

Talking to your kids about money at an early age can help them understand the value of the dollar, how to save for long-term goals and how to spend responsibly. Teaching children about finances can build financial literacy and give them a stronger ability to manage their finances later in life. According to the Council for Economic Education, only a third of U.S. states require high school students to take a personal finance class in order to graduate. According to the Program for International Student Assessment, one in five 15-year-olds in the U.S. lacks basic financial literacy. Use these resources to help teach your children about finance so they will have a head start into adulthood!

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# FINANCE4KIDS ACTIVITIES

## Lesson Three: Spending Plans

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**Grades: Pre-K - 2nd**

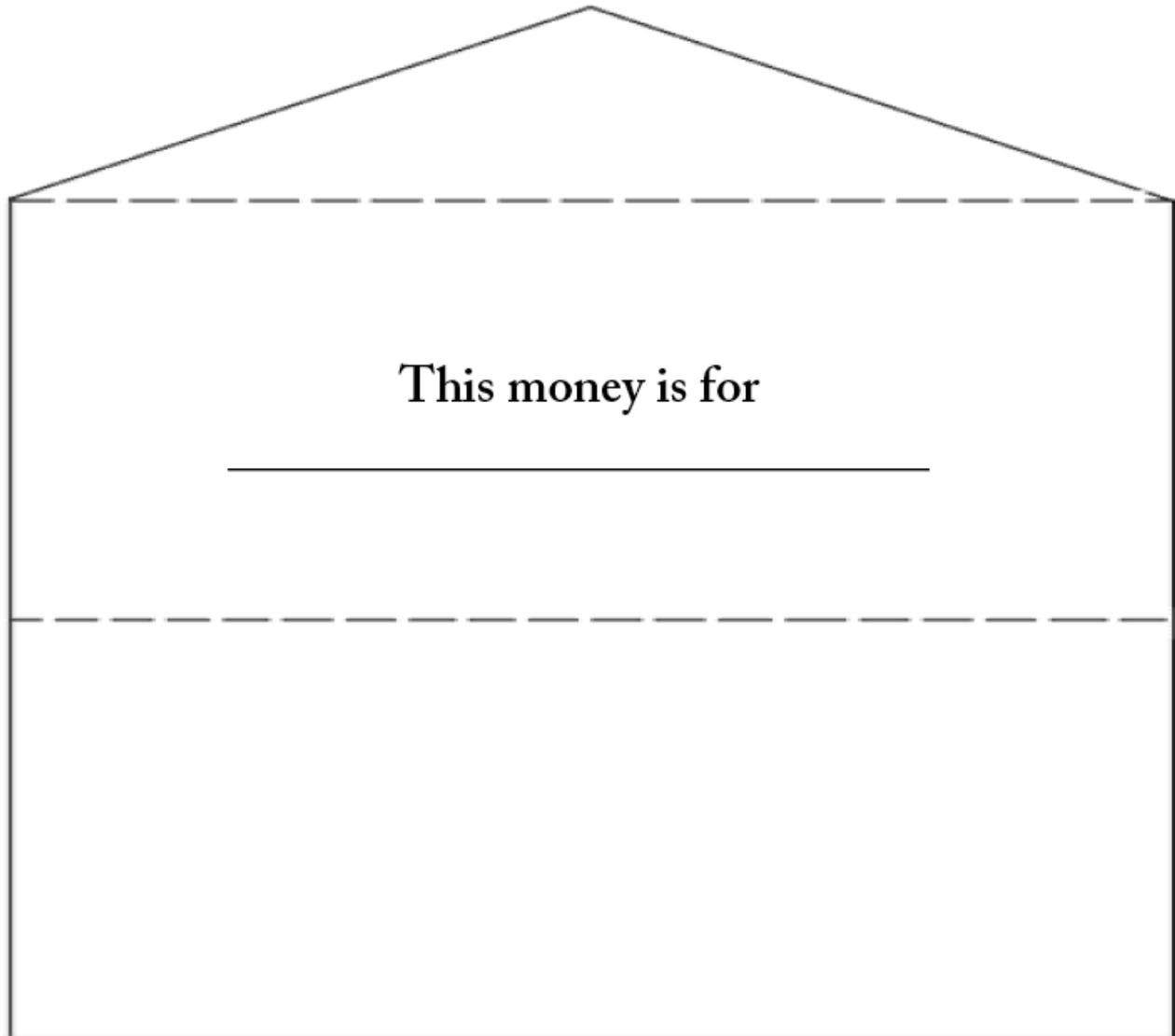


# spending plans



## directions

Create your own envelopes to show what you will do with your money. Print out one page for each envelope you need, then cut along the solid lines. Label each envelope by writing “saving,” “spending,” or “gifts”. You can decorate your envelopes using crayons, stickers, or pictures from magazines. When you are done decorating your envelopes, put them together by folding the dotted lines, then gluing both of the sides.



This money is for

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name: \_\_\_\_\_

date: \_\_\_\_\_

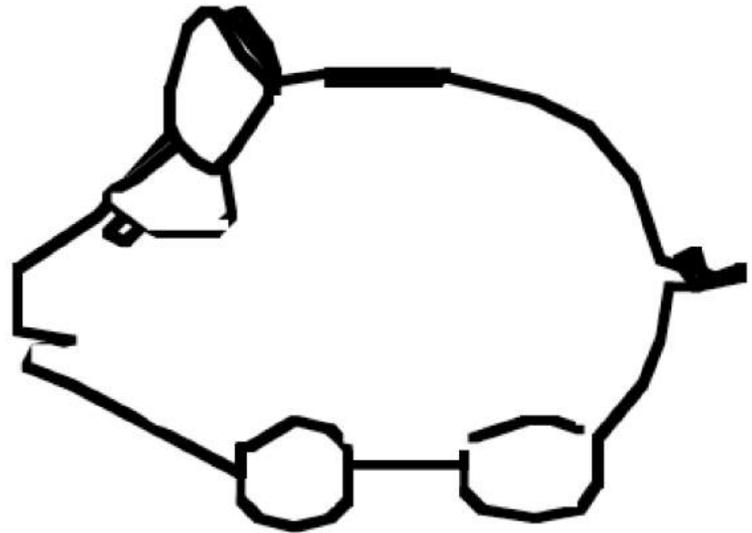
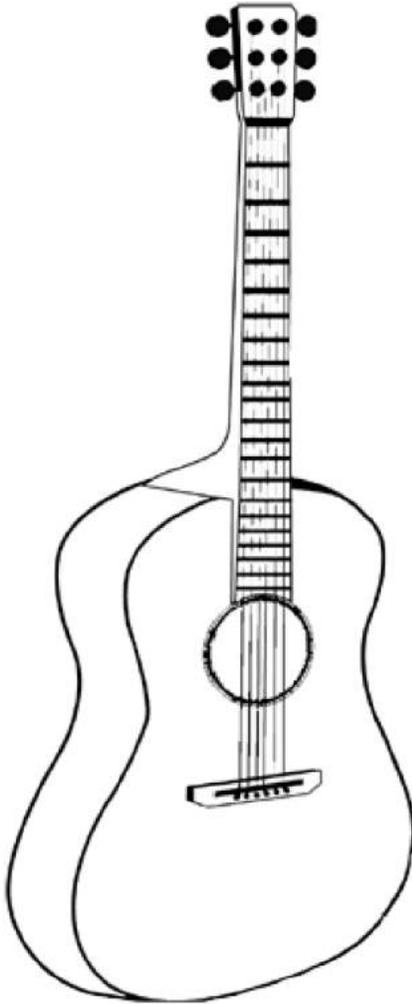


## quiz: where do you save money?



### directions

Color the object that you can use to save money.





## quiz: spending and saving

circle the correct answer for each question.

1. Saving money is a good idea.

Yes

No

2. If you save your money now, you will have more money to spend later.

Yes

No

3. Part of your saved money can be used to buy things now.

Yes

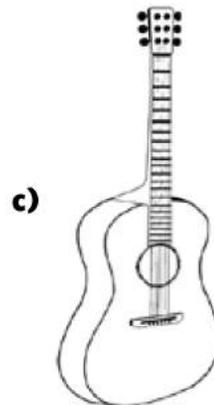
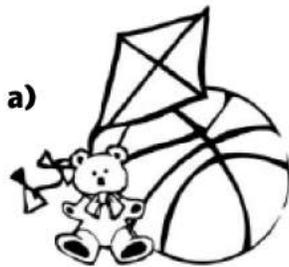
No

4. If you do not have enough money to buy something, you can:

- buy something that costs more.

- save more money and then buy it.

5. When I save money, I can buy:



d) all of these



# FINANCE4KIDS ACTIVITIES

## Lesson Three: Saving and Investing

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**Grades: 3rd - 6th**





name: \_\_\_\_\_

date: \_\_\_\_\_



## interest rates

### directions

The longer your money sits in the bank, the more money it will earn for you. The money earned is called interest. The higher the interest rate, the more money you earn. Fill in the chart below, assuming you are figuring out the money earned on a deposit of \$1 (for simple interest).

Future savings growth: \$1.00

	5%	8%	10%
1 year			
3 years			
5 years			
10 years			

name: \_\_\_\_\_

date: \_\_\_\_\_



# tracking stocks

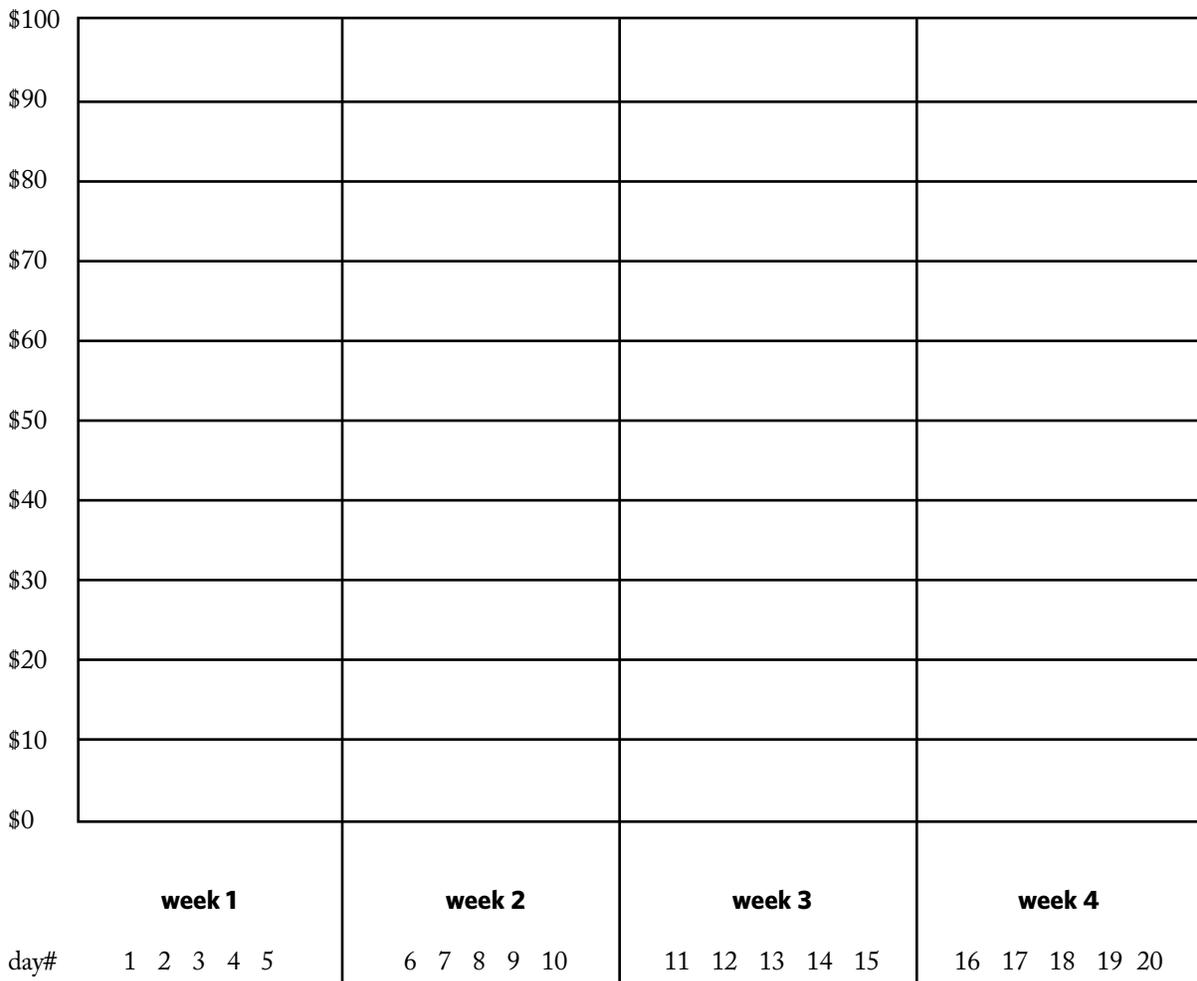
## directions

Pick a company's stock, and chart its value daily for a month. You will see that stock values change over time.

Company:

Symbol:

Month:





## quiz: investing

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**circle the correct answer for each question.**

1. Placing money into a savings account can increase my money.  
True  
False
2. The longer my money is in a savings account, the more money it will earn.  
True  
False
3. Different savings accounts pay different amounts of interest.  
True  
False
4. If the price per share of stock increases, I can sell it for more money than I paid for it.  
True  
False
5. Compound interest makes money grow faster.  
True  
False
6. Which of the following increases the value of my stocks?
  - a. Increase in price per share
  - b. Dividends
  - c. Stock splits
  - d. All of the above
7. Owning shares of stock:
  - a. can grow my savings
  - b. can shrink my savings
  - c. can provide income from dividends
  - d. all of the above
8. Which of the following is the best way to increase the value of a savings account?
  - a. Make few withdrawals from the account
  - b. Make regular deposits into the account
  - c. Leave the money in the account for as long as possible
  - d. All of the above
9. Which of the following is not a place to find information about stocks?
  - a. annual reports
  - b. newspaper financial page
  - c. cookbook
  - d. internet
10. The best way to grow my money is to:
  - a. make a variety of investments
  - b. save my money in a closet
  - c. loan it to a friend
  - d. buy new clothes



# FINANCE4KIDS ACTIVITIES

## Lesson Three: Saving and Investing

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**Grades: 7th - 12th**



name: \_\_\_\_\_

date: \_\_\_\_\_



# setting and prioritizing your financial goals

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## short-range goal (within 1 month)

Goal: _____	Objective	\$ _____
_____	Estimated Cost	\$ _____
_____	Target Date	\$ _____
_____	Monthly Amount	\$ _____

## medium-range goal (2-12 months)

Goal: _____	Objective	\$ _____
_____	Estimated Cost	\$ _____
_____	Target Date	\$ _____
_____	Monthly Amount	\$ _____

## long-range goal (more than 1 year)

Goal: _____	Objective	\$ _____
_____	Estimated Cost	\$ _____
_____	Target Date	\$ _____
_____	Monthly Amount	\$ _____





# test your knowledge of saving and investing

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## directions

Write the answers to the following questions in the blanks provided. Use the space below each problem to show how you arrived at your answers.

1. How long would it take to double your money in an account that paid 6% per year?

2. What interest rate would double your money in 5 years?

In the space provided, write the letter of the savings account or savings method the statement represents.

a) Passbook account

d) Time deposit (Certificate of Deposit)

b) Statement account

e) Money-market deposit account

c) Interest-earning checking

3. \_\_\_\_\_ A combination of a checking and savings account. Interest rates, which are based on a complex structure, vary with the size of your balance.

4. \_\_\_\_\_ Combines the benefits of a checking and savings account. Interest is paid each month on unused money in the account.

5. \_\_\_\_\_ You can only write a limited number of checks each month.

6. \_\_\_\_\_ Bank pays a fixed amount of interest, on a fixed amount of money, for a fixed amount of time.

7. \_\_\_\_\_ Penalty is usually charged if money is withdrawn before expiration date.

8. \_\_\_\_\_ Interest rate is usually lower than passbook or statement accounts.



## test your knowledge of saving and investing (continued)

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In the space provided, write the letter of the investment vehicle the statement represents.

- a) Bonds
- b) Mutual funds
- c) Stocks
- d) Real estate
- e) Keogh plan

9. \_\_\_\_ This type of investment offers an excellent protection against inflation.
10. \_\_\_\_ A retirement plan for the self-employed.
11. \_\_\_\_ Issuer agrees to pay investors a fixed interest rate for a fixed period of time.
12. \_\_\_\_ You can contribute each year to this tax-deferred account.
13. \_\_\_\_ Penalty is usually charged if money is withdrawn before expiration date.
14. \_\_\_\_ Professionally managed portfolios made up of stocks, bonds, and other investments.
15. List the four most important factors to consider when shopping for a savings account.
16. List the four main differences between saving and investing.



## quiz: saving and investing

### true-false

1. \_\_\_\_ A certificate of deposit must be held for a set amount of time such as six months or a year.
2. \_\_\_\_ Compound interest refers to money earned from buying a tax-exempt investment.
3. \_\_\_\_ A share of stock represents ownership in a company.
4. \_\_\_\_ A mutual fund is an investment issued by a state or local government agency.
5. \_\_\_\_ Treasury bonds are a safer investment than real estate.

### multiple choice

6. \_\_\_\_ The lowest interest rate is usually earned on a:  
**A.** money-market account  
**B.** passbook account  
**C.** certificate of deposit  
**D.** mutual fund
7. \_\_\_\_ The total interest earned on \$100 for two years at 10 percent (compounded annually) would be:  
**A.** \$2  
**B.** \$21  
**C.** \$11  
**D.** \$10
8. \_\_\_\_ Based on the rule of 72, money earning 6 percent would take about \_\_\_\_ years to double.
9. \_\_\_\_ An example of a company's debt is a:  
**A.** corporate bond  
**B.** share of stock  
**C.** mutual fund  
**D.** municipal bond
10. \_\_\_\_ The investment with the most risk would be:  
**A.** a savings account  
**B.** U.S. Treasury bonds  
**C.** corporate stocks  
**D.** corporate bonds

### case application

The Johnson family includes Marv (age 34), Gail (33), Andrew (8), and Molly (4). What are some investment goals that might be appropriate for this family? What types of investments might be used to achieve these goals?