



Financial Basics

Lesson Plans

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How to Achieve Your Financial Goals

EPISODE #110



LESSON LEVEL

Grades 6-10

KEY TOPICS

- Entrepreneurship
- Budgets
- Time and Investments

LEARNING OBJECTIVES

1. Learn that using a budget helps achieve financial goals.
2. Know that saving money means spending less than you make.
3. Understand that time is on your side the earlier you start investing.
4. Learn financial terms.

EPISODE SYNOPSIS

Join us and you'll learn to track your expenses, get control of your spending, and invest what's left over to reach your financial goals. You'll see the importance of starting young, while time is on your side. Meet some high school entrepreneurs who started a sports business.

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **JumpStart Coalition for Personal Financial Literacy**.

Financial Responsibility and Decision Making

Standard 1: Take responsibility for personal financial decisions.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Planning and Money Management

Standard 2: Develop a system for keeping and using financial records.

Standard 6: Develop a personal financial plan.

Credit and Debt

Standard 1: Identify the costs and benefits of various types of credit.

Standard 2: Explain the purpose of a credit record and identify borrowers' credit report rights.

Aligned to *Voluntary National Content Standards in Economics* from the **Council for Economic Education**.

Standard 2: Decision Making

Standard 14: Entrepreneurship

Aligned to **Common Core State Standards Initiative's** standards for *Literacy in History/Social Studies, Science and Technical Subjects*.

Standard 1: Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.

Standard 4: Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.

Standard 7: Integrate and evaluate content presented in diverse formats and media, including visually and quantitatively, as well as in words.

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- Lesson Prep & Screening
- Family Activity Sheet
- Biz Term\$ Worksheet
- Curriculum Connections
- Activity Worksheets
- Biz Term\$ Definitions
- Acknowledgements



BIZKID\$

LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what equipment is required to show the episode in your classroom and request it if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Students will need a pen or pencil and copies of the activity worksheets. Have fun!

Screening

Introduce the series and the episode. Explain that Biz Kid\$ is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money. Prior to playing the episode, lead your students in a discussion with the preview questions on this page.

About the Episode

Join us and you'll learn to track your expenses, get control of your spending, and invest what's left over to reach your financial goals. You'll see the importance of starting young, while time is on your side. Meet some high school entrepreneurs who started a sports business.

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- What do you think of when you hear the word "goal?"
- What are some goals that relate to money or finance?
- Are you saving money toward a financial goal? What is it? How long will it take to achieve it?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

Successful people learn how to budget time and money carefully to achieve their goals. There are short-term and long-term goals. Start investing early because time is on your side!

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they've learned with their families.



BIZKIDS

CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- The U.S. government has a budget. Each year, a new budget proposal is submitted to Congress. Help students discover answers to the following questions using the library or the internet. Who submits the U.S. budget proposal to Congress? When is it submitted during the year? What was the total U.S. budget this year?

Mathematics

- You open a savings account with 5% annual interest. On the day you open the account, you put in \$45. If you don't take any money out, or put any other money in, what will the balance of the account be in one year? In two years? Be careful, don't forget that the two year calculation will earn compound interest.

Economics

- Have students learn more about the Certificate of Deposit (CD) financial account. Research its purpose and discover what the differences are between a CD and a savings account. Discuss why the bank or credit union would benefit from a CD that you open with them.

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



BIZKID\$

Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

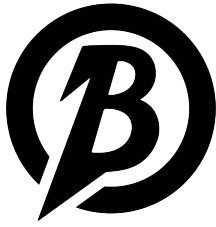
- Budget
- Certificate of Deposit
- Compound interest
- Gross profit
- Invest
- Net profit
- Opportunity cost
- Penalty
- Savings account
- Track spending

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. The value of what is given up when you make a choice is called the _____.
2. Interest that is paid on interest you have already earned is _____.
3. Before expenses are deducted, you have _____.
4. Paying a bill after the due date could result in a financial _____.
5. Purchasing a company's stock means you _____ your money in that company.
6. To _____ you keep a written log of expenses.
7. A plan to manage your money and reach your financial goals is a _____.



BIZKIDS

Activity #2:

WHAT'S YOUR BUDGET?

WORKSHEET FOR STUDENTS

Directions

In order to achieve your financial goals, it helps to create a budget. Answer the questions below to get started.

1. What is your financial goal, what are you saving your money toward?

2. How much will it cost?

TARGET AMOUNT = \$ _____

3. What is the calendar deadline to reach your goal? Be specific - pick a date in the future and work toward it.

4. How many weeks are there between today's date and the calendar deadline for your goal? (Hint: There are 52 weeks in one year.)

WEEKS = _____

5. How much money do you need to earn each week to reach your goal by the deadline?

TARGET AMOUNT divided by WEEKS = \$ _____

6. How much money do you earn now each week? Be sure to include things like gifts, allowance, interest, and wages. _____

7. Are you on target to reach your goal? Do you need to earn more money, or maybe adjust the calendar deadline, in order to be able to reach your goal? _____

Have students discuss these ideas and share their answers with the class.



BIZKIDS

Activity #3:

CERTIFICATE OF DEPOSIT

WORKSHEET FOR STUDENTS

Directions

You want to put your money into a certificate of deposit (CD), but you want to get the best deal. Using information in your community, or by doing research on the internet, find answers to the following questions.

1. List three banks or credit unions in your community:

- A. _____
- B. _____
- C. _____

2. Now fill in the table below:

Question	A	B	C
What is the smallest amount of money you can open a CD with at this bank or credit union?			
What is the interest rate on that smallest CD account at this bank or credit union?			
What is the shortest length of time you have to keep the money in the account for the smallest CD account?			
If I deposit the smallest amount into this CD today, and make no other transactions, what will the balance be one year from today?			
Are there any restrictions for students under age 18 to open a CD account at this bank or credit union?			

3. Look at the information in the table above. Which bank or credit union offers the best deal, and why did you select that CD as the best one?

Have students discuss these ideas and share their answers with the class.



BIZKID\$

BIZ TERMS DEFINITIONS

- *Budget*: A spending plan for managing money during a given period of time.
- *Certificate of Deposit*: A financial account that requires that your money will be held on deposit for a specific amount of time.
- *Compound interest*: Interest that is paid on interest that you have already earned.
- *Gross profit*: The total amount of profit before any expenses have been deducted.
- *Invest*: Putting your money to use in a way that has the potential for it to grow in value.
- *Net profit*: The amount of profit left after all expenses have been paid.
- *Opportunity cost*: The value of what is given up when you choose one option over another.
- *Penalty*: A fee for breaking the terms of an account or agreement.
- *Savings account*: An account you have at a financial institution that helps you accumulate and save money, while earning interest at the same time.
- *Track spending*: To keep a record of the amount of money you spend and to know what you bought with your money.



BIZKID\$

Budgeting Basics

EPISODE #116



LESSON LEVEL

Grades 6 -10

KEY TOPICS

- Entrepreneurship
- Budgeting
- Money management

LEARNING OBJECTIVES

1. Learn about using a budget.
2. Identify different types of expenses.
3. Understand how to avoid overdrafts.
4. Learn financial terms.

EPISODE SYNOPSIS

The Biz Kid\$ learn the first rule of money management: You can't manage what you don't know. Join the Kid\$ and examine several proven methods for gaining control of both spending and expenses. You'll also meet several successful entrepreneurs.

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **Jump\$tart Coalition for Personal Financial Literacy.**

Financial Responsibility and Decision Making

Standard 1: Take responsibility for personal financial decisions.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Planning and Money Management

Standard 1: Develop a plan for spending and saving.

Standard 2: Develop a system for keeping and using financial records.

Standard 6: Develop a personal financial plan.

Aligned to *Voluntary National Content Standards in Economics* from the **Council for Economic Education.**

Standard 2: Decision Making

Standard 14: Entrepreneurship

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Screening

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About the Episode

The Biz Kid\$ learn the first rule of money management: You can't manage what you don't know. Join the Kid\$ and examine several proven methods for gaining control of both spending and expenses. You'll also meet several successful entrepreneurs.

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- What does the word 'budget' mean to you?
- Do you know the difference between fixed, periodic, and variable expenses in a budget?
- What happens if you have an overdraft?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

Budgeting helps you know your income and expenses. You must know how much money you have before you can decide what you can afford to buy. A budget is a tool to help you meet your financial goals.

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they've learned with their families.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- In colonial times, it was very important not to overspend. Using the internet or a local library, research the history of debtor's prison in colonial Virginia in the United States. When was it constructed? When was imprisonment of debtors as a method of punishment stopped? What happens today if you cannot pay your bills?

Mathematics

- Your budget for the month is \$3,000. First, subtract your fixed expenses. Your rent is \$1,600, car payment of \$250, utilities are \$160, and cell phone bill is \$200. Next, subtract your variable expenses. This month you are budgeting \$60 per week for gasoline for the car, and there are 4 weeks in this month. How much money is left over for food, entertainment, and other expenses? Take that amount, and divide it by 4 weeks. How much do you have for these things each week? Is that going to be enough? What expenses could be reduced in the future, and how?

Economics

- The U.S. government has a 'debt' that it has not paid. Using the internet, take a look at the website U.S. Debt Clock, which tracks the federal debt as well as other statistics (<http://www.usdebtclock.org/about.html>). What are some ways that you can help reduce the national debt?

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #1:

BIZTERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Budget
- Debt
- Expense
- Fixed expenses
- Flexible
- Income
- Money management
- Overdraft
- Periodic expenses
- Variable expenses

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. Money earned through employment is _____.
2. You create an _____ when you spend more money than you have on deposit.
3. A plan to manage your money for a given period of time is a _____.
4. Expenses that remain the same are _____.
5. Costs that change each time they are paid are _____.
6. Something that can be modified or adapted is _____.
7. Money you owe to someone else is a _____.



Activity #2:

THE MATRIX

WORKSHEET FOR STUDENTS

Directions

You are working on your budget. You need a way to decide which items are the most important, and which things are less important. Use the matrix below to help determine your priorities.

Something you **NEED** is an item that is absolutely essential. Something you **WANT** is an item that is nice to have, but is not absolutely essential. Something **URGENT** is an item where time is running out and you need to have it now. Something **NOT URGENT** is an item that you can wait for.

Put these items into your budget matrix:

- | | | |
|---------------------|------------------------------|-----------------------|
| 1. Food to eat. | 5. A new video game. | 9. Donate to charity. |
| 2. Clothes to wear. | 6. A place to sleep tonight. | 10. Movie tickets. |
| 3. A new music CD. | 7. Save 10% of your money. | 11. A bicycle. |
| 4. A cell phone. | 8. Shoes to wear. | 12. A soccer ball. |

	NEED	WANT
URGENT		
NOT URGENT		

Things that are urgent and that you need are the items that should be put into your budget first. Next, you will need to decide if there are any non-urgent needs that should be included in your budget. Third, consider your urgent 'want' items - do you have room for those in your budget? Finally, look at your not-urgent wants and see if you can afford them.

Have students discuss these ideas and share their answers with the class.



Activity #3:

BUDGETBROCHURE

WORKSHEET FOR STUDENTS

Directions

You are going to create an informational brochure for other students to teach them the value of budgeting. Read the directions below, then create your brochure on a blank piece of paper. Remember to use clear writing to get the message across, and that colors can be eye-catching too.

1. Start with a blank piece of paper size 8.5" x 11" and fold it to look like a greeting card.
2. On the front cover, create a picture or drawing that will interest your readers in the topic of budgeting.
3. On the inside of the front cover, answer the question "What is budgeting?"
4. On the inside of the back cover, list four benefits of budgeting that would be important to other students.
5. On the back cover, include helpful hints to help students budget their money.
6. Discuss these ideas and share your brochure with the class.
7. Post your brochures in classrooms, the library, and on school bulletin boards to help share this information with other students at school.



BIZTERMS DEFINITIONS

- *Budget*: A spending plan for managing money during a given period of time.
- *Debt*: Something owed to another - an obligation to pay.
- *Expenses*: Amounts of money spent to buy goods and services for yourself or your business.
- *Fixed expenses*: Expenses where the amount that you pay each time is the same.
- *Flexible*: Able to be modified or adapted, something that can be changed easily.
- *Income*: Money earned through employment and investments.
- *Money management*: The process of using a financial plan to control your money.
- *Overdraft*: The act of spending more money than you actually have.
- *Periodic expenses*: Costs that do not occur on a monthly basis.
- *Variable expenses*: Costs that change in amount each time they are paid.



Where's My Allowance?

EPISODE #304

BIZKID\$



LESSON LEVEL

Grades 6-10

KEY TOPICS

- Budgeting
- Allowance
- Saving

LEARNING OBJECTIVES

1. Identify different ways kids can earn an allowance.
2. Understand what kids can do with an allowance - save, share, invest, and spend.
3. Recognize the importance of having a budget for yourself and for your family.
4. Learn financial terms.

EPISODE SYNOPSIS

Learn how some kids get an allowance based on chores, and others just for being part of the family, and some don't get an allowance at all. Either way, you need to know about what you can do with your allowance - save, share, invest, and spend. Meet some parents who are not afraid to talk about money with their kids, and young entrepreneurs who are using their allowance to invest in their future.

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **JumpStart Coalition for Personal Financial Literacy**.

Financial Responsibility and Decision Making

Standard 1: Take responsibility for personal financial decisions.

Planning and Money Management

Standard 1: Develop a plan for spending and saving.

Standard 6: Develop a personal financial plan.

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Standard 2: Decision Making

Standard 14: Entrepreneurship

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About the Episode

Learn how some kids get an allowance based on chores, and others just for being part of the family, and some don't get an allowance at all. Either way, you need to know about what you can do with your allowance - save, share, invest, and spend. Meet some parents who are not afraid to talk about money with their kids, and young entrepreneurs who are using their allowance to invest in their future.

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- How does your family handle giving you money? Do you get an allowance, gift money for holidays, have a job, or do you have to ask for spending money?
- Do you do chores to earn money, or are you expected to do chores as part of helping your family?
- How do you use your allowance or gift money?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

In this episode, the Biz Kid\$ learned about bartering, comparison shopping, and how to be resourceful with their money. Now you can take what you've learned and shop with confidence!

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they've learned with their families.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- When did the practice of giving children an allowance begin in the United States? What was the original purpose of giving an allowance to children? Has it been successful?

Mathematics

- Jennifer gets an allowance of \$10 per week. She is going to split that evenly between saving, sharing, investing, and spending. How much will she set aside for each category? Now think about your own allowance. If you split it evenly between these four categories, how much will you set aside for each category?

Economics

- In the United States, the consumer market for teens is very important. Using the internet or your local library, find out how many teens live in your city. If 5% of those teens use their allowance to buy your product at \$1 profit per person, how much profit would you make? How many teens live in your state? How many live in the United States?

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Allowance
- Budget
- Charitable giving
- Enterprise
- Inflation
- Interest
- Investing
- Mutual fund
- Stock
- Work ethic

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. Shares representing ownership of a company are _____.
2. A fee charged for borrowing money is _____.
3. A spending plan for managing money is a _____.
4. An _____ is an amount of money given on a regular basis.
5. A business is also called an _____.
6. A belief in the moral benefit and importance of work constitutes your _____.
7. A _____ is a diverse group of financial investments.



Activity #2:

MAKE THE BANK

WORKSHEET FOR STUDENTS

Directions

In this episode, some of the Biz Kid\$ had a 'moon jar' - a special bank that is divided into different sections. Make your own special bank, with four sections: Save, Spend, Share, and Invest. Use the templates on the next pages to make and decorate four small cubes. Fold on the dotted lines, and use tape or glue to fasten the tabs in place. But first, answer the questions below about your short-term and long-term goals.

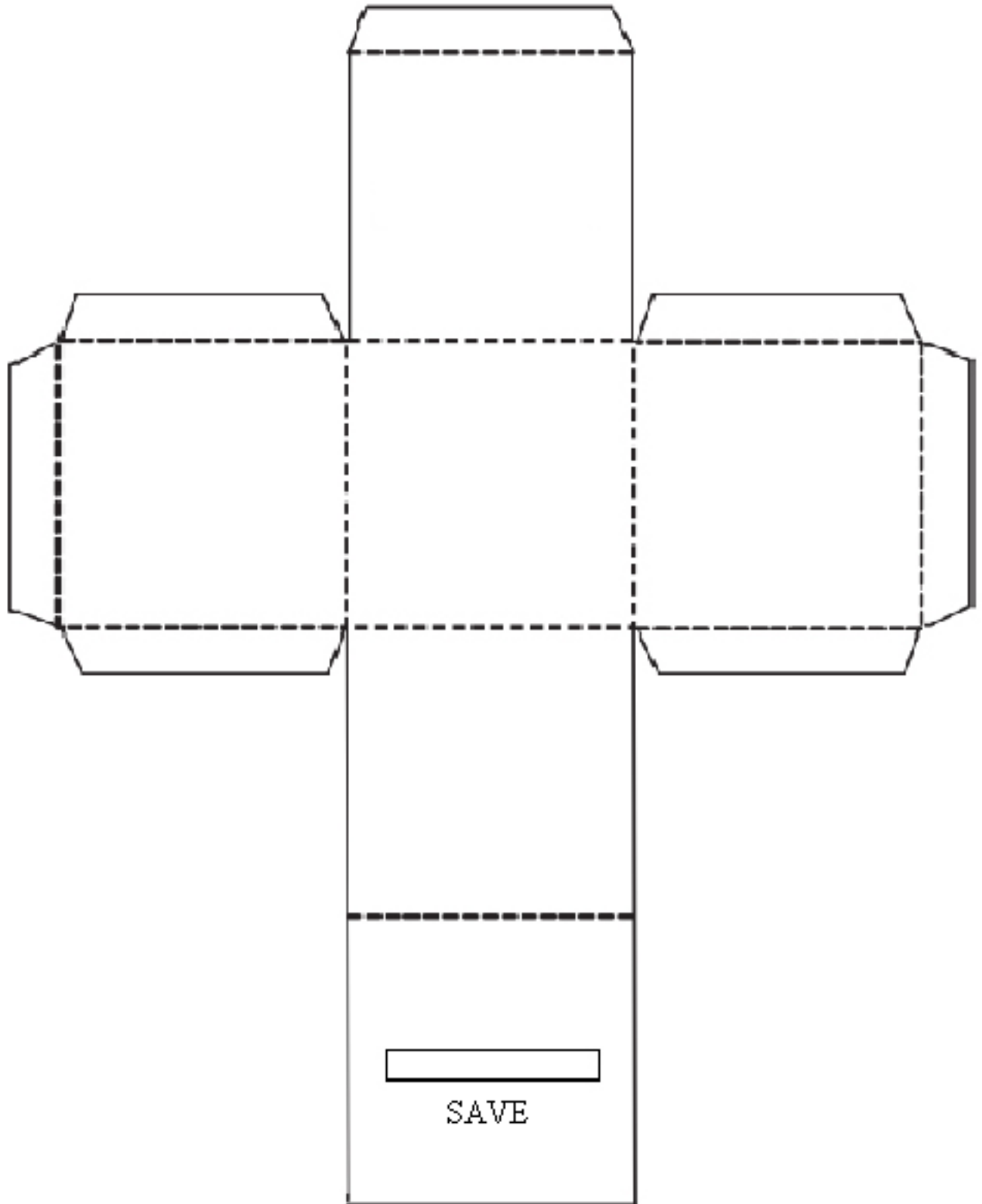
1. What is your long-term goal for your savings?

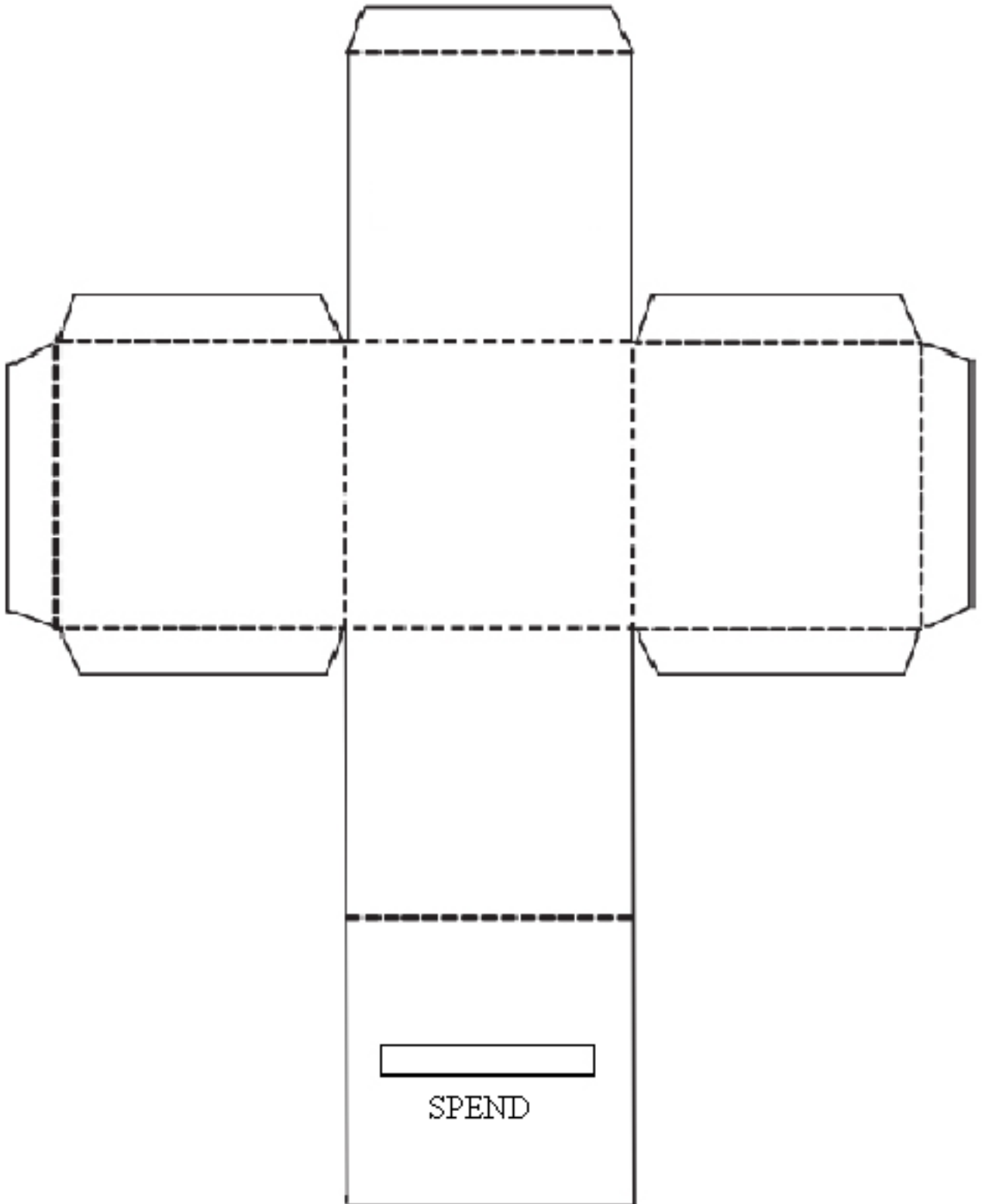
2. Who will you share your money with, and why?

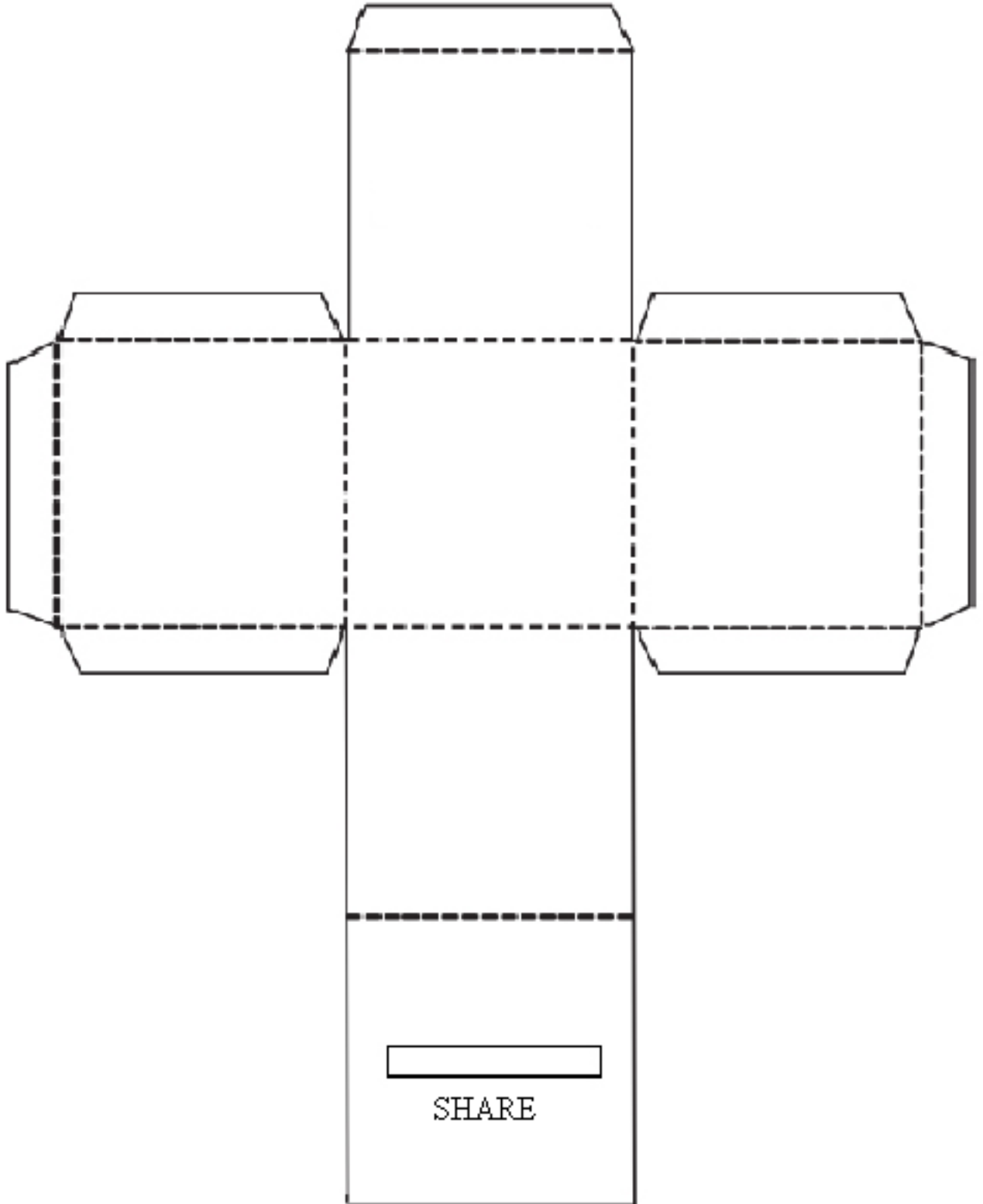
3. What will you invest in, and how much do you expect to earn?

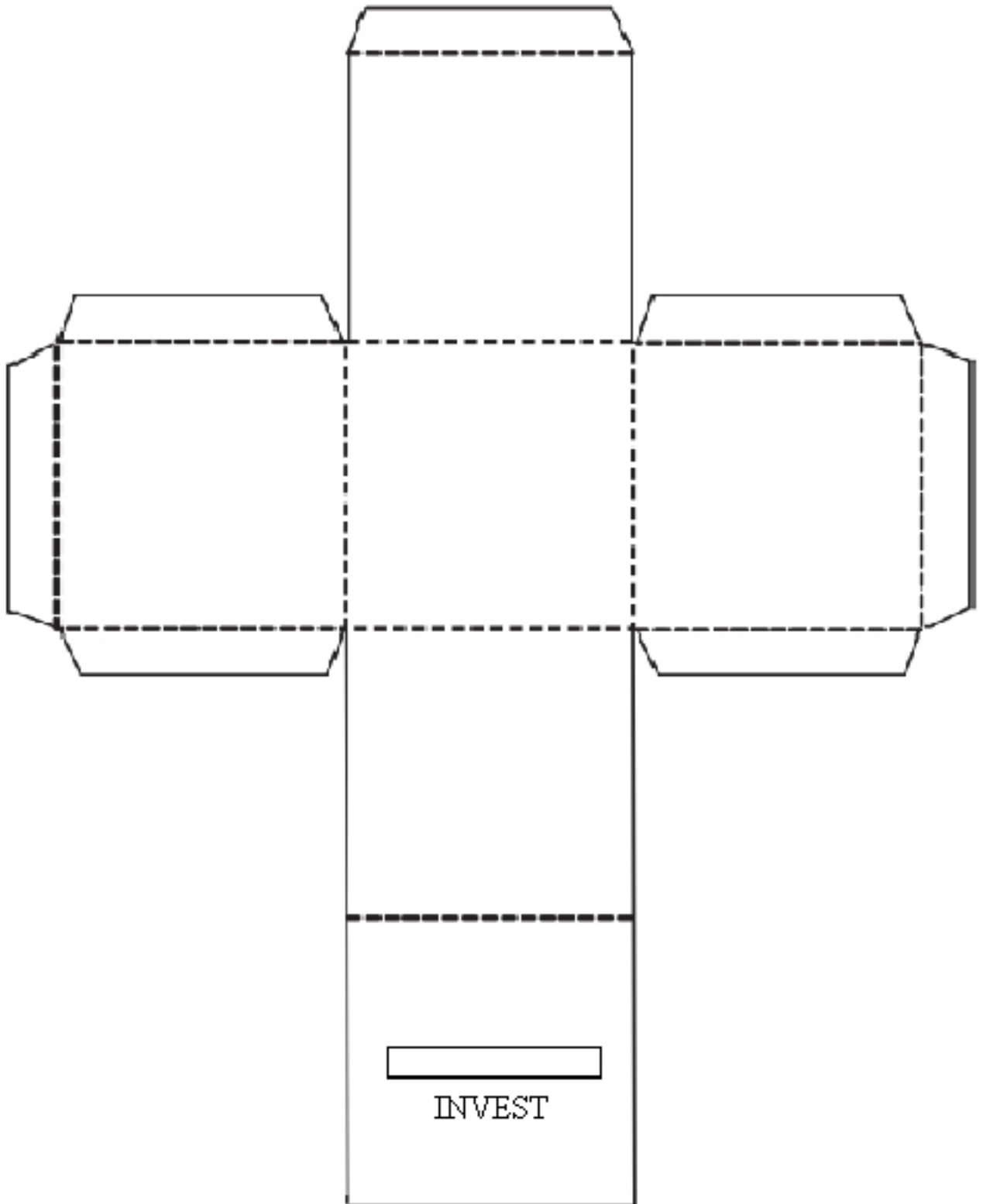
4. For your spending category, are you going to make any big purchases? What is on your 'wish list' of things to buy? Are these short-term or long-term purchases?

Have students discuss these ideas and share their answers with the class.











Activity #3:

DO YOU INVEST?

WORKSHEET FOR STUDENTS

Directions

In this episode, two of the Biz Kid\$ are investors. They invest their money in different ways. Answer the questions below about investing.

1. Do you have a savings account? Do you have a special goal for your savings?

2. To invest your money is to put it to use in a way that has the potential to grow in value. Is a savings account an investment? Why or why not?

3. A mutual fund is a pool of investments that you can buy a portion of. What is one benefit and one drawback of having a pool of different investments all together?

4. A share of stock is a small portion of ownership of a specific company. What is one benefit and one drawback of buying a share of just one company at a time?

5. If you had to choose between investing in one share of a mutual fund or in one share of stock, which would you select and why?

Have students discuss these ideas and share their answers with the class.



BIZ TERMS DEFINITIONS

- *Allowance*: An amount of money that is given on a regular basis, usually in exchange for completing specific tasks.
- *Budget*: A spending plan for managing money during a given period of time.
- *Charitable giving*: Giving something as a gift, grant, or contribution, usually money.
- *Enterprise*: A business firm.
- *Inflation*: A rise in the cost of goods and services when too much money is in the economy.
- *Interest*: A fee charged for borrowing money.
- *Investing*: Putting your money to use in a way that has the potential for it to grow in value.
- *Mutual fund*: A diverse group of financial investments that may include stocks, bonds, and more.
- *Stock*: Shares representing ownership of part of a company.
- *Work ethic*: A belief in the moral benefit and importance of work.



Money Math - Who Needs It?

EPISODE #202



LESSON LEVEL

Grades 6-10

KEY TOPICS

- Entrepreneurship
- Math skills for finance

LEARNING OBJECTIVES

1. Recognize the value of math skills.
2. Observe how math is used in daily living.
3. Learn financial terms.

EPISODE SYNOPSIS

Math is a true building block in the business of your life. From calculating the tip on a restaurant bill to making change and figuring out how to make your savings grow the fastest, it's all about the math in money.

NATIONAL STANDARDS CORRELATIONS

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Standard 4: Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.

Standard 7: Integrate and evaluate content presented in diverse formats and media, including visually and quantitatively, as well as in words.

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- National Standards Correlations
- Lesson Prep & Screening
- Family Activity Sheet
- Biz Term\$ Worksheet
- Curriculum Connections
- Activity Worksheets
- Biz Term\$ Definitions
- Acknowledgements



LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what equipment is required to show the episode in your classroom and request it if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Students will need a pen or pencil and copies of the activity worksheets. Have fun!

Screening

Introduce the series and the episode. Explain that Biz Kid\$ is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money. Prior to playing the episode, lead your students in a discussion with the preview questions on this page.

About the Episode

Math is a true building block in the business of your life. From calculating the tip on a restaurant bill to making change and figuring out how to make your savings grow the fastest, it's all about the math in money.

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- When you purchase an item with cash, how do you know you receive the correct change?
- What math skills do you think are needed to handle basic financial transactions?
- What math skills do you think are required to operate a business?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

This episode clearly demonstrates the need for everyone to acquire as many math skills as possible. You will use them for calculating tips, the value of a stock, and doubling a recipe. Many careers require math skills. Learn to increase your savings by using the "Rule of 72." Knowing math will contribute to your financial success!

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they've learned with their families.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- While it is uncertain exactly when the Rule of 72 was discovered, research the earliest written reference to this rule. Who wrote about it? What year was it? What country was he from? What language did he write in?

Mathematics

- Teach students how to calculate sales tax. If your state does not have sales tax, use an example from a state that does. For a list of states and taxes, see this website: http://en.wikipedia.org/wiki/Sales_taxes_in_the_United_States

Economics

- Math is used in economics to describe business and government situations and make a good guess as to what will happen next based on the numbers. For example, one situation that is measured in math is the exchange rate between dollars and the Euro. Have students track the exchange rate for one week, then ask them to predict if the rate will go up or down in the next week. Track the rate a 2nd week and see which predictions come true.

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Calculate
- Cost per unit
- Decimal
- Estimation
- Operating costs
- Percentage
- Profit
- Ratio
- Rule of 72
- Tax deferred

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. _____ is money left over after expenses have been paid.
2. A mathematical method used to show how long it will take to double your money in an investment is the _____.
3. Another word for _____ is approximation.
4. To determine or compute in math is to _____.
5. The _____ system is based on the number ten.
6. An investment or benefit in which taxes are paid at a future date is _____.
7. Costs to keep a business running are _____.
8. A _____ is a rate or proportion per hundred.



Activity #2:

MENU MATH

WORKSHEET FOR STUDENTS

Directions

In this episode, we learned how math is used in business. You are going to create a one page menu for an imaginary new school restaurant that will serve lunch. No items that are inappropriate for school may be included. Be sure to put your name on your menu, you will be sharing it with classmates.

Create your menu

Create at least 3 choices for the entree, 3 choices for the drink, and three side items.

You must set prices at \$5 or less for each item, but you may also create “specials” where multiple items are offered for a bargain price.

Provide a detailed description of the entree choices. If you have enough time, illustrate the menu items.

Place your order

Next, trade menus with a classmate.

On a separate sheet of paper, write your name and write down what you would order from the classmate’s menu.

Total up the amount of your purchase.

Figure out the tip or gratuity at a rate of 15%.

Finally, return the menu and your ‘order’ to your classmate.

Compare menus

Post your menus on a wall or bulletin board in the classroom for everyone to see.

Give students time to read them over for the rest of the week. At the end of the week, have each student vote for their favorite entree.

Do the math to figure out what percentage of students preferred the favorite entree.



Activity #3:

WHOLESALE AND PROFIT

WORKSHEET FOR STUDENTS

Directions

In this episode “Lava Bags” handbags were originally sold to individuals for \$20 each. Then the entrepreneurs found a store to buy a whole lot of bags at a wholesale price. The store is a middleman, also called a wholesaler or a distributor. Lava Bags were sold to the store for \$15 each, then the store sold them to customers for more money. The price that the customers pay at the store is called the retail price. Now it’s your turn.

1. It costs \$8 to produce one “Lava Bag” handbag. If the handbag is sold to the wholesaler for \$15, how much profit is made on one bag? _____
2. If the store orders 300 bags, and they write you a check for them at \$15 each, what should the amount on the check be? _____
3. If the store orders 300 bags, and it will cost you \$8 per bag to make them, how much will you need to make them? _____
4. If you subtract your expenses (the answer to #3) from your check (the answer to #2) then how much is left? (This is your profit.) _____
5. If you have to share your profit (the answer to #4) with a manager, and the manager gets 10% of the profit, then how much do you have to pay the manager? _____
6. After you pay the manager, how much do you get to keep? (The answer to #4 minus the answer to #5).

7. The store needs to make 40% above what they pay for the bags. If they buy the bag for \$15, what will they sell it for as the retail price? _____
8. Who would you rather be, the designer, the manager, or the distributor, and why? _____

Have students discuss these ideas and share their answers with the class.



BIZ TERMS DEFINITIONS

- *Calculate*: To determine or compute mathematically.
- *Cost per unit*: The total expense to create one unit of a product, including materials or ingredients, plus labor cost to build or produce it.
- *Decimal*: A number system based on the number ten.
- *Estimation*: The process of finding an approximate calculation.
- *Operating costs*: Costs to keep a business running, such as utilities and rent.
- *Percentage*: A rate or proportion per hundred.
- *Profit*: Money that is left after expenses have been paid for from a business or an investment.
- *Ratio*: The relationship between two numbers.
- *Rule of 72*: A mathematical way to estimate how long it will take to double your money in an investment. For example, an investment that earns 10% interest will take 7.2 years to double in value. You find the answer by taking the number 72 and dividing it by the interest rate.
- *Tax deferred*: An investment or benefit in which some or all taxes are paid at a future date.



Are You Financially Literate

EPISODE #301



LESSON LEVEL

Grades 6-10

KEY TOPICS

- Entrepreneurship
- Financial literacy
- Money management

LEARNING OBJECTIVES

1. Learn the value of financial literacy.
2. Understand reasons for budgeting.
3. Recognize the importance of saving.
4. Learn financial terms.

EPISODE SYNOPSIS

Understanding how to manage your money before you get to high school will make you even more successful when you head to college or move out on your own. Explore the skills of goal setting, budgeting, saving, and money management that make you Financially Literate!

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **JumpStart Coalition for Personal Financial Literacy**.

Financial Responsibility and Decision Making

Standard 1: Take responsibility for personal financial decisions.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Planning and Money Management

Standard 1: Develop a plan for spending and saving.

Standard 6: Develop a personal financial plan.

Saving and Investing

Standard 1: Discuss how saving contributes to financial well-being.

Aligned to *Voluntary National Content Standards in Economics* from the **Council for Economic Education**.

Standard 2: Decision Making

Standard 14: Entrepreneurship

Aligned to **Common Core State Standards Initiative's** standards for *Literacy in History/Social Studies, Science and Technical Subjects*.

Standard 1: Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.

Standard 4: Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.

Standard 7: Integrate and evaluate content presented in diverse formats and media, including visually and quantitatively, as well as in words.

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LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what equipment is required to show the episode in your classroom and request it if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Students will need a pen or pencil and copies of the activity worksheets. Have fun!

Screening

Introduce the series and the episode. Explain that Biz Kid\$ is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money. Prior to playing the episode, lead your students in a discussion with the preview questions on this page.

About the Episode

Understanding how to manage your money before you get to high school will make you even more successful when you head to college or move out on your own. Explore the skills of goal setting, budgeting, saving, and money management that make you Financially Literate!

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- What does being “financially literate” mean to you?
- Have you ever set goals?
- What items are on your personal budget?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

In this episode, the Biz Kid\$ listed five important steps to becoming financially literate: Save money, set financial goals, budget your money, spend less than you earn, and use credit wisely. They met some entrepreneurs who knew how to manage their money, and became successful in business. You can do it too, Biz Kid\$, so let’s get started!

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they’ve learned with their families.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- In this episode, we saw the largest student-run credit union in the U.S. at Georgetown University. When was the first credit union opened in the U.S.? What is the purpose of a student-run credit union, and how is it different from other credit unions?

Mathematics

- In this episode, Austin's budget included \$60 per month for crystal unicorn figurines, because they make him happy. If Austin took half of that money, and put it into a savings account instead, how much would he have in his savings account at the end of one year if the interest rate on the savings account is 3% annually? (Hint - Remember to calculate the compound interest too!)

Economics

- In the United States, if we spend more than we have in our account, instead of a fee or penalty, we have a "deficit" in our national budget. Using the internet or a local library, find out what the current balance is of the United States' national deficit. What suggestions would you have for the government to help them stay within their budget?

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Budget
- Credit card
- Credit report
- Debit card
- Financial goal
- Financial literacy
- Floating
- Insufficient Funds Fee (NSF)
- Penalty
- Savings account

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. People who are _____ are probably not financially literate because they don't have any money in their _____.
2. If you make a _____ it will help you reach your _____.
3. A person who spends more money than they have will end up paying a _____, sometimes called an _____.
4. A person who has _____ will know the difference between a _____ and a _____.
5. Your _____ is like your report card for how you manage your money.



Activity #2:

FINANCIAL LANGUAGE

WORKSHEET FOR STUDENTS

Directions

In this episode, one of the Biz Kid\$ is learning six different languages so he can travel the world. But what he really needs to learn is the language of money.

Be financially literate, and match the word on the left with the word on the right that means the same thing.

- | | |
|---------------------------|--------------------|
| 1. Credit | Obligation |
| 2. Debit | Earnings |
| 3. Penalty | Trade |
| 4. Barter | Credit Union |
| 5. Staff | Economic recession |
| 6. Bull market | Product |
| 7. Mortgage | Agent |
| 8. Benefit | Facts |
| 9. Budget | Gift |
| 10. Capital | Loan |
| 11. Cash | Deduction |
| 12. Donation | Plan |
| 13. Commodity | Economic boom |
| 14. Data | Advantage |
| 15. Debt | Money |
| 16. Broker | Essential |
| 17. Financial institution | Fee |
| 18. Income | Coins |
| 19. Need | Home loan |
| 20. Bear market | Employees |

Have students discuss these ideas and share their answers with the class.



Activity #3:

MANAGE YOUR MONEY

WORKSHEET FOR STUDENTS

Directions

In this episode, the Biz Kid\$ learned how money works and how to manage it. Now it's your turn.

Your budget is \$300 per month, and you have to put some money into each of these four categories: save, spend, invest, and donate.

1. Save - How much money will you save out of the \$300? What is your long-term savings goal? How long will it take you to reach that goal if you save the same amount each month and do not spend it?

2. Spend - How much money will you spend out of the \$300? Make a list of everything that you would buy.

3. Invest - How much money will you invest of the \$300? Investments are opportunities to grow your money, such as a Certificate of Deposit or other financial instrument. What would you invest your money in?

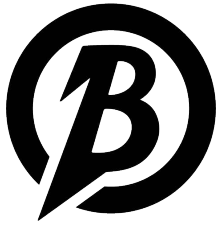
4. Donate - How much of the \$300 will you donate? What individuals or organizations will you donate this money to?

Have students discuss these ideas and share their answers with the class.



BIZ TERMS DEFINITIONS

- *Budget*: A spending plan for managing money during a given period of time.
- *Credit card*: Plastic cards that allow users to make purchases using borrowed money.
- *Credit report*: A document that summarizes how many loans and credit cards you have, what their limits are, and whether or not you pay on time.
- *Debit card*: A bank card that looks like a credit card but it takes money directly from your checking account to pay for the entire purchase all at once.
- *Financial goal*: A target that you plan to work toward and accomplish that has to do with money.
- *Financial literacy*: An understanding of how money works, and the ability to manage your own money.
- *Floating*: Living from paycheck to paycheck with no savings for emergencies or long-term financial goals.
- *Insufficient funds fee (NSF)*: A penalty for spending more money than you have in your account, also called a Non-Sufficient Funds (NSF) fee.
- *Penalty*: A fee for breaking the terms of an account or agreement.
- *Savings account*: An account you have at a financial institution that helps you accumulate and save money, while earning interest at the same time.



BIZKID\$

Don't Blow Your Dough

EPISODE #111



LESSON LEVEL

Grades 6-10

KEY TOPICS

- Entrepreneurship
- Identity Theft
- Financial Security

LEARNING OBJECTIVES

1. Learn how to protect your money and your identity.
2. Understand how to recognize and avoid scams.
3. Learn financial terms.

EPISODE SYNOPSIS

Biz Kid\$ beware. Protect the money you already have by putting it in a safe place. Beware of scams and schemers. You'll discover ways to avoid the growing problem of identity theft. Meet with Washington State's Attorney General Rob McKenna and the Better Business Bureau. You'll also see young people who did blow their dough, and find out what that experience has taught them.

NATIONAL STANDARDS CORRELATIONS

Aligned to *National Financial Literacy Standards* from the **JumpStart Coalition for Personal Financial Literacy**.

Financial Responsibility and Decision Making

Standard 1: Take responsibility for personal financial decisions.

Standard 2: Find and evaluate financial information from a variety of sources.

Standard 6: Control personal information.

Risk Management and Insurance

Standard 1: Identify common types of risks and basic risk management methods.

Aligned to *Voluntary National Content Standards in Economics* from the **Council for Economic Education**.

Standard 2: Decision Making

Standard 14: Entrepreneurship

Aligned to **Common Core State Standards Initiative's** standards for *Literacy in History/Social Studies, Science and Technical Subjects*.

Standard 1: Read closely to determine what the text says explicitly and to make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.

Standard 4: Interpret words and phrases as they are used in a text, including determining technical, connotative, and figurative meanings, and analyze how specific word choices shape meaning or tone.

Standard 7: Integrate and evaluate content presented in diverse formats and media, including visually and quantitatively, as well as in words.

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LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what equipment is required to show the episode in your classroom and request it if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Students will need a pen or pencil and copies of the activity worksheets. Have fun!

Screening

Introduce the series and the episode. Explain that Biz Kid\$ is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money. Prior to playing the episode, lead your students in a discussion with the preview questions on this page.

About the Episode

Biz Kid\$ beware. Protect the money you already have by putting it in a safe place. Beware of scams and schemers. You'll discover ways to avoid the growing problem of identity theft. Meet with Washington State's Attorney General Rob McKenna and the Better Business Bureau. You'll also see young people who did blow their dough, and find out what that experience has taught them.

Episode Preview Questions

Before you show this Biz Kid\$ episode, lead your students in a brief discussion of the following questions:

- How do you keep your money safe?
- How do your parents keep their money safe?
- What is the purpose of an Automated Teller Machine (ATM)?
- What personal information do you need to guard and keep private?

Next Steps

Show this episode. After the episode, read the Summary and Conclusion to the class.

Summary and Conclusion

The message of this episode is that people need to protect their personal finances and identity information. Dishonest individuals use multiple methods to prey on other people's finances. There are specific things you can do to protect your money and identity.

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they've learned with their families.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences, write a paragraph, or create a story, skit, or dialog using Biz Term\$.
- Have students create a class Dictionary of Financial Terms using Biz Term\$.
- Have students start their own Journal of Personal Financial Education and continue to add to it.

History/Social Studies

- Research the origins of the Better Business Bureau in the United States. When was it founded? What is it's purpose? What kind of information do they provide to customers? What services do they offer to businesses?

Mathematics

- Know your odds of winning in a quarter flipping contest. If your friend flips a coin, and you take 'heads' and they take 'tails' - what are your chances of success? Now, change the game. If your friend says "If it's heads I win, but if it's tails you lose" - what are your chances of success?

Economics

- Have students learn more about the purpose of and uses of a Social Security Number in the United States. When did it begin? What was the original purpose? How is it used today? What restrictions are there about the use of your SSN as an identification number?

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each Biz Term.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each Biz Term in their own words to demonstrate comprehension.



Activity #1:

BIZ TERM\$

WORKSHEET FOR STUDENTS

Biz Term\$

- Automated Teller Machine (ATM)
- Better Business Bureau (BBB)
- Dumpster diving
- Fraud
- Identity theft
- Personal information
- Phishing
- Personal Identification Number (PIN)
- Social Security Number (SSN)
- Spam

Directions

With students, read aloud the Biz Term\$ and each question. Call on volunteers for answers, and have them explain why they chose the term they believe to be correct.

Biz Term\$ Episode Review

1. You can check with the _____ to see if a business has customer complaints or has been accused of _____.
2. A victim of _____ has a dishonest person using their _____.
3. When you use the _____ you must first enter your _____.
4. E-mail that you did not sign up for is known as _____, and some of these may even be _____.
5. Looking through people's trash for information is called _____.
6. To keep track of retirement and tax information, the government assigns you a _____.



Activity #2:

PROTECT YOURSELF

WORKSHEET FOR STUDENTS

Lesson Level:

Grades 9-12

Learning Objective:

Learn how to protect your money and your identity.

Directions

Think about all of the ways we use our money and our personal information in one day. Now think about the ways that we protect that information by answering the questions below.

1. You need to get \$100 from the ATM machine. What are some things that you do to protect your identification (card number, pin number, receipt) when you use an ATM? What do you do to protect your money after you pull it out of the machine? _____

2. You received a bank statement in the mail that shows your savings account number, your name, your mailing address, and the balance available in your savings account. You don't need this statement any more. What are some steps you might take to protect your information and your money, before you throw that paper into the dumpster? _____

3. You get an email that says you have won a prize, and all you have to do is pay shipping and taxes by clicking the link and entering your bank account number. What are some steps you should take to protect your identification and your money in this situation? _____

4. You go to the movie theater with some friends. There's a long line for this new movie, and you start to talk to people while you're all waiting in line. One person in particular is very attractive, and they ask for your phone number. What do you do in this situation? What are the risks? _____

Have students discuss these ideas and share their answers with the class.



Activity #3:

AVOID SCAMS

WORKSHEET FOR STUDENTS

Lesson Level:

Grades 9-12

Learning Objective:

Understand how to recognize and avoid scams.

Directions

Some scams are easy to spot, while others are a little more difficult to identify. Take a look at the situations below and think about how you might react.

1. You're driving down the road, and all of a sudden the car in front of you brakes hard, for no apparent reason. You change lanes and avoid a crash. The other car speeds up again, and then cuts in front of you. A few minutes later they slam on their brakes again. You live in a state where the rear car in an accident like this (your car) is automatically at fault. This scam is called sloop and squat. What can you do to avoid being a victim of this type of activity? _____

2. A friend invites you to a party, where everyone takes a turn to share what they would do if they had an extra \$1,000 to spend. After everyone has shared, a list is pinned up on the wall with people's names on it, in the order that they joined the group. The person at the top of the list has already been 'gifted' with \$1,000 from group members. Several people in the room give \$100 each to the second person on the list, so she has been 'gifted' with \$1,000 to fulfill her wish. The idea is that everyone on the list will get a turn, in the order that they joined the group. Sometimes, this is called a pyramid scheme. What are the problems with this type of activity, and what can you do to avoid losing your money? _____

3. Your best friend wants to go to the beach, and you want to go see a movie. Your friend says "Ok, let's flip a coin to be fair. Heads I win, tails you lose." You insist on picking a coin from your own pocket, and flipping it yourself to make sure they're not cheating. But you always lose when you have a coin toss with this friend. Do you know why? How can you avoid this scam next time? _____

Have students discuss these ideas and share their answers with the class.



BIZ TERMS DEFINITIONS

- *Automated Teller Machine (ATM)*: An electronic device provided by banks and credit unions for the purpose of dispensing cash to their customers.
- *Better Business Bureau (BBB)*: A nationwide system of local organizations, supported by business, whose function is to receive and investigate customer complaints of dishonest or unsatisfactory business practices.
- *Dumpster diving*: The practice of searching through trash bins for discarded but still usable or valuable objects or information.
- *Fraud*: Dishonesty for profit or to gain some unfair advantage.
- *Identity theft*: Stealing and using the name and financial reputation of another person in order to get money or other benefits.
- *Personal information*: Information about an individual that can be used to verify that they really are who they claim to be.
- *Phishing*: To try and get private personal financial information from someone using e-mail in a dishonest way.
- *Personal Identification Number (PIN)*: A secret number combination given to the owner of an account to help make sure they are the only person who has access to that account.
- *Social Security Number (SSN)*: A number given to a person by the United States government for the purpose of tracking their retirement and taxes.
- *Spam*: E-mail that you did not sign up to receive.



What is a Bank?

EPISODE #508



LESSON LEVEL

Grades 6-10

KEY TOPICS

- Banking
- Credit & Debt
- Saving & Investing

ENTREPRENEURS & STORIES

- Ballroom dancers – Polina & Nathan
- City Slips – Katie & Susie
- Night Terrors Haunted House – Jordan
- ACU Student Financial Center – Pearland High School
- WAKAGLOW – Tucker
- C.E.C. Beautiful – Clayton
- Young Americans Bank – Tijuana

EPISODE SYNOPSIS

Get a kid's view of the services which banks, credit unions, and other financial institutions offer – and why you should use them early in life. Learn the different products that banks offer, and how to shop for the right bank for you.

LEARNING OBJECTIVES

1. Become familiar with the various products and services that banks offer.
2. Learn how kids can use a bank.
3. Discover how a bank makes money.

NATIONAL STANDARDS CORRELATIONS

Aligned to National Financial Literacy Standards from the *JumpStart Coalition for Personal Financial Literacy*.

Financial Responsibility and Decision Making

Overall

Competency: Apply reliable information and systematic decision making to personal financial decisions.

Standard 1: Take responsibility for personal financial decisions.

Standard 2: Find, evaluate financial information from variety of sources.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Credit and Debt

Overall

Competency: Maintain creditworthiness, borrow at favorable terms, and manage debt.

Standard 1: Identify the costs and benefits of various types of credit.

Saving and Investing

Overall

Competency: Implement a diversified investment strategy that is compatible with personal goals.

Standard 1: Discuss how saving contributes to financial well-being.

Aligned to Voluntary National Content Standards in Economics from the *Council for Economic Education*.

Standard 2: Decision Making

Standard 10: Institutions

Standard 20: Fiscal and Monetary Policy

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LESSON PREP & SCREENING

Getting Started

Familiarize yourself with the episode ahead of time. It will serve as a springboard for student learning, discussions, vocabulary exploration, and hands-on activities. Determine what is required to show the episode in your classroom and borrow equipment if needed. Choose an activity (each one takes between 45-60 minutes), and gather supplies. Have fun!

Equipment & Supplies

For all activities, students will need a pen or pencil. Additional equipment needs are identified on activity pages.

Screening

Introduce the series and the episode. Then, prior to playing the episode, lead your students in a discussion with the preview questions on this page. Explain that **Biz Kid\$** is a public television series that teaches kids about money and business. Also mention that the bizkids.com website has lots of video clips, games, a blog, and other resources.

About the Episode

Get a kid's view of the services which banks, credit unions, and other financial institutions offer – and why you should use them early in life. Learn the different products that banks offer, and how to shop for the right bank for you.

Preview Questions

- When you think of a bank, what words and ideas come to mind?
- How many of you already have an account at a bank or credit union? What was your purpose in opening the account?
- How much money do you think it takes to open a bank account?
- Are you aware that there are different types of banks? When you know more about what banks can offer, you can make the right choice for yourself or your business.

Summary & Conclusion

Treat a bank as you would any other service-related business. Maintain a good relationship with them, try to avoid fees where you can, and always ask questions. They want your business, they are willing to help you, and they want to keep you as a long-term customer – work with them to make the relationship work for you!

Family Connection

Distribute a copy of the Family Activity Sheet to each student to share what they've learned with their families.



CURRICULUM CONNECTIONS

Language Arts

- Have students construct sentences; write a paragraph; or create a story, skit, or dialog using *Biz Terms*.
- Have students create a class dictionary of financial terms.
- Have students start their own journal of personal financial education and continue to add to it.
- Write a brief biographical summary about Giovanni Medici, who set up the famous Italian bank, the Medici Bank.

History/Social Studies

- Write a report on the history of the Federal Reserve System of the United States.
- Who is currently the head of the Federal Reserve, and what career background do they have to do that job?

Mathematics

- Banks make money and contribute to our economy by lending money to others. The amount that they can lend is determined by the Federal Reserve. If the amount a bank is allowed to lend out is 90% of the money it receives, and you give your bank \$100, then the bank can lend out \$90. If that \$90 is deposited into another bank, then the second bank in line can lend out 90% of the \$90 it received, or \$81. So when you deposit \$100 into your bank, if everyone who receives a loan deposits it into a bank which then lends out 90% of the money, how much money can be lent to others as a result of your original \$100 deposit?

Economics

- Draw a diagram illustrating the role that banks and other financial institutions play among savers, borrowers, and investors.
- Explain the difference between saving money and earning interest versus borrowing money and paying interest.

Optional Vocabulary Extensions

Make Art!

Ask students to create personal illustrated glossaries using sketches or cartoons to visually represent the meaning of each *Biz Term*.

Make It Personal!

Provide students with dictionaries and ask students to re-write formal definitions for each *Biz Term* in their own words to demonstrate comprehension.



Activity #1:

SAVINGS ADVANTAGE

Activity Learning Objectives

- Become familiar with how savings accounts work.
- Introduce *Biz Terms* and definitions used in the episode.

Episode Details

Get a kid's view of the services which banks, credit unions, and other financial institutions offer – and why you should use them early in life. Learn the different products that banks offer, and how to shop for the right bank for you.

Directions

Read the episode details out loud to the class. Hand out the worksheets titled “For Students” and discuss them together in class. Read the *Biz Terms* and discuss the vocabulary/episode review questions. Call on volunteers for answers, and have them explain to the group why they chose the term they believe to be correct.

Then, give the students time to complete worksheets. Finally, acting as a facilitator, allow students to discuss the issues. See Curriculum Connections on page 7 for additional ways to work with *Biz Terms*. (Note: the definitions are on page 9.)

Activity Wrap-Up

Thank the students for their participation, and remind them that it's better to let your money work for you! Earn as much interest as you can by saving early in life and leaving the money in your savings account for as long as possible.



SAVINGS ADVANTAGE

WORKSHEET FOR STUDENTS

Biz Terms

- Assets
- Checking account
- Commercial bank
- Credit union
- FDIC
- Federal Reserve
- Insurance
- Interest
- Invest
- Investment bank
- NSF
- Private bank
- Retail bank
- Savings account

Episode Review

1. The Pearland Independent School District partnered with a _____ to help students learn and study with career-related work.
2. Clayton and Tucker secured loans from Young American Bank, but they were charged different rates of _____.
3. Nathan, a ballroom dancing kid, takes his portion of the money and puts it in his _____ where it earns a small amount of interest.
4. Polina prefers to use a _____ to purchase things on a more regular basis.
5. If you write a check for more money than you have in your account, you will be charged an _____ fee.
6. In order to use a _____ you have to qualify to become a member, but you also own part of the institution.
7. You _____ your money when you loan it to someone else to be paid back with interest.
8. The government organization responsible for the money supply and for interest rates is called the _____.
9. The _____ is the government organization that insures money you deposit in a bank or credit union account up to \$250,000.



SAVINGS ADVANTAGE

WORKSHEET FOR STUDENTS

Read the following paragraphs out loud together in class. If you put your cash in a retail bank or credit union, you are lending the bank your money. Some accounts pay interest for the use of your money. The higher the interest on savings, and the longer you leave the money in the account, the more the bank pays you. Also, if you keep your money in the bank, it is insured by the FDIC if it is a retail bank or insured by the NCUA at a credit union.

When choosing a bank, compare different options and list the pros and cons for each option. Choose an account with the best interest rate, and beware of “freebies” that are used to make some accounts look more attractive in the short run.

The first account many people open is a savings account, which can be used by all ages. It is the most basic account offered by banks today. It offers interest on the account, but access to funds may be limited, and a minimum amount may be required to open or maintain the account. Savings accounts are insured by the FDIC for up to \$250,000.

Many credit unions and banks have special programs for kids that only require a first deposit of \$5 to \$25 to open an account. Teenagers usually find checking accounts helpful because they give more regular access to their money. Under the age of 18, most banks require an adult to sign on the account also, and there is typically a small minimum balance requirement of about \$50.

Using the worksheet below, calculate how much money can be earned over time. Original Deposit = \$10.

	Starting Balance	Interest Rate per year	Interest Earned	Balance at the end of year
First Year	\$10.00	4%	\$0.40	\$10.40
Second Year	\$10.40	4%	\$0.42	\$10.42
Third Year				
Fourth Year				
Fifth Year				



SAVINGS ADVANTAGE

WORKSHEET FOR STUDENTS

1. If you change the interest rate in the table to 6%, how much money will you have at the end of 5 years?

	Starting Balance	Interest Rate per year	Interest Earned	Balance at the end of year
First Year	\$10.00	6%		
Second Year				
Third Year				
Fourth Year				
Fifth Year				

2. If you change the starting deposit in the table to \$25, how much money will you have at the end of 5 years at 4% interest?

	Starting Balance	Interest Rate per year	Interest Earned	Balance at the end of year
First Year	\$25.00	4%		
Second Year				
Third Year				
Fourth Year				
Fifth Year				

3. Discuss, as a class, why having to wait a bit to have access to the money you've deposited in your savings account is a good thing. What would be a disadvantage?
4. What types of banks are in your local community? Are they all parts of a large group of well known banks?
5. Name at least 3 skills that would be useful to have if you are considering a career in banking. How would having those skills be an advantage?

Extra Credit

Interview someone who works at a local bank or credit union. Ask them how they got started in their career, what skills they find most useful, and if they provide internships for young people to learn about a banking career. Write a report for class using the information you gather. Write a thank you note to the people who spoke with you.



Activity #2:

EXPLORE MICROLOANS ONLINE

Activity Learning Objectives

- Create an online profit and loss statement
- Learn what it takes to become a B Corporation.

Episode Details

Get a kid's view of the services which banks, credit unions, and other financial institutions offer – and why you should use them early in life. Learn the different products that banks offer, and how to shop for the right bank for you.

Supplies Needed

Computers, access to Internet, and printers.

DIRECTIONS FOR STUDENTS

A microloan is similar to the loans that Clayton and Tucker received for their businesses. It is a loan that is in a small dollar amount, for a short length of time, for the purpose of starting or expanding your business.

At the computer, connect to the internet and go to <http://www.sbaloans-123.com/what-is-a-microloan> to read about microloans from the Small Business Association. Once you have read that page, go to each of the two websites below. Compare and contrast the requirements and interest rates available for microloans from the following organizations.

ACCION USA

<https://secure2.accionusa.org/OLA/Applyonline/tabid/142/language/en-US/Default.aspx>

GRAMEEN AMERICA

<http://grameenamerica.com/our-borrowers/request-a-loan/loan-process.html>

If your business needed a small loan, which organization would you prefer, and why? How much money would you borrow, and what would you use that money for? How long would it take you to pay back the loan?

Microloans work both ways. You can apply for a microloan to help your own business, or you can loan some of your own money to another business and get repaid plus interest. But be very careful, loans can be risky if the person who borrows from you does not succeed and does not pay you back what they owe. You could lose all of that money.

At the computer, connect to the internet and go to the following website: <http://www.kiva.org> Here, businesses all over the world can ask for a microloan. People can send them a small amount of money to help them for a short time period. What are some of the businesses that you see listed here? What will they use the money for if they get a loan?



BIZ TERMS DEFINITIONS

- *Assets*: Things that you own which have significant monetary value, which can be used to help you make more money.
- *Checking account*: An account that is used for spending money with checks or debit cards. These accounts usually do not earn interest on the money that is deposited in them.
- *Commercial bank*: A for-profit bank where large businesses can make deposits, take loans, and open checking and savings accounts.
- *Credit union*: A non-profit banking organization where individuals and small businesses can make deposits, take loans, and open checking and savings accounts. The members of the credit union own and control the business. To become a member you have to qualify.
- *FDIC*: FDIC stands for Federal Deposit Insurance Corporation, a government organization that will insure, or keep safe, the money you deposit in a bank or credit union up to \$250,000.
- *Federal Reserve*: The government organization that is responsible for the money supply and interest rates.
- *Insurance*: A guarantee or promise that your money is going to be safe.
- *Interest*: Extra money that is paid back in return for letting someone borrow a specific amount of money. For example, 10% interest on \$100 would be \$10 extra that is paid back at the end of the loan in addition to paying back the \$100 that you borrowed.
- *Invest*: To loan your money to someone else so they can pay it back with interest.
- *Investment bank*: A for-profit bank where individuals and businesses can make deposits which will be invested for rapid growth.
- *NSF*: NSF stands for Non-Sufficient Funds, which means not enough money in your account to cover the amount you wrote a check for. There is usually a fee or penalty that you must pay in addition to bringing in the amount of money that you owe for the check.
- *Private bank*: A for-profit bank where wealthy individuals can make deposits, take loans, and open checking and savings accounts.
- *Retail bank*: A for-profit bank where individuals and small businesses can make deposits, take loans, and open checking and savings accounts.
- *Savings account*: An account that is used for saving money and not spending it. These accounts usually earn interest on the money that is deposited in them.