

Section 3—Financial Security

Title of Lesson/Subject: Savings and Investment Choices/Personal Finance

Adapted from the NEFE High School Financial Planning Program

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Time Allotment: One 50-minute class period

Grade Level or Target Audience: High School

ND Standards Competencies: Demonstrate management of financial resources to meet the goals of individuals and families across the life span.

Key Economic Concepts: Learn the basic terminology of saving and investment choices. Use this information to evaluate different saving and investment choices.

Brief Description: Topics covered will be owner and lender in the investment world. Also covered will be savings accounts, interest, U.S. savings bonds, bonds, certificates of deposit, money market accounts, corporate and government bonds, stocks, capital gains, real estate, collectibles, and mutual funds.

Learner Objectives: In this lesson students will understand different investment choices and the advantages and disadvantages to each choice.

Materials Needed:

- NEFE High School Financial Planning Program
- Pages 54-56 Student Guide
- PowerPoint Presentation from the Visa Practical Money Skills website Lesson 12 www.practicalmoneyskills.com
- Students need notebooks to take notes/paper for activities

Audio/Visual Equipment Needed:

Overhead projector for student notes

Computer connected to projector to view online PowerPoint Presentation

Lesson Outline:

To Say: We have already discussed why it is important to have financial goals. We have also talked about strategies for saving our money for those goals such as paying ourselves first. Now we would like to take the next step in the saving and investment plan by learning about different things we can invest in to make our money grow and work for us.

To Do: Students read pages 54 through 56 of NEFE Student Guide (Allow 8 minutes)

To Do: Explain the notes to students on the overhead from pages 54 through 58 as students write them in their notebooks. (Allow 25 minutes) Cover concepts such as:

- Income Investments (Lenders)
 - ❑ Savings Accounts
 - ❑ Interest
 - ❑ U.S. Savings Bonds
 - ❑ Bonds
 - ❑ Certificates of Deposit (CD)
 - ❑ Money Market Accounts
 - ❑ Corporate and Government Bonds
- Growth Investments (Owners)
 - ❑ Stocks
 - ❑ Capital gain
 - ❑ Real Estate
 - ❑ Collectibles
 - ❑ Mutual Funds

To Say: Now we will view a PowerPoint Presentation. This presentation will show the different investment options we have just discussed. As we view this presentation, feel free to jot down anything in your notes that is new to our discussion. (5 min)

To Say: Next, I would like you to make a T note for each of the investments that we discussed in this section. On the top of the T, place the investment type on the top. On the left side of the T note, list the advantages of this type of investment. On the right side of the T note list the disadvantages of this type of investment. We will start this assignment now and it will be due tomorrow at the beginning of the class period.

Example:

Mutual Funds	
<u>Advantages</u>	<u>Disadvantages</u>

Resources:

- NEFE High School Financial Planning Program
- Page 203 and 211 Teacher Resource Materials
- Visa Practical Money Skills website-- Lesson 12 www.practicalmoneyskills.com

Activities:

- Note taking and class discussion
- View PowerPoint Presentation on Visa Practical Money Skills website
- Students evaluate the advantages and disadvantages of different savings and investment choices

Application/Assignment:

- ❑ Students create their own evaluation of different saving and investment options

- This method of creating organized information will help students better understand the saving and investment options available

Evaluation Plan: Students will hand in a copy of their T notes and use the other copy to prepare for the test at the end of the unit.