

Saving Money

Notes:

Learner Outcomes

Outcome #1: Participants will be able to explain why it's important to teach kids how to save money.

Outcome #2: Participants will be able to identify what percentage of young people save money when they learn about saving.

Outcome #3: Participants will be able to distinguish different ways to think about money before using it.

Target Audience

Parents of elementary-age kids (grades 3 to 6)

Materials

1. Flip chart and markers or a dry-erase board and dry-erase markers
2. Name tags (downloaded for free from the Bank It Web site), one for each participant
3. A pen or pencil for each participant
4. A kitchen timer, clock or watch to track time
5. Evaluation Pretest #1-SA-PE for each participant
6. Evaluation Posttest #1-SA-PE for each participant
7. Take-Home Notes #1-SA-PE for each participant
8. Optional: PowerPoint Presentation PDF #1-SA-PE
9. Optional: Handout #1-SA-PE for each participant

Timing

1 hour

Want more background and training tips? See the free, downloadable Bank It Elementary Quick Start Leader's Guide at www.bankit.com.

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1. Welcome and Overview (5 minutes)

Arrive early. We highly recommend that you use the optional PowerPoint Presentation PDF and the optional handout. Both will greatly enhance your session. If you're using the PowerPoint Presentation PDF, show the "Welcome to Bank It" slide as participants enter the room.

Greet participants individually and learn their names as they arrive. Have them create a name tag with their first name only.

Give participants a copy of the Notes #1-SA-PE and either a pen or pencil. Encourage them to take notes during your session on the notes handout. Have them sit in clusters of about four people. If possible, have them sit at tables. Then welcome the whole group to the session.

Say: Welcome to Bank It. Bank It delivers real-world financial topics and tools for kids and parents that make it easier to understand, talk about, and manage money. Bank It was developed by Capital One and Search Institute. I'm glad each one of you is here.

Today we will focus on helping kids save money, and we plan on meeting three goals. One: By the end of this session, you will be able to explain why it is important to teach kids how to save money. Two: You will be able to identify what percentage of young people save money when they learn about saving. Three: You will be able to distinguish different ways to think about money before using it.

If this session is not the first session you're presenting to this group, consider briefly discussing the challenge you may have given participants at the end of your previous session.

2. Pretest and Activity (15 minutes)

Say: The first activity we'll do is a short pretest. The pretest has only six questions, and I don't want you to worry about how well you'll do on it. We'll take this exact test again at the end of our session after we have learned about the money concepts on this test.

What matters most is how much you learn and how well you do on the test at the end of our session, not on how well you do on this test.

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Distribute the Evaluation Pretest #1-SA-PE to participants. Give them time to complete the pretest. Then collect the pretests when participants have finished. The Evaluation Key #1-SA-PE has all the answers for your information.

Ask: *Why is it important to teach kids how to save money?* Write participants' answers on a flip chart. Make sure these points are made: Saving is one way kids can meet their financial goals. Kids can learn how to set aside money now to use at a later date. Once kids learn how to save money, they can then learn how to invest money.

Ask: *What kinds of things do you save for?* Write participants' answers on a flip chart. Encourage them to list as many things as possible.

Ask: *What kinds of things do your children save for?* Write participants' answers on a flip chart. Encourage them to list as many things as possible.

Say that you're going to do a quick activity called "Save Some or Spend?" Explain that you're going to name a way that young people get money. If parents think their child would save some in this instance, they should clasp their hands in front of them to show that, yes, their child would probably save some of this money.

If parents think their child would spend all the money they received in this way, they should drop their hands to their sides to show that their child would probably spend it all. If parents have more than one child, have them choose one child to think of during this activity.

Say: *Your child receives a weekly allowance. Does your child save some or spend?* (Give participants time to clasp their hands in front of them if they think their child would save some of this money or to drop their hands to their sides if they think their child would spend it all. Then have participants look around to see how other parents responded.)

Then say other scenarios, such as these, one at a time, giving time for participants to signal whether they think their child would save some or spend it all: *Your child gets \$10 for his or her birthday. Your child helps an uncle with some chores, and the uncle pays your child. Your child's grandma gives your child some money to spend. Your child receives a gift card for a holiday. You give your child money for a vacation.*

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After you've finished the activity, debrief it. Ask: *How does your child decide when to save money?*

3. Present (15 minutes)

Ask: *What percentage of young people save money when they learn about saving?* Give participants time to respond. On a flip chart, write the correct answer: 72%.¹

Ask: *What percentage of young people save money when they do not learn about saving?* Give participants time to respond. On a flip chart, write the correct answer: 57%.²

Point to the two numbers. Explain that when young people learn about saving, they are much more likely to save. That's why it's important to learn about saving money.

Ask: *When you get money, how should you think about money before you use it?* Give participants time to respond.

Say: *The Jump\$tart Coalition for Personal Financial Literacy suggests we think about using our money in three ways: 1. How to save it. 2. How to spend it. 3. How to share it.*³ Write these on a flip chart.

Say: *In addition, there is a fourth way that's also very important. Add this point to your flip chart: 4. How to keep track of your money.*⁴ Note that budgeting is also key.

Ask: *What does it mean to share our money?* Give participants time to respond. Explain that sharing our money is about giving our money to others to help them. We can learn more about giving well through another session. For today, we're focusing on saving.

Ask: *What is an advantage to saving money?* Give participants time to respond. Make sure they identify these advantages: 1. You can save money for a goal you have. 2. You can plan for the future. 3. A savings account can impact your credit history in a positive way. Write these on a flip chart.

Ask: *How can you plan for the future by saving money?* Give participants time to respond. Depending on how far into the future they think, they may identify things

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such as a concert ticket, college for their child, a house, a cell phone, retirement, or a car.

Ask: *What is a credit history?* Give participants time to respond. Say: *A credit history is a record of how an individual borrows and repays money. A credit history appears on a credit report. The credit report gives information that determines your credit score. We'll learn more about credit in the Borrow Well sessions.*

Say: *When families save, kids are more likely to think they'll go to college⁵. Research shows that saving money helps people dream bigger about their future and work toward their dreams.⁶*

Ask: *How can you save money?* Give participants time to respond. Make sure they name these two points: 1. Spend less money. 2. Put your money into a savings account. Write these on a flip chart.

If you wish, ask how many participants have a savings account. Ask them when they opened their savings account and what their experience is with a savings account. (This helps others hear about the advantages of a savings account, which is covered more in Save Well session 2.)

If you plan to distribute the optional handout, use it at this time. The Handout Key #1-SA-PE has all the correct answers for your information.

Ask: *When was the last time you saved money?* Give participants time to respond. Encourage them to share success stories of saving money.

4. Discuss (5 minutes)

Say: *Take some time to talk to the people near you. Talk to about two or three people. Take turns. I want you to do two things: 1. Say your first name. 2. Name a time when you were proud that you saved money to buy something special. Start with the person who ate breakfast the earliest this morning. Then have each person take a turn.*

5. Review and Evaluate (15 minutes)

Review what was accomplished during this session. Ask: *What is it important to teach kids how to save money?* (Answer: 1. Saving is one way kids can meet their

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financial goals. 2. Kids can learn how to set aside money now to use at a later date. 3. Once kids learn how to save money, they can then learn how to invest money.)

Ask: *What percentage of young people save money when they learn about saving?* (Answer: 72%.) Ask: *What percentage of young people save money when they do not learn about saving?* (Answer: 57%.) Encourage parents to remember these percentages since they both appear on the evaluation.

Ask: *When you get money, how should you think about your money before you use it?* (Answer: 1. Think about how much of it you will save. 2. Think about how much of it you will give to help others. 3. Think about how much of it you will spend. 4. Think about how you will keep track of your money.)

Ask: *What are advantages to saving money?* (Answer: 1. You can save money for a goal you have. 2. You can plan for the future. 3. A savings account can impact your credit history in a positive way.)

Ask: *How can you save money?* (Answer: 1. Spend less money. 2. Put your money into a savings account.)

At the end of the review, distribute Evaluation Posttest #1-SA-PE to each participant. Give participants time to fill out the posttest. Collect all the posttests after participants finish so you can find out the measurable outcomes for the session. The Evaluation Key #1-SA-PE has all the answers for your information.

6. Close (5 minutes)

Do a short activity for the closing. Have participants say: *I can help my child save money every time you mention an instance when their children could get money.*

Say: *When my child gets an allowance* encourage participants to say: *I can help my child save money.* Say: *When someone gives my child money as a gift* encourage participants to say: *I can help my child save money.* Say: *When my child gets money over the holidays* encourage participants to say: *I can help my child save money.*

Say: *We can all help our kids save money. Saving money helps us make positive money choices.* Challenge participants to talk to family members about this topic, which is listed under the Talk about It section of their Notes. Thank participants for coming and for being involved.

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Optional Activities

1. Distribute Handout #1-SA-PE: Saving Money Over Time. Give participants the handout to complete. Afterward, discuss their answers. Handout Key #1-SA-PE has the correct answers for your information.

2. Show the PowerPoint Presentation PDF #1-SA-PE. Use the presentation to accompany the one-hour session.

3. Give Participants a Challenge. Encourage participants to use the next week to ask their children how they decide when to save money. Ask what their children think about their saving. (If you wish, follow up during your next session to find out how the challenge went.)

Questions? Looking for more ideas? Visit www.bankit.com for answers and more resources.

For More Information

National Standards in K-12 Personal Finance Education (Washington, D.C., Jump\$tart Coalition for Personal Financial Literacy, 2007), standard 1 in the area of Planning and Money Management and standard 1 in the area of Saving and Investing.

An Asset Builder's Guide to Youth and Money by Jolene Roehlkepartain (Minneapolis: Search Institute, 1999).

Sources

¹Boys and Girls Clubs of America and Charles Schwab Foundation, *Report from Boys and Girls Clubs of America and Charles Schwab Foundation Shows Increased Knowledge Among Teens Leads to Positive Behavioral Change*, January 27, 2009.

²Ibid.

³Jump\$tart Coalition for Personal Financial Literacy. *National Standards in K-12 Personal Finance Education: With Benchmarks, Knowledge Statements, and Glossary*. Third Edition. Washington, D.C.: Jump\$tart Coalition for Personal Financial Literacy, 2007, 13.

⁴Ibid.

⁵William Elliott III and Sondra Beverly, "The Role of Savings and Wealth in Reducing 'Wilt' between Expectations and College Attendance," Center for Social Development Research Brief, Washington University in St. Louis, January 2010.

⁶Ibid.