



Money Smart Kids!

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Cha-Ching Classroom Activity Grow Your Money

Overview: In this activity, students learn the importance of saving money and begin to create a personal plan for saving money toward a goal. After viewing and discussing the videos [Grow Money](#) and [Saving for Success](#), students explain what it means to “grow money” and set goals. They discuss the benefits and challenges of saving money and describe short- and/or long-term goals they have set and worked toward. Students identify something they would like to save up for (e.g., a purchase, donation, subscription, or membership fee), determine how much money they will need to save, and establish a savings goal.

Teacher Note: *At least two weeks before the activity, ask students to bring in boxes (e.g., shoe, cereal, small shipping, etc.) or canisters (e.g., potato chip, rolled oats). They will be using the materials during a crafting activity as part of Cha-Ching. It is up to the teacher to decide whether or not to tell students they will be making savings banks. Consider asking colleagues, friends, and family members for assistance. Also, shoe stores and local retail stores are often willing to part with extra boxes.*

Target Audience: Grades 3–6

Activity Duration: 1–2 45 minute periods

Essential Questions

- What does it mean to save money?
- How can I save money for the things I want?

Objectives

Students will:

- Establish a goal for saving for something they wish to purchase
- Create a personal plan for saving for their spending goal
- Analyze potential benefits and challenges of saving money

Activity Vocabulary

- Save
- Savings
- Plan
- Goal(s)
- Delayed Gratification
- Distraction
- Wants



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- Needs
- Short-term goal
- Long-term goal
- Bank account
- Interest
- Profit

Materials

- Video: [Grow Money](#)
- Video: [Saving for Success](#)
- Handout: *Grow Money* lyrics (1 per student or displayed)
- Handout: *Saving for Success* lyrics (1 per student or displayed)
- Handout: *Grow Your Money Calendar* (1 per student)
- Handout: *Grow Money Calendar* (1 per student)
- Chart paper
- Money box materials: Small boxes and/or canisters
- Craft materials: Construction paper, markers, glue, tape, crayons, scissors, rulers, paint and paintbrushes (optional)

Other Save Episodes

- [Earn, Save, Spend & Donate](#)
- [When You Get Money](#)
- [Cha-Cha-Choices](#)

Procedure

Part 1

1. Say, "We've been talking a lot about ways to earn money in order to spend it, but what else can we do with our money besides spend it? Think back to the very first Cha-Ching video we watched." If necessary, explain that we can also save or donate or spend our money. Today, we are going to talk about another choice you have: saving money.
2. Ask, "What do you know about saving? Do you think it is a good or a bad thing? Why? What's good or bad about saving? Why is it important?"
3. Ask, "Do any of you already save money? How? What is it like to save money instead of spending it? Do you save your money at home or at a bank?" Allow students to share their experiences with and thoughts about saving money.



4. Distribute a copy of the *Grow Money* lyrics to each student and encourage them to follow along as they watch the video [Grow Money](#). Discuss the video with students. Ask questions such as the following to gauge students' understanding and prior knowledge:
 - What's Bobby's goal?
 - What happened to Bobby's money?
 - What does it mean to blow money? What does it mean to grow money?
 - Have you ever felt like Bobby did? (No matter how much money he earned he still didn't have money to buy the things he wanted.) Why?
 - What did Prudence recommend so Bobby could buy the drum set he wanted?
 - What does it take to save money?
 - Was it easy or challenging for Bobby to save money? Why?
5. Explain that sometimes we save money for a short-term goal, like Bobby—something that will not take us a long time to accomplish, maybe a few weeks or months. Ask, "What kinds of things might we have/want to save a short time for?" Other times, we save money for a long-term goal, something that will take us a long time to accomplish, sometimes several months or even years. Ask, "What kinds of things might we have/want to save a long time for?" Allow students to share their thoughts and ideas.
6. Introduce the [Saving for Success](#) video and explain that, in this story, the character is saving toward a long-term goal. Distribute a copy of the *Saving for Success* lyrics to each student and encourage them to follow along as they watch the video. As students watch the video, ask them to think about the way Prudence saves money and how it is different from Bobby.
7. Discuss the video as a class, asking questions such as the following:
 - Did you notice the difference in the goals? What did you see?
 - What was Prudence's long-term goal? What was the long term goal of the other characters?
 - How did Prudence save so much money? Where did she save her money?
 - Why is saving money in a bank different from saving it in a piggy bank or money box?
 - Discuss the concept of interest with the class. Ask, "How does the video/song describe interest? (Interest is a gift for every dollar you deposit.) What do you think they mean by that?"
 - If you're saving for a long-term goal, why might it be a good idea to put your money in a savings account at a bank? Allow time for students to share their thoughts and ideas. If necessary, explain that savings accounts allow people to earn a profit—a financial gain—just by letting money sit and earn interest.



Part 2

8. Ask the following questions:
 - Now that we have seen and talked about short and long term goals and savings...
 - What are your short and/or long-term goals?
 - What do you need to do in order to achieve your goals?
 - Will it take a short time or a long time to save up for your goal it? Is it worth the wait? Why or why not?
9. Discuss strategies for creating a savings plan.
 - Ask: What are ways you could save money to reach your goal?
 - Encourage students to write down their ideas, discuss them with a partner, and then discuss them as a whole class. For example, they could create a money box, a Grow Your Money Calendar, etc.
 - Make sure to remind students that focus and self-control are very important; they need to maintain motivation; earn more and take at least 10% of that for Saving.
 - Ask: Where would you want to put your savings, why...?!
10. Tell students they are going to create a plan for saving money for something they want to buy. Make sure they think about whether this is a long-term or a short-term savings goal. Help students develop a plan for the money they earn using the *Grow Your Money Calendar*. Begin by having students fill in the dates on the calendar. Advise students to use a pencil to record their plan so they can make revisions as needed.
 - Model for students how to add earning and savings information. For example, say, "On Sunday, I'm going to mow the lawn for two neighbors. I will earn \$5 each, so I will earn a total of \$10. (Write "Earn \$10") But, I also know I owe my brother \$2, so I have to subtract that from my earnings. (Write "Pay brother \$2) My total savings is \$8." (Write "Savings: \$8"). My next step will be to think of the next date I could earn more money."
 - Be sure to discuss what they are earning and how long it will take to reach the end goal.
11. Allow time for students to work. As they think and plan, circulate to offer help. Encourage students to think about the following:
 - Is there anything you have to spend your money on – needs you have to take care of before you can save money?
 - When would you like to purchase your item? Can you save enough money by that time?
 - How much can you save each day (or week) to achieve your savings goal? When will you reach your savings goal?
 - Is your goal short-term or long-term?



12. Once students are finished with their initial savings plans, ask them if they know any strategies—hot tips—for saving money. For example, ask, “How will you resist temptation? Bobby had a real problem with temptation. Every time he saw something he wanted, he tried to buy it! That meant he couldn’t put any money toward his savings goal. How will you stay motivated to keep saving, not spending?” Allow time for students to share their ideas; record on chart paper for all to see.
13. Say, “A great way to stay motivated is to keep track of our progress. Our calendars will help with that. Another way to do that is putting our money in a bank that we can see (until we have enough money to start a savings account in a bank). We’re going to create our own money boxes today so we can start saving!”
14. Distribute (or have students select) containers for students to use to create their money boxes. Students should have access to crafting materials, such as construction paper, glue, glue sticks, scissors, marker, crayons, tape, rulers, paint/paintbrushes, etc. Model for students how to draw a picture of the item they’re saving for; they should illustrate their own goals, cut them out, and attach them to their money boxes. Allow time for students to work on their boxes. If necessary, let them finish them at a later date or at home.
15. Encourage students to complete *Family Activity #2: Saving for Success* with their families.



Optional Resources

- [5 Ways to Cut Spending...and Still Get to Do and Buy Cool Things](#)
- [Money as You Grow book club](#)
- [Investor.gov](#)
- [5 lessons to teach kids how interest works—TODAY.com](#)
- [Compound Interest](#)
- [ATMs Don't Give Out Free Cash](#)
- [Forces Behind Interest Rates](#)

National Standards

National Standards for Financial Literacy

2: Buying Goods and Services

People cannot buy or make all the goods and services they want; as a result, people choose to buy some goods and services and not buy others. People can improve their economic well-being by making informed spending decisions, which entails collecting information, planning, and budgeting.

2.4.2. People make choices about what goods and services they buy because they can't have everything they want. This requires individuals to prioritize their wants.

3: Saving

Saving is the part of income that people choose to set aside for future uses. People save for different reasons during the course of their lives. People make different choices about how they save and how much they save. Time, interest rates, and inflation affect the value of savings.

3.4.2. When people save money, they give up the opportunity to spend that money to buy things now in order to buy things later.

3.4.4. People set savings goals as incentives to save. One savings goal might be to buy goods and services in the future.

3.4.5. A savings plan helps people reach their savings goals.

3.8.1. For the saver, an interest rate is the price a financial institution pays for using a saver's money and is normally expressed as an annual percentage of the amount saved.

3.8.7. The value of a person's savings in the future is determined by the amount saved and the interest rate. The earlier people begin to save, the more savings they will be able to accumulate, all other things equal, as a result of the power of compound interest.

C3 Framework for Social Studies State Standards

The National Economy

D2.Eco.10.K-2. Explain why people save.

Grow Money

Lyrics

I like working for my money and I work pretty hard,
Put out the bins, clean up the backyard.
But at the end of the day, I go round the bend
My money's all gone, it's become a trend.

You like working for your money, you work real hard.
If you're not aware you'll be caught off guard.
Word on the street's you spent it on treats.
Now your money-box is looking bleak.

How do I grow money, grow money, grow money, grow?
Keep your spending habits at bay,
Don't need to spend it straight away.
Don't want to
Blow money, blow money, blow money, blow!
For a short while set a goal
Those drums'll make you rock'n'roll!

You may get distracted by other things
Like games, or cards or figurines.
But then your goal will go out the window
Cause your savings have dropped to zero!

Maybe if I watch all the money that I make,
I won't just throw it away, give spending a break,
You know it's hard for me not to spend
I really want those drums my friend!

How do I grow money, grow money, grow money, grow?
You'll be better off financially
If you don't spend all the cash you receive.
Don't want to
Blow money, blow money, blow money, blow!
Show your parents you can do it
And all your friends there's nothing to it.

Saving for something is good lesson to learn –
A penny saved is a penny earned.
Set your goal for the long and short term,
Then you'll have some cash to burn.

I set a goal and now the drums are mine!
Held onto my money and then over time
I watched it grow when I left it alone.
Now this drum kit's my very own!

Saving for Success

Lyrics

M... m... m... Money in a bank account, can grow and grow.
M... m... m... Money can make money, just so you know!
I... i... i... Interest is a gift for every dollar you deposit,
Realize future travel dreams, 'cause you have made a profit.

You can achieve today, by saving away,
and my Daddy always says to me,
Get into saving for success, saving for success!

I'm saving money today, and in the bank, it will stay.
If I wanna keep my dream on track,
No matter what you desire, just imagine the day
You succeed and there's no looking back!
For all your patience, there is a bonus, 'cause long-term savings
Helps my dreams come true.

M... m... m... Money helps you do the things you love to do.
M... m... m... Money helps achieve the goals that you aspire to!
Saving money is more helpful when you have a plan.
Let's talk it through so it is easier to understand.

Perhaps you want all the bling, wanna own everything.
You're making money now so think it through
Save your dollars and cents, show some patience.
You never hear 'bout people saving too much.
Yeah you may choose to spend some, but in the long run
Let your Uncle Bill work for you.

Saving for success—
Just imagine, then make it your quest.
Get into saving for success,
Our hard-earned money will do the rest!

I love my money box and the freedom saving gives to me,
But now I have my bank account, it was gonna happen eventually.
I put money in and gained interest on it over time,
Made more on this money of mine!
My future looks bright because I'm
Saving for success!

