



BIZ KID\$

Episode 118: Saving and Investing for Your Future

Episode 118 Synopsis:

You'll learn along with the Biz Kid\$ about the powerful potential of starting a savings plan early in life. You'll also discover various savings and investing options available to young people. As always, you'll meet individuals who are successful at saving and at their businesses.

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Biz Kid\$ Curriculum Package #118



BIZ KID\$

BIZ TERMS

Episode 118: Saving and Investing for Your Future

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|--------------------------------|----------------------------------|
| 1. allocate | 11. maturity |
| 2. banks | 12. money market deposit account |
| 3. bonds | 13. risk |
| 4. Certificate of Deposit (CD) | 14. savings account |
| 5. credit unions | 15. savings bond |
| 6. high-risk investments | 16. stocks |
| 7. interest | 17. venture |
| 8. investing | 18. worth |
| 9. investor | |
| 10. low-risk investments | |

Suggestions for using Biz Terms include:

- Have students research and write dictionary definitions.
- Discuss the use of these terms in the episode of "Biz Kid\$".
- Have students construct sentences using these terms.
- Have students write paragraphs, stories, dialogs, "raps", or lyrics.



Episode 118

Saving and Investing for Your Future

Equipment/Materials/Prep needed:

Day One and Day Two:

- TV or projection system
- DVD player
- DVD of Episode 118

Day Two only:

- Student copies of the "Family Activity Sheet".
- Student copies of the "Biz Terms" Sheet.
- Paper, pens, pencils, color markers, and highlighters for students making ads and posters.
- Computers for students to explore web sites listed.
- Guest speaker to be greeted and directed to the correct location for the session.

Preparation:

- Check to be sure needed equipment is available and operational prior to the sessions.
- Gather listed materials.
- Make an appropriate number of copies of the "Biz Terms" Sheet and the "Family Activity Sheet".
- Invite guest speaker from the local community regarding fraud and how to prevent being scammed.





Episode 118: Saving and Investing for Your Future

Day One

Previewing Questions:

Day One Introduction

Welcome students/youth to **"Biz Kid\$"** and introduce yourself, giving your name and job title.

Explain that **"Biz Kid\$"** is a program to help people become financially educated, learn work-readiness skills, and to even become entrepreneurs...Biz Kids!!! They can view the program **"Biz Kid\$"** with their families on Public Television stations all over the country, and also participate by using the **"Biz Kids"** web site. Today, they get to see an episode with you.

Today's pre-viewing questions:

1. Raise your hand if you've ever used money to buy something.
2. Would someone volunteer how they got the money?

Accept multiple student responses.

Responses likely will include that they:

- Received money as a gift
- Received money as an allowance
- Earned the money

3. How many of you spend all the money you receive or earn?



4. Do any of you save some of your money?
5. If you save some money, where do you keep it; in a piggy bank, a jar on your desk, or under the mattress???

When you save money in the above mentioned places, the only way to get more money is to add more.

There are ways to make your money “grow” or increase without having to add anything to it. Your money can work for you if you invest it.

Investing means allocating your money to use in a venture or opportunity that offers the possibility of increased value as interest, income, or worth.

Raise your hands if you’d like to see your money grow without having to add more money to the total.

We’ll continue our discussion after viewing this episode of “**Biz Kid\$**”.

Show Episode 118: “Saving and Investing (Save Early, Save Often)”

Activity to follow viewing the program together:

Raise your hand if you would like to lose money by investing in something risky...that was a listening test! 😊

It’s common for young people to think that investing is something for adults only because many investment options include some level of **risk**.

Risk is the possibility of financial loss or harm. Most young people have only a small amount of money and do not want to lose it.

However, there are safe ways that you can invest money so that it will grow.



Does anyone recall any of these methods from the “Biz Kid\$” program we just viewed?

Record student responses on a blank overhead transparency.

Responses should include:

- Savings accounts
- CDs
- Money market accounts
- Bonds

Ask for questions that students may have regarding these types of investments. Record their questions on a blank overhead transparency for review in the next session.



Episode 118

Saving and Investing for Your Future

Day Two

Day Two Introduction

Play part of the theme music for "Biz Kid\$" from the episode intro to motivate and engage the students. Then stop the music, welcome the students/youth to today's session, and introduce yourself.

Review and Connect with the Previous Session

In the previous session, you had some questions about some of the different investment options. In addition to the explanations given in the "**Biz Kid\$**" episode you viewed, I'm going to give you a sheet listing **Investment Vocabulary**.

Distribute the sheet to all students, and display the OHP Transparency.

Briefly review each of these investments with the students.

Explain that most of these options are considered relatively safe investments, because the investor will receive all of his or her money back after a period of time. With certain of these options, the investor is guaranteed to earn additional money.

Next, distribute a copy of the "**Risk/Reward Pyramid Sheet**" to all students and display the OHP Transparency.



Point out that the least risky investment options are at the bottom of the pyramid. However, they also earn the least amount of money for the investor.

Show the students that as they move up the pyramid, the investment types become more risky. If the risk pays off, the amount of money that the investor earns can be great; or they can lose the money they had invested.

Some good tips from the "Biz Kid\$" episode you watched in the first session included that your financial goals and the time frame you have in mind help determine which investment is right for you. Pay yourself first was emphasized!

You were introduced to **Jeri Lee**, a Biz Kid with four investment accounts. She invents and sells games like "**Speed Spell**" and "**Choir**". One thing she does is diversify her investments. She also uses a jar system to manage her cash at home.

Bella, a really young Biz Kid, uses a system of piggy banks at home to manage her money. She even pays herself first!

Then we met **Ramit**, a very successful entrepreneur, who started a personal financial blog called "**I Will Teach You to be Rich**". He also co-founded a company on the Internet called "**pbwiki**". His advice was to start saving early because it really makes a difference.

Martina, another Biz Kid, has her own pod cast, "**EMO Girl Talk**", with listeners all around the world. She has an investment CD that's "locked", meaning that she can't cash it in until a certain time period expires. She likes it "locked" since she tends to be a big spender! She also pays herself first!



Tanna, the professional rodeo cowgirl, has more risky investments. Her returns on her investments are never guaranteed, so she has a lot of pressure to perform well and earn money on the rodeo circuit to make enough money to pay her bills.

Activity

Let's see what you remember from this episode...

Introduce the students to the **"Onward and Upward"** board game.

Explain that they will work in pairs to play this game that challenges them to remember what they just learned.

Separate the students into pairs.

Distribute an **"Onward and Upward Game Board"**, two game pieces (pennies or buttons...), one Die, and an **"Onward and Upward Answer Sheet"** to each pair.

Explain that the answer sheet should remain face down unless it is needed to check a player's answer.

*Display an OHP Transparency of the Game Instructions.
Review with the students.*

Onward and Upward Game Instructions

Object: To be the first player to successfully move through the Game Board and reach the Investment Whiz spot.



Game Play:

1. Roll the Die to see who goes first. The player with the highest roll takes the first turn.
2. Roll and move your game piece according to the number on the Die.
3. Answer the question on the Game Board. Your partner will check your answer using the answer sheet.
4. If you are correct, stay on the space on which you landed. This ends your turn.
5. If you are incorrect, move your game piece back one space. This ends your turn. You will roll again on your next turn.
6. If you land on a solid-colored space, stay there. This ends your turn. You will roll again on your next turn.
7. Alternate taking turns with your partner until one player reaches the Investment Whiz spot.

*Allow about ten minutes for game play.
Collect the dice and the game pieces, but allow students to keep the papers.*

Summary and Review

Invite students to share the **"Investment Vocabulary Sheet"**, the **"Risk/Reward Pyramid Sheet"**, and the **"Onward and Upward"** board game and **Answer Sheet** with their families.

Be sure that every student/youth has a copy of the sheets mentioned above. Distribute the **"Family Activity Sheet"** and the **"Biz Terms Sheet"** for this episode.

Thank students for their attention and participation.



Episode 118 Saving and Investing for Your Future

Family Activity Sheet

Episode 118 Synopsis:

The early bird catches the IRA. The Biz Kid\$ learn the powerful potential of starting a savings plan early in life. They also take a detailed look at the savings and investing options available to young people.

Family Activities:

There are many investments that are safe for children. Introduce your child to investments that are guaranteed to earn more. Visit a local financial institution with your child to learn more about savings accounts, certificates of deposit, and savings bonds. Many credit unions and banks have special programs to help children learn about investment choices that are appropriate for young people.

Before your child invests his or her money, it is extremely important to learn as much as possible about different investment opportunities. In addition to talking to investment professionals, books can also help explain the benefits and drawbacks of investments.

Some great books to help children learn more include:

- ***The Young Investor's Guide to Retiring Young*** by Monte Malhotra.
- ***The Young Investor: Projects and Activities for Making Your Money Grow*** by Katherine Bateman



- ***The Teenage Investor*** by Tim Olsen (who was profiled on the “**Biz Kid\$**” television program)

The Mutual Fund Education Alliance web site (www.mfea.com) lists information about more than 600 mutual funds that require \$50 or less to open. Many of these stocks hold some meaning for young people, including investments in toy, electronic, and fast-food companies. However, these are slightly riskier investments.