

Savings Accounts

Saving money means you do not spend it. You keep the money to be used at another time. A savings account at a bank will keep your money safe. Money in a savings account will be there when you need it. Your account will earn a small amount of interest. Interest is the money a bank pays you. Interest is a small percentage of the money in your savings account. You can start a savings account at most banks.

New words to remember

- ✓ interest
- ✓ minimum balance
- ✓ service charge
- ✓ register
- ✓ deposit
- ✓ withdrawal
- ✓ statement
- ✓ picture identification (ID)
- ✓ interest rate

Why You Should Use a Savings Account

Hiding money in your house is not safe. Carrying large amounts of money in your pocket is risky. What if your house burns down? What if you are robbed? Your money will be gone. Money in a savings account is safe.

How Savings Accounts Work

A savings account can be started with a small amount of money. Some banks require \$25. Some banks require more money. You can add money to the account. You can take money out of the account. There may be a waiting period to use the money. Some banks have special rules for their savings accounts. A bank might put a monthly *service charge* on your account. A service charge is a small amount of money you pay for having the account. The bank might require you to keep a *minimum balance*. The smallest amount of money you can keep in the account all the times is the minimum balance.

When you start a savings account you will receive a *register* (small book). The book is where you write the amount of each *deposit*. The money you put in the account is the deposit. You also write each *withdrawal* in the book. The money you take out is the withdrawal. Your bank may send you a *statement* of your savings account. The statement is a report of money put in and taken out. It will also show fees and interest paid. Check every report with your register. You will want to be sure there are no mistakes.

Will I Need Identification (ID) to Start a Savings Account?

To open an account you will need *picture identification (ID)*. Picture ID proves your identity. Have someone you trust check on the rules at the banks near you. Take this person with you when you go to the bank.

Will I Need a Social Security Number?

You will be asked for a social security number. You may be able to use an Individual Tax Identification Number (ITIN). It may be possible to obtain an ITIN number from the IRS (Internal Revenue Service). You will need certain documents to get an ITIN number. The rules are different at each bank.

Over →

Savings Accounts

Materials needed:

- Wipe board and wipe board markers
- Pencils
- Highlighters

Finanza materials:

- *Savings Accounts* (Toolbox Topic, Skills Practice Sheet, More Skills Practice Worksheet Pre/Post-Survey)
- Deposit and Withdrawal slips

Elements	Activities	Notes
Pre-Set	Introduce topic Conduct Pre-Survey Introduce new vocabulary	Have you ever put money aside to buy something later? Do you have a safe place to keep the money? Students complete (oral or written) survey. Instructor writes vocabulary words on the wipe board. Instructor and students repeat vocabulary words.
Instruction	Read <i>Savings Accounts</i> (if appropriate) Identify vocabulary words in reading Explain how savings accounts work Practice process of using a savings account. Solve savings accounts problems Expand on savings accounts practice.	Provide Toolbox Topic – <i>Savings Accounts</i> Instructor leads guided reading of topic. Students highlight definitions of new words. Instructor explains meaning of words. Instructor explains process of opening and using a savings account. Instructor assists students with completing deposit and withdrawal slips. Provide Skills Practice Worksheet. Instructor leads students through examples as a group. Instructor creates additional scenarios as necessary for mastery.
Concept Check	Discuss benefits of a savings account. Conduct Post-Survey	Instructor leads discussion. Why would you want a savings account? Is it safe – why? Students complete (oral or written) Post-Survey.

Workshop Guidelines:

- Complete attendance/sign-in document
- Record Pre/Post-Survey results if completed orally
- Time estimate – 1 hour for adults... less for children depending on grade (K – 12)

Savings Accounts Cuentas de ahorros

Name/Nombre _____ Date/Fecha _____

1. Sara opened a savings account with a \$25 deposit. She deposited \$50 every week for six weeks. Yesterday she took \$30 out of her account to take her sister to dinner. How much money does Sara now have in her account?

1. Sara abrió una cuenta de ahorros con un depósito de 25 dólares. Las últimas seis semanas depositó 50 dólares a la semana. Ayer sacó 30 dólares de la cuenta para invitar a su hermana a cenar. ¿Cuánto dinero tiene ya Sara en su cuenta?

2. Thomas deposited \$500 in his savings account for a year. His bank pays 3% interest per year. How much interest will Thomas make on the money in his account?

2. Tomás tuvo 500 dólares en una cuenta de ahorros por un año. Su banco paga 3% de interés anual. ¿Cuánto dinero ganará Tomás con el interés de su cuenta?

Over/Continúa al reverso



3. Jessica had \$50 in her savings account when she opened it. She made a \$50 deposit on April 4, a \$98 deposit on April 20, and a \$93 deposit on May 10. On May 13 she withdrew \$25. On the register below, show Jessica's deposits and withdrawals.

3. Jessica tenía 50 dólares en su cuenta de ahorros cuando la abrió. Depositó 50 dólares el 4 de abril, depositó 98 dólares el 20 de abril y 93 dólares el 10 de mayo. El 13 de mayo sacó 25 dólares. En el registro de abajo, muestre los depósitos y retiradas.

Savings Account			Total Amount
Beginning Balance			\$50.00
Date	Deposit	Withdrawal	



Savings Accounts Pre-Assessment

Date: _____

Name: _____

1. Is a bank a safe place to keep your savings?

Circle the correct answer.

Yes

No

2. What types of activities can you do with a savings account?

- a. deposit money
- b. withdrawal money
- c. check your balance
- d. all of the above

3. Where is your money the safest?

under your
mattress

in a bank

4. *Interest* is the small amount of money a bank pays on your savings account.

True

False

5. Will you need a *picture ID* to start a bank account?

Yes

No

Total Correct: _____



Savings Accounts Post-Assessment

Date: _____

Name: _____

Circle the correct answer.

1. Is a bank a safe place to keep your savings?

Yes

No

2. What types of activities can you do with a savings account?

a. deposit money

b. withdraw money

c. check your balance

d. all of the above

3. Where is your money the safest?

under your
mattress

in a bank

4. *Interest* is the small amount of money a bank pays on your savings account.

True

False

5. Will you need a *picture ID* to start a bank account?

Yes

No

Why is it a good idea to have a savings account? (not scored)

Total Correct: _____