



Activity Tips

GRADES 6 - 8

ACTIVITY

How Do You Make Your Money Grow?

OVERVIEW

Along with managing their money, young people need to set realistic goals – both short-and long-term goals. By recognizing that some goals need a savings plan while other goals need an investment plan, individuals can learn how to plan carefully to meet those goals. This activity allows the participants to become aware of the different savings and investment options and the impact of each on their individual goals.

OBJECTIVES

Participants in this activity will:

- Explore the difference between saving and investing.
- Understand the difference between short- and long-term goals.
- Begin to understand the concept of compound interest.

BEFORE THE ACTIVITY

Without providing a lot of details, ask students to jot down things they would like to accomplish in the next 1-2 years and then another list of things they would like to accomplish in the next 10 years. This information will be valuable in discussing short-and long-term goals and how saving and investing will help them achieve those goals.

DURING THE ACTIVITY

- Participants can become actively engaged in the topic through the numerous questions asked throughout the activity. Challenge the participants to take advantage of the opportunities to think seriously about their short- and long-term goals and how saving and investing will allow them to reach those goals. Encourage them to share their plans with other participants but cautioning them to respect the plans of others.
- Have the participants compare the decision making process for establishing their short- and long-term goals with the process used by their parents, grandparents or some older individuals. What differences, if any, do they see?

AFTER THE ACTIVITY

As an extended learning experience, encourage participants to maintain their list of short-and long-term goals and to review them on a regular basic to assess the status of their achievement.

TIPS FOR SUCCESS

The terms *save* and *invest* are very colloquial terms and are often misused in daily conversations. Consider placing the words in a visible location for daily reinforcement.