenario onto their handout:

- **Group 1:** Your parents have just informed you that, if you want a car, you'll have to pay for it yourself. You're 14, and right now you get a small allowance, but you plan to get a job as soon as you can. In the meantime, you want to make sure that you save money so that you'll be able to buy your car.
- **Group 2:** The school dance is just two weeks away. The cost is \$20. All of your friends are going, but you're not sure you'll have enough extra money for a ticket. You have two babysitting jobs lined up for the next two weeks, but that leaves you a few dollars short of purchasing a \$20 ticket.
- **Group 3:** You've achieved your goal of getting a full scholarship to the college of your dreams. The only problem is that the scholarship will not cover the cost of textbooks, which you estimate will run you about \$500 for the first semester. You have the summer to save money, and you have a summer job.
- **Group 4:** You like to look very put-together for the start of the new school year. This year, you're on your own. No one is paying for any of your back-to-school clothes. It's the summer, and you have a few bucks stashed away in your room, plus a couple of jobs lined up mowing neighbors' lawns for money.

#### Grade Level Modifications:

**Beginner:** One scenario for the entire class. When student groups share their decisions, all students in the room will be familiar with the scenario and will be able to weigh the group's decisions against their own.

**Advanced:** Add costs and time limits into the scenario, so that students have to compute.

Highlight that in each scenario they have some income, and they want to be able to make a purchase. Display the **Savings Options** slide and review each option with students.

Start by explaining that all options begin and end with opening a savings account. Opening a savings account will allow you to protect your saved money from a variety of risks, including bank failure, theft and fraud. Additionally, opening a savings account allows you to earn interest on your money while it remains in your account.

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## INSTRUCTION STEPS

### EVALUATING SAVING OPTIONS (Continued)

Then, explain the three additional options students could select for their scenarios. Remind students that selecting one of these options should pair with opening a savings account, in most cases.

1. **Cut Back** – examples include eliminating expenses like going to the movies or going on a vacation
2. **Go Cheaper** – examples include buying inexpensive clothing instead of name brands
3. **Create New Habits** – examples include walking instead of driving, or eating at home instead of going out to eat

Explain that students can pick one or more of the savings options, but they should consider their scenario as they pick their savings options. As they make their group decisions, students should log information on their **What Would You Do?** handout. Explain that, when they have finished making their decisions, they must put together a presentation to their class where they must justify why this savings option was the best for this scenario. See the **Answer Key** for a completed sample of the **What Would You Do?** handout.

Before presentations, have the class review the rest of the **What Would You Do?** handout, and redisplay the **Scenarios** slide. Ask students to make some quick decisions about what they would do for the other three scenarios that groups worked on in class. Explain that students will be weighing their snap decisions against the group's decision and may have the opportunity to question the group about their decision.

Allow the first group to present their scenario, then explain which savings option(s) they choose and why. As the group presents, listeners should log the group's decision on the **What Would You Do?** handout. When the group finishes, ask the audience to pose questions or make their own argument for the best savings option(s) in this scenario. (Note: There isn't necessarily a correct answer for any of the scenarios; what matters more is the justification that students use to support their savings options election.)

## WRAP UP

### THE BEST METHODS [5 MINUTES]

Ask students to consider something that they want to save for in the future. Then discuss: *What would be the best savings option for making that purchase in the future? Why?*

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## EXPANDED INFORMATION TO SHARE

**NOTE:** Use the following ideas to extend financial literacy concepts throughout the school year within core content areas through English Language Arts, Math, Social Studies and Economics, and Technology activities, projects and discussions. Duration of activities will vary.

### ENGLISH/LANGUAGE ARTS

- **Writing Prompts**

- Write a letter to your future self. Describe to your future self why saving money is so important. Remind your future self about a preferred savings option from today's lesson and how it could be used in the future that you've imagined for yourself.

- **Additional Readings/Resources**

- *Quick tips to help college students start saving money* by CNBC: A short overview of tips on student saving and investing.  
[www.cnbc.com/2021/03/19/quick-tips-to-help-college-students-start-saving-money.html](http://www.cnbc.com/2021/03/19/quick-tips-to-help-college-students-start-saving-money.html)
- *What is an Investment?* Lessons in *Money for Kids!*: A short video clip on the importance of starting a savings plan early. (Time of video: 3:38 minutes)  
[www.youtube.com/watch?v=wcN\\_lctOIGw](http://www.youtube.com/watch?v=wcN_lctOIGw)

### MATH

- **Activity/Project Ideas**

- Write down all of your spending over the course of a week. Review the "Cut Back" and "Go Cheaper" savings options. Using online or in-store research, determine how much money you would have saved had you either cut back on your expenses or purchased cheaper items. Explain: Are the savings worth the sacrifices to you?

### SOCIAL STUDIES AND ECONOMICS

- **Activity/Project Ideas**

- Consider teen Suvir Mirchandani's plan to save the government millions of dollars at [www.thewire.com/national/2014/03/switching-fonts-wont-save-the-government-money/359925](http://www.thewire.com/national/2014/03/switching-fonts-wont-save-the-government-money/359925). Although the plan was criticized, his idea about printing was for the federal government to save money. Research some of the expenses of your school or your local government. What money saving options would you suggest to your school or your local government? Why?

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## ANSWER KEY FOR STUDENT HANDOUTS

Answers will vary. Completed Sample:

Scenario	Savings Options I Would Use	Justification
<p><b>1</b> 14 years old, must pay for car with allowance, and eventually will get a job</p>	<p>1) open a savings account</p> <p>2) cut back</p>	<p>Several years to save money and putting savings in an account will generate interest.</p> <p>Cut back on a few things here and there in order to put more money into savings.</p>
<p><b>2</b> Dance costs \$20, two weeks away. Two babysitting jobs, but will still be short.</p>	<p>1) cut back</p> <p>2) go cheaper</p>	<p>For two weeks, cut back on expenses to save an extra couple of dollars. Cut back on things like snacks at the store.</p> <p>If I must spend money, I'll try to save an extra couple of dollars by buying less-expensive things.</p>
<p><b>3</b> Need \$500 for books for college. Have a summer job and the summer to save.</p>	<p>1) open a savings account</p> <p>2) go cheaper</p>	<p>Savings account will generate interest.</p> <p>Buy cheaper things over the summer to save an extra few dollars AND consider cheaper options like used textbooks.</p>
<p><b>4</b> Want back-to-school clothes. Have some money, a few lawn care jobs lined up and the summer to save.</p>	<p>1) create new habits</p> <p>2) go cheaper</p>	<p>Make it a habit to watch movies and eat snacks at home.</p> <p>Plan to spend a little less on my back-to-school clothes.</p>

# What Would You Do?

**Name:** \_\_\_\_\_

**Directions:** Consider different scenarios and what savings strategies you would use in each case. Provide your reasoning in the Justification column.

Scenario	Savings Options I Would Use	Justification