



The Great Investo and Penny and the Amazing Money Stalk

IN-PERSON Lesson Plan

Materials:

Included in the packet:

- Copies of the comic book – 1 per student (**leave with the teacher**)
- Lesson Plan and copy of Volunteer Guide with notes

Teacher will supply:

- Copies of Activity—2-sided, 1 per student
- Pencils on students' desks
- Calculators (optional)

Banker will supply:

- Comic Books – 1 per student
- OPTIONAL – small gifts for students

Preparation for bankers:

- Review the lesson and training video. (*Training video link will be sent through email and posted on your TCTSD Home Page under Important Documents.*)
- Before beginning the lesson, ask the teacher to display the comic book on the screen and Handout ready to display or place under document camera.

Tips for Teachers: If necessary, please be prepared to advance the script (comic frames) for the banker.

Tips for Bankers: THIS LESSON IS IN COMIC BOOK (or as the kids like to call it, graphic novel) FORMAT

1. You will be showing /reading the individual comic frames. Ask the teacher if she/he will advance the pictures for you on the smartboard.
2. Do NOT distribute comic books to students. Give the comic books to the teacher to distribute **after the lesson** or at the **end of the day**.
3. As you read the individual comic frames to the students, ask the appropriate questions where indicated on the volunteer guide.
4. Distribute gifts from your bank at the **end** of the session.

Procedure:

1. **Introduce** yourself and your bank. Students should have pencils on desks. Explain to the students that you are visiting because it is Teach Children to SAVE Day.
2. Begin the lesson by **asking** the following questions.
 - a. What does it mean to save money? (*Not spending your money right now, keeping it for later*)
 - b. Why would you want to save money? (*Answers will vary, might include saving helps with making expensive purchases and with life's emergencies, savings GOALS.*)
 - c. How many of you save your money? (*Answers will vary.*)
3. **Show** the cover of the comic book. **Read** the title and author. Tell students that Investo the Money Magician always wants to get money the quick and easy way, dreaming about how he can “grow” his money without having to do any work.
4. Begin to **read** the story, **stopping where indicated as noted in the Volunteer Guide.**
5. When you have finished reading the comic book, PLACE A COPY OF THE ACTIVITY HANDOUT ON THE DOCUMENT CAMERA and distribute the Activity handout to the students.
6. **Read** (or have a student read) the first paragraph on Side A. Then **explain:** We are going to compare two different scenarios, one in which you borrow money and one where you save. As students figure out the answers, write the answers on your own copy. **OPTIONAL – HAVE STUDENTS USE CALCULATORS TO GET THE TOTALS.**
7. Read the second paragraph on Side A. Telling students to use the bottom of the paper as scrap paper, **TOGETHER** figure out the amounts that go in the blank boxes. Be sure to point out that each month the same amount is being paid back on the loan, but compare the amount paid with the interest owed, and remind the students of compounding interest -- you are paying interest on the interest owed from the month before. **OPTIONAL – HAVE STUDENTS USE CALCULATORS TO GET THE TOTAL.**
8. Complete Side B in the same way.
9. **Wrap-up – Ask** the following questions:
 - What is interest? (*extra money that you pay if you borrow, or earn when you save*)
 - What happens when you **BORROW** money, including when you use a credit card? (*You must pay interest every month until the entire amount is paid back.*)
 - What happens when you **SAVE** money in a bank? (*Your savings will earn extra interest every month, and the longer you save the more the interest will compound*)
 - What is compound interest? (*when the interest earns interest*)
 - What would happen if you save and never spend? (*You would earn huge amounts of compounded interest and could become rich!*)
10. Thank the class and the teacher and distribute any gifts you might have brought.

Name: _____

Activity – SIDE A

Setting savings GOALS is very important. It is much better to plan ahead and save for a goal than it is to borrow. Remember that **compound interest** works both ways – you **PAY** interest if you borrow, you **EARN** interest when you save. Let’s compare.

You want to buy a scooter that costs \$100.00, but you want it right away, so you borrow the money. The bank says you only have to make a minimum (that means you can pay more if you want to) payment of \$10.00 a month, but they will charge 10% interest each month until it is paid off. So let’s see what happens.....

	OWE	PAY BACK (SUBTRACT)	SUBTRACT	ADD 10% INTEREST	STILL OWE
Month 1	\$100.00	-- \$10.00	\$90.00	+ \$9.00	\$99.00
Month 2	\$99.00	-- \$10.00	\$89.00	+ \$8.90	\$97.90
Month 3	\$97.90	-- \$10.00		+ \$8.79	
Month	\$96.69	-- \$10.00		+ \$8.67	
Month 5	\$95.36	-- \$10.00		+ \$8.54	
Month 6	\$93.90	-- \$10.00		+ 8.40	
Month 7	\$92.30	-- \$10.00		+ 8.23	
Month 8	\$90.53	-- \$10.00		+ 8.05	
Month 9	\$88.58	-- \$10.00		+ 7.86	
Month 10	\$86.44	-- \$10.00		+ \$7.64	
			TOTAL INTEREST PAID		

BORROWING CHART – You will pay back \$10.00 every month. It will take more than _____ months to pay back the \$100.00 you borrowed. In 10 months, you will pay \$_____ interest.

Name _____ **ANSWER KEY** _____

Activity – SIDE A

Setting savings GOALS is very important. It is much better to plan ahead and save for a goal than it is to borrow. Remember that **compound interest** works both ways – you **PAY** interest if you borrow, you **EARN** interest when you save. Let’s compare.

You want to buy a scooter that costs \$100.00, but you want it right away, so you borrow the money. The bank says you only have to make a minimum (that means you can pay more if you want to) payment of \$10.00 a month, but they will charge 10% interest each month until it is paid off. So let’s see what happens.....

	OWE	PAY BACK (SUBTRACT)	SUBTRACT	ADD 10% INTEREST	STILL OWE
Month 1	\$100.00	-- \$10.00	\$90.00	+ \$9.00	\$99.00
Month 2	\$99.00	-- \$10.00	\$89.00	+ \$8.90	\$97.90
Month 3	\$97.90	-- \$10.00	\$87.90	+ \$8.79	\$96.69
Month 4	\$96.69	-- \$10.00	\$86.69	+ \$8.67	\$95.36
Month 5	\$95.36	-- \$10.00	\$85.36	+ \$8.54	\$93.90
Month 6	\$93.90	-- \$10.00	\$83.90	+ 8.40	\$92.30
Month 7	\$92.30	-- \$10.00	\$82.30	+ 8.23	\$90.53
Month 8	\$90.53	-- \$10.00	\$80.53	+ 8.05	\$88.58
Month 9	\$88.58	-- \$10.00	\$78.58	+ 7.86	\$86.44
Month 10	\$86.44	-- \$10.00	\$76.44	+ \$7.64	\$84.08
			TOTAL INTEREST PAID	\$84.08	

BORROWING CHART – You will pay back \$10.00 every month. It will take more than 10 months to pay back the \$100.00 you borrowed. In 10 months, you will pay \$84.08 interest.

Activity – SIDE B

Instead of borrowing money to buy the scooter, let's see what would happen if you **SAVED** \$10.00 a month in the bank and earned **COMPOUND INTEREST**.

	HAVE	SAVE		ADD 10% INTEREST	NOW HAVE
Month 1	\$0	+ \$10.00	\$10.00	+ \$.10	\$10.10
Month 2	\$10.10	+ \$10.00	\$20.10	+ \$.20	\$20.30
Month 3	\$20.30	+ \$10.00		+ \$.30	
Month 4	\$30.60	+ \$10.00		+ \$.41	
Month 5	\$41.01	+ \$10.00		+ \$.51	
Month 6	\$51.52	+ \$10.00		+ \$.62	
Month 7	\$62.14	+ \$10.00		+ \$.72	
Month 8	\$72.81	+ \$10.00		+ \$.83	
Month 9	\$83.69	+ \$10.00		+ \$.94	
Month 10	\$94.63	+ \$10.00		+ \$1.05	
			TOTAL INTEREST EARNED		

SAVING CHART – You will save \$10.00 a month. It will take _____ months to save the \$100.00, and you will earn \$_____ in interest!

BORROWING CHART -- Now look at the Side A chart where you borrowed the \$100. You paid back \$10.00 a month. At the end of 10 months, how much money did you still owe the bank?

Add up the interest column. How much money have you paid the bank in interest?

Name: ANSWER KEY

Activity – SIDE B

Instead of borrowing money to buy the scooter, let's see what would happen if you SAVED \$10.00 a month in the bank and earned **COMPOUND INTEREST**.

	HAVE	SAVE		ADD 10% INTEREST	NOW HAVE
Month 1	\$0	+ \$10.00	\$10.00	+ \$.10	\$10.10
Month 2	\$10.10	+ \$10.00	\$20.10	+ \$.20	\$20.30
Month 3	\$20.30	+ \$10.00	\$30.30	+ \$.30	\$30.60
Month 4	\$30.60	+ \$10.00	\$40.60	+ \$.41	\$41.01
Month 5	\$41.01	+ \$10.00	\$51.01	+ \$.51	\$51.52
Month 6	\$51.52	+ \$10.00	\$61.52	+ \$.62	\$62.14
Month 7	\$62.14	+ \$10.00	\$72.14	+ \$.72	\$72.86
Month 8	\$72.86	+ \$10.00	\$82.81	+ \$.83	\$83.69
Month 9	\$83.69	+ \$10.00	\$93.69	+ \$.94	\$94.63
Month 10	\$94.63	+ \$10.00	\$104.63	+ \$1.05	\$105.68
			TOTAL INTEREST EARNED	\$5.68	

SAVING CHART – You will save \$10.00 a month. It will take 10 months to save the \$100.00, and you will earn \$5.68 in interest!

BORROWING CHART -- Now look at the Side A chart where you borrowed the \$100. You paid back \$10.00 a month. At the end of 10 months, how much money did you still owe the bank? \$84.08

Add up the interest column. How much money have you paid the bank in interest? \$84.08