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Lesson Plan

Growing Wealth

45 Minutes + 25 minutes extension
Prerequisite: Growing Wealth digital lesson

Instructions

Each digital lesson is supplemented with a follow-up synchronous lesson plan to extend and reinforce learning. Activities and questions are structured to support both in-person and virtual classroom settings.

Objectives

Students will be able to...

- Calculate a person's net worth given their assets and liabilities
- Describe different retirement plan options.
- Describe how Social Security benefits affect retirement saving and planning.

Materials

In-Person Lesson

Writing utensils
Printed student handouts and articles

Virtual Lesson

- Computer
- Student handouts and articles delivered via online learning platform

Lesson Overview

The purpose of this lesson is to introduce students to growing their money to achieve their future goals. Topics such as owning homes as an investment and saving for retirement are discussed, as well as the difference between good and bad debt.

Standards Addressed

Jump$tart National Standards for Personal Financial Education (2021)

- Earning Income 12-10a. Identify different potential sources of retirement income.
- Earning Income 12-10b. Describe the importance of having multiple sources of income in retirement, such as Social Security, employer-sponsored retirement plans, and personal investments.

- Earning Income 12-10d. Report the average benefit paid to a retiree living on Social Security today.
- Saving 12-6b. Compare the tax advantages of traditional and Roth IRAs.

Pennsylvania Department of Education: Academic Standards for Personal Finance

- 17.4.9-12. Calculate a person's net worth given their assets and liabilities.

TEACHER NOTES

This lesson includes an extension activity that can be completed in class or assigned as homework.

The purpose of this lesson is to inform students that they can begin saving for retirement even at their current age. Be aware that students may have caregivers who have little to no retirement savings. Avoid references to waiting to fund retirement as “missed opportunities” or “mistakes.” A student living in a household that is trying to make ends meet may see retirement savings as unnecessary presently or unattainable. The approach to this lesson should be positive and affirming; saving for retirement is always a good idea, even in small amounts, and it can start at any age. If a student goes home and encourages a caregiver to save $50 a month in a new retirement account, that will be an improvement over never saving for retirement.

Section	Description	Format	Duration
Opening	Students answer on their handouts: The suggested age for retirement is 65. When do you think you will start saving for retirement? Respond to how the class answers. Acknowledge whether it seems most are putting it off, already started or unsure.	Virtual: Students answer individually and can share answers in the group chat or by unmuting. In-Person: Students answer individually and can share answers with the class.	5 mins
New Learning	Students will complete an activity to calculate the net worth of two individuals using their total assets and liabilities. Answer Key: Adrien • Total assets = **$933,000**	Print and copy the “Calculating Net Worth” handout for each student.	15 minutes

Section	Description	Format	Duration
	• Total liabilities = **$635,000** • **Net worth = $298,000** Tianna • Total assets = **$1,172,000** • Total liabilities = **$98,000** • **Net worth = $1,074,000** Key Takeaway: A person's lifestyle or expensive possessions don't tell the whole story. Net worth considers both what you own (assets) and what you owe (liabilities), providing a more complete picture of financial health.		
New Learning	"Saving for retirement can start as young as now. That's right, even as a teenager you can start saving for retirement. Starting early can have advantages." Direct learners to the compound interest calculator from Investor.gov and have them compare inputting the example figures. Answers: Short Term: $8,754.72 / Long Term: $274,042.57 *Discuss what they are finding as the big difference between the short- and long-term strategies.* Time invested makes a huge difference and that is through the power of compounding interest. These examples show that putting $50 into a compounding investment instrument can lead to significant savings (with 7% interest) but it still might feel pretty	Virtual: Students fill out the "Investor Calculator Inputs" on their handout and send a link to the online calculator. In-Person: Print and copy the "Investor Calculator Inputs" handout for each student. Provide links for students to complete the exercise online in your class or project the calculator to the class and input the figures together.	15 mins

Answers table (within the New Learning description):

Short Term	Long Term
$8,754.72	$274,042.57

Section	Description	Format	Duration
	abstract. The next part of the lesson is intended to give real world examples of how teenagers have started their retirement accounts early.		
Closing	"By now you should know how to calculate net worth, and how to start thinking about what you'll need to save for retirement. For homework, you can read examples of how a few of your peers are actively working towards their long-term investment goals. You will also read more about how you can take steps now to start long term investing."	Formalize learning with the whole group.	1 min
Evaluation	Students answer exit ticket on their handouts: What is the benefit of compound interest in investments? How confident are you in being able to start a retirement account this year?	Assess individually.	3 mins
Extension 1	Read the four retirement planning profiles provided. Each profile describes a different person who is preparing for retirement using different financial tools and strategies. As you read each profile, complete the accompanying graphic organizer by identifying: • The retirement tools or strategies the person is using • The advantages of each approach • Any potential risks or trade-offs • Key takeaways you learned from the example After completing the graphic organizer, answer the reflection questions that compare the four retirement planning approaches. Consider how	Complete as in-class extension or assign as homework.	20 mins

Section	Description	Format	Duration
	each person's financial decisions may affect their long-term financial security and retirement readiness. Be prepared to discuss your observations during the next class, including similarities and differences among the four profiles and which strategies you believe are most effective for different financial situations.		
Extension 2	Students research the amount of money Social Security pays to retirees. They also answer a few evaluation and reflection questions.	Complete as in-class extension or assign as homework.	15 mins