EVERFI®

Lesson Plan

SaveUp: Saving Money for the Future™

Why Use a Savings Account?

45 minutes

Prerequisite: Why Use a Savings Account?

INSTRUCTIONS

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

OBJECTIVES

Students will be able to…

- Recognize how a savings account can help them reach their financial goals.
- Describe the differences and similarities between checking and savings accounts.
- Weigh the pros and cons of opening different types of accounts.

MATERIALS

In-Person Lesson

- Writing Utensils
- Checking or Savings handout
- Colored pencils or markers

Virtual Lesson

- Checking or Savings handout via online learning platform

LESSON OVERVIEW

This lesson covers the basics of a savings account, including interest, fees, minimum balances, FDIC protection, deposits, and withdrawals. Additionally, the benefits of opening an account are covered with steps students can take to get started.

TEACHER NOTE

Students will need to be in groups of three or four to complete the budgeting activity. Consider assigning groups ahead of time with facilitator, timekeeper, notetaker, and presenter roles.

<table>
<tr><th>SECTION</th><th>DESCRIPTION</th><th>FORMAT</th><th>DURATION</th></tr>
<tr><td>Opening</td><td>Students begin with bellwork answering the question:
In your own words, describe the difference between a checking account and a savings account.
If you don’t know, think about what the words “checking” and “savings” imply.
Answers will vary but may include the following ideas:
A checking account allows you to write checks, while a savings account does not.
Checking accounts are for the money you want to spend soon, while savings accounts are for the money you don’t want to spend until later.
Savings accounts limit withdrawals but provide higher interest rates. Checking accounts do not limit withdrawals but provide little to no interest.
Differentiation:
Provide sentence stems and visual supports for ESL students/others who may benefit.</td><td>Virtual:
Think about the question individually and answer on the virtual handout. Share out via chat, unmuting, or another method.

In-Person:
Think about the question individually and answer on the handout. Share out briefly.</td><td>5 mins</td></tr>
<tr><td>New Learning/ Discussion</td><td>Transition students into the Discussion Notes section of their handout. Reference the discussion guide for prompts to guide the students towards developing a description for each type of account. Inform students that definitions will help them complete the subsequent activity.

Teacher Note:
Encourage students to take detailed notes as it will help them in completing the Venn diagram activity.

Differentiation:
Students can be provided with more structured notes, definitions, and visual aids as needed.</td><td>Virtual:
Participate in the discussion via chat, unmuting, or another format. Record notes for each account type on the virtual handout.

In-Person:
Participate in the discussion. Record notes for each account type on the handout.</td><td>15 mins</td></tr>
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SECTION	DESCRIPTION	FORMAT	DURATION
Activity	Transition students to the **Checking or Savings Activity** section of their handout. In this activity, students must sort account details into a Venn diagram comparing and contrasting the two types of bank accounts. An answer key is provided to aid in reviewing the answers with students. Then, an extension asks students to name a time they might choose to open a savings account and a checking account. This can be omitted if time is limited. **Teacher Note:** Encourage students to use different colors for each section of the Venn diagram. This activity can be done individually or in pairs/small groups. **Differentiation:** Students may be allowed to access their class notes as an aid.	Virtual: **Sort** the features in the Venn diagram and **complete** the extension on the virtual handout **individually or in breakout groups**. In-Person: **Sort** the features in the Venn diagram and **complete** the extension on the handout **individually or in small groups**.	20 mins
Closing	"Great job today, everyone. You now have a solid understanding of two types of bank accounts. While you may not be ready to open an account quite yet, understanding this information will be useful for your future financial success. Make sure to talk to a trusted adult if you are interested in opening an account or want more information."	**Summarize** learning and **call to action**.	1 min
Evaluation	Exit Ticket: Students are given features of an example bank account and are asked to determine which type of account is described. An answer exemplar is provided in the answer key. **Differentiation:** Provide sentence stems for ESL students/others who may benefit.	Virtual: **Answer** in the Exit Ticket section of the virtual handout and **assess** individually. In-Person: **Answer** in the Exit Ticket section of the handout and **assess** individually.	4 mins

DISCUSSION GUIDE

Why Use a Savings Account?

ESSENTIAL QUESTIONS

1. What are the pros and cons of a savings account? A checking account?
2. How can you decide which type of account is best to help you reach your goals?

PURPOSE

This discussion guide serves as a means of extending the lesson content to inform students about the similarities and differences between checking and savings accounts. This will equip them with the information to make future decisions about opening bank accounts that best fit their needs. The prompts will encourage students to think about the pros and cons of each account type.

FORMAT

The facilitator can present each section and ask the guiding prompt(s) to encourage a class description. The facilitator may take notes through an anchor chart or another visual format. The facilitator should explicitly present any information not elicited through the discussion. Students should Stop and Jot the descriptions and any other notes.

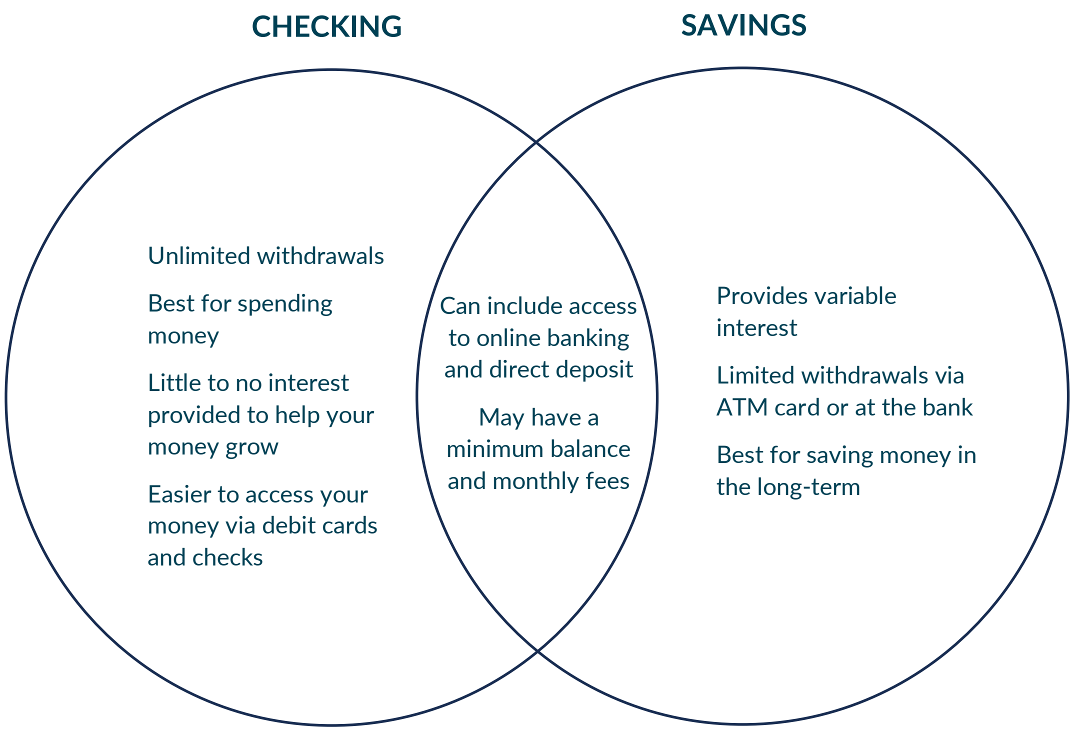
DISCUSSION QUESTIONS

QUESTIONS	ESSENTIAL INFORMATION
Checking Accounts Q1: Why might you open a checking account? Q2: What types of goals can a checking account help you reach?	**Account basics** • Best for money you plan to spend soon • No limit on withdrawals • Can write checks, use a debit card to access money • Pays little to no interests **Pros** • Makes it easy to access your money **Cons** • Doesn't help your money grow
Savings Accounts Q1: Why might you open a savings account? Q2: What types of goals can a savings account help you reach?	**Account basics** • Best for money you wish to save for long-term goals • Withdrawals generally limited per month • Pays variable amount of interest • Access to money via ATM card or bank withdrawals **Pros** • Helps you save money by limiting your access and providing interest **Cons** • Withdrawal and transfer limits can prevent you from accessing your money and may have associated fees

QUESTIONS	ESSENTIAL INFORMATION
Similarities Q1: What similarities exist between checking and savings accounts?	Similarities • Both vary by institution in their minimum required balance and maintenance fees • Both allow for direct deposit • Both can provide online access features such as checking the account balance, transfers, and deposits

ANSWER KEY

CHECKING OR SAVINGS ACTIVITY



EXIT TICKET

Question:

The following is an example of features offered by a bank account:

- 0.5% annual interest
- Five withdrawals per month with a $10 fee for additional withdrawals
- Free ATM card with 10,00 ATM locations nationwide

Do you think this is a description of a savings account or a checking account? Give your reasons.

Answer:

This probably describes a savings account. I believe this because the account offers an interest rate, limits withdrawals per month, and only offers an ATM card instead of a debit card to access the money.