

How Will I Save for My Future?

Standard 5: Saving and Investing

Susan McHale, Kristen Sublett, Niky Shobert, Melissa Gunter
Published by *K20 Center*

This work is licensed under a Creative Commons CC BY-SA 4.0 License

Grade Level	7th – 12th Grade	**Time Frame**	300 minutes
Subject	Financial Literacy, Social Studies	**Duration**	5-6 class periods
Course	Personal Financial Literacy		

Essential Question

Is saving money important? What is the best way to save and invest for the future?

Summary

In this lesson, students will engage in topics about saving and spending and explore investment vocabulary. They will read about different investment types and participate in an online stock market simulation game. Students will use a given scenario to create an investment portfolio.

Snapshot

Engage

Students engage in a Four Corners activity related to the importance of saving money and assessing whether they are savers or spenders.

Explore

Students read about different types of investments and complete a Frayer Model to investigate a financial word.

Explain

Student groups play a simulation game to understand the basics of stock market trading.

Extend

Student groups create an investment portfolio and present their investment choices to the class.

Evaluate

Students' Frayer Models, participation in the stock market game, and investment portfolios may serve as assessments for this lesson.

Standards

ACT College and Career Readiness Standards - Reading (6-12)

CLR401: Locate important details in somewhat challenging passages
CLR403: Draw simple logical conclusions in more challenging passages
WME402: Interpret most words and phrases as they are used in somewhat challenging passages, including determining technical, connotative, and figurative meanings

Oklahoma Academic Standards (Personal Financial Literacy (7th through 12th grade))

PFL.5.1: Explain reasons for saving and investing to meet goals and build wealth (e.g., opportunity cost, return on investment, emergencies, major purchases, down payments, and education).

Attachments

- Financial-Portfolio-How-Will-I-Save-for-My-Future - Spanish.docx
- Financial-Portfolio-How-Will-I-Save-for-My-Future - Spanish.pdf
- Financial-Portfolio-How-Will-I-Save-for-My-Future.docx
- Financial-Portfolio-How-Will-I-Save-for-My-Future.pdf
- Four-Corners-Signs-How-Will-I-Save-For-My-Future.pdf
- Frayer-Model-How-Will-I-Save-for-My-Future - Spanish.docx
- Frayer-Model-How-Will-I-Save-for-My-Future - Spanish.pdf
- Frayer-Model-How-Will-I-Save-for-My-Future.docx
- Frayer-Model-How-Will-I-Save-for-My-Future.pdf
- Lesson-Slides-How-Will-I-Save-for-My-Future.pptx
- Types-of-Investments-Reading-How-Will-I-Save-for-My-Future - Spanish.docx
- Types-of-Investments-Reading-How-Will-I-Save-for-My-Future - Spanish.pdf
- Types-of-Investments-Reading-How-Will-I-Save-for-My-Future.docx
- Types-of-Investments-Reading-How-Will-I-Save-for-My-Future.pdf

Materials

- Lesson Slides (attached)
- Four Corners Signs (attached, one copy)
- Types of Investments Reading (attached, one per student)
- Frayer Model handout (attached, one per student)
- Financial Portfolio graphic organizer (attached, one per student)
- Student devices with internet access

Engage

Teacher's Note: Preparing for the Lesson

Prior to the lesson, print the **Four Corners Signs** and hang each one up in a different corner or area of the classroom.

Display **slides 3 and 4** of the attached **Lesson Slides**. Introduce the lesson and explain that the topic is about saving money. Share the essential questions and the lesson objective.

Display **slide 5**. Have students engage in a Four Corners activity by asking them to think about the statement that appears on the slide: *"Money looks better in the bank than in your closet*. They are to decide to what degree they agree or disagree with this statement. Tell students to move next to the sign that best expresses their opinion about this statement.

Once students have chosen the sign that best expresses their opinion, have the students who are gathered at the same sign discuss their reasoning with each other. Ask each of the four groups to appoint a spokesperson to share the group's reasoning with the rest of the class.

Ask students to return to their seats and pass out one sticky note to each student. Display **slide 6** and reproduce the question ("*How often do you save money?"*) and columns (*1. "Regularly, like once a month"; 2. "Sometimes, when I think about it"; 3. "I'm not saving right now"*) on a projector or whiteboard space per the Sticky Bars strategy. Ask students to write their names on their sticky notes and then consider the question. Students vote by placing their sticky notes in the appropriate column on the board.

After all students have come up to the board and voted, discuss the overall results of the Sticky Bar survey. Call on students to make comments about what they observe from the way the sticky notes are arranged. What is the class trend for saving? Ask the class if they are more regular savers or if they have not started saving money just yet. Ask how high a priority it is for those who do save.

Explore

Transition to the next activity by telling students that one way to save money is by investing your money where it will grow and accumulate over time. Pass out copies of the **Types of Investments Reading**. Ask students to read and annotate the handout using the Stop and Jot strategy, which is detailed on **slide 7**.

After everyone has read the article, ask students to share and compare their thoughts and summaries from the margins with a partner. After students have had a chance to share with partners, ask a few pairs to share their thoughts and summaries with the whole class. Conclude the discussion by asking the class if their opinion about saving and investing has changed in any way.

Display **slide 8**. Pass out copies of the **Frayer Model** handout and assign each student a number from 1-10. Students should create a Frayer Model using the vocabulary word that corresponds with the number they received. Once students know which vocabulary word they will be working with, move to **slide 9** and discuss the example of a completed Frayer Model.

Allow time for students to complete the model on their own or working with the other students assigned to the same word. Give them the option to use the Internet or other resources as a reference.

Ask groups to present their completed Frayer Models to the class to highlight and deepen students' understanding of the financial words from the reading.

Explain

To give students the opportunity to build a better understanding of how to make investments, arrange for them to play an online stock market game. Students can perform individually, as teams, or by joining a league. Value Stock Guide's Investing for Beginners page provides links to games such as the Wall Street Survivor Stock Market Game and the SIFMA Foundation's Stock Market Game.

Depending on which simulation you choose, students can play a game that spans over several weeks or one that is condensed into 2-3 class periods. It is important to choose a simulation game that fits with students' access to Internet-connected devices as well as the length of time you want to devote.

Optional Extension: Ask an Expert

Ask a local investment broker to visit the class to explain investing! This person can address bonds, mutual funds, CDs, junk bonds, and other types of investments, as well as investment risks and how to make an initial purchase.

90 minutes

Extend

Once students have a basic understanding of the stock market and other investment choices, give them the opportunity to extend their learning by creating their own investment portfolio.

Assign students to groups of three. Display **slide 10** and present the scenario on the slide. Invite groups to use the money they have been given to create an investment portfolio, with several forms of financial securities. Pass out a copy of the **Financial Portfolio** graphic organizer to each student. Tell students that they each will be responsible for filling out their own graphic organizer based upon the group's decisions. Display **slide 11** for the directions. Student groups need to explain their reasoning for choosing the types of financial securities they did. They should explain the cost, benefit, and risk of each type of investment.

Student groups can create a mini-poster or Google Slides presentation to share the basics of their portfolio. Allow time for each group to present their portfolio and their rationale for the investment choices they made. Have all students turn in their graphic organizers at the end of the presentation for assessment. This activity needs one class period for research and a second class period for presentations.

Evaluate

The Frayer Model, participation in the stock market game, the financial portfolio graphic organizer, and the final portfolio presentation can all be used as assessments.

Teacher's Note: Looking for Hands-on Financial Literacy?

Mind Your Own Budget (MYOB) is a comprehensive game-based learning application for financial literacy. Mind Your Own Budget is aligned with the OK Passport and National Standards for Financial Literacy. Through game play, students encounter everyday financial tasks, such as making and keeping a budget, paying recurring and emergency expenses, managing financial accounts, and using financial instruments. Each scenario presents a new challenge and teaches new concepts while building on important budgeting basics. To find out more about K20 Digital Game-Based Learning, go to https://k20center.ou.edu/games/ or email k20center@ou.edu.

Resources

- Frankel, M. (2017). What percentage of Coca-Cola does Warren Buffet own?. The Motley Fool. https://www.fool.com/investing/2017/03/10/what-percentage-of-coca-cola-does-warren-buffett-o.aspx
- Investopedia. (n.d.). Investing basics. https://www.investopedia.com/investing/investing-basics/education/
- K20 Center. (n.d.). Frayer model. Strategies. https://learn.k20center.ou.edu/strategy/126
- K20 Center. (n.d.). Four corners. Strategies. https://learn.k20center.ou.edu/strategy/138
- K20 Center. (n.d.). Mind your own budget. Games. https://learn.k20center.ou.edu/game/739
- K20 Center. (n.d.). Sticky bars. Strategies. https://learn.k20center.ou.edu/strategy/129
- Landes, L. (2012, June 15). Four risks of investing. Forbes. www.forbes.com/sites/moneybuilder/2012/06/15/four-risks-of-investing/
- Murphy, E. (2013, July 25). Busted by Beanie Babies: Family 'invested' $100,000 in the toys. AOL. https://www.aol.com/article/finance/2013/07/25/bankrupt-by-beanie-babies-family-invested-100k-toys/20676887/
- Oklahoma State Department of Education. (2008). Personal financial literacy glossary. http://ok.gov/sde/sites/ok.gov.sde/files/PFLGlossary.pdf