

Good Money Habits Video #1: "Saving Your Money Instead of Spending It"

Version 1.0

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- This resource is free to use with any school that you work with in your community.
- Lesson plans can be distributed to teachers along with the corresponding Adolescent\$ videos. Each video will have its own lesson plan to accompany it.
- Please share [this form](#) with teachers as well. It will be used to help us collect feedback about the lessons. Teachers should fill out the form after they complete each lesson.
- Once teachers fill out the form, have them email you to confirm they have completed both the lesson and form.
- Forward us the email so that we can view the results.
- As always, please reach out with any questions!

Good Money Habits Video #1: “Saving Your Money Instead of Spending It”

Student Level: Secondary

Objectives:

- Students will understand the importance of saving money instead of constantly spending it.
- Students will learn about the concept of hyperbolic discounting and how it affects our spending choices.
- Students will be able to identify strategies for developing good money habits, such as paying themselves first.

Key Points:

1. Spending choices are everywhere, especially on social media, but constantly treating ourselves to purchases can lead to empty bank accounts or a lot of debt.
2. Our Present Selves tend to care less about the financial well-being of our Future Selves, making present money worth more to us than future money.
3. By paying ourselves first, we can develop the good money habit of saving money instead of spending it and build up our savings over time.

Video Script Discussion Questions:

1. Why is it so easy to spend our hard-earned money when we see ads for things we want to buy?
2. What is hyperbolic discounting, and how does it affect our spending choices?
3. What is one strategy the video suggests for developing good money habits?

In-Class Activities:

- 1. Analyzing Social Media Ads:** In pairs, students will analyze a selection of social media ads and identify the tactics used to entice people to make a purchase. They will then discuss the impact of these ads on their own spending habits and brainstorm ways to resist the temptation to make unnecessary purchases.
- 2. Paying Yourself First:** Students will create a budget for a hypothetical scenario and calculate the amount of money they could realistically save each week or month. They will then discuss the benefits of paying themselves first, such as building up their savings and avoiding debt.
- 3. Saving vs. Spending Decision Making:** In groups, students will be given a set of scenarios where they have to make a decision between saving money or spending it. For example, they might choose between buying a new video game or putting that money into a savings account. After making their decisions, they will discuss their reasoning and the potential consequences of their choices. (Example scenarios provided below.)
- 4. Real-Life Budgeting:** Students will work individually or in pairs to create a budget based on a real-life scenario, such as managing their expenses as a part-time worker or a college student. They will identify their income, fixed and variable expenses, and determine how much money they can realistically save each month. If time permits, they will then present their budgets to the class and discuss their strategies for saving money and managing their expenses.

Example Budget:

Housing:

Rent/Mortgage: \$800

Utilities: \$150

Internet/Cable: \$100

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Transportation:

Car Payment: \$300

Gas: \$120

Car Insurance: \$150

Food:

Groceries: \$300

Eating Out: \$100

Entertainment:

Streaming Services: \$50

Concerts/Movies: \$100

Health & Wellness:

Gym Membership: \$50

Medical Insurance: \$200

Prescriptions: \$50

Miscellaneous:

Clothing: \$100

Gifts: \$50

Donations: \$25

Total Monthly Expenses: \$2,395

Scenarios for “Saving vs. Spending Decision Making”

Scenario 1:

You have \$50 in your wallet. You see a new video game that you've been wanting to buy for \$40. Your friends invite you to go to the movies, and the tickets cost \$15. What will you choose to do with your money?

Scenario 2:

You receive \$20 as a gift from your grandparents. You want to buy a new book that costs \$10. You also have the option to save the money for a school trip that costs \$50. What will you do with the money?

Scenario 3:

You have been saving money to buy a bicycle that costs \$200. You find a used bicycle in good condition for \$150. However, there's also a new smartphone you've been wanting for \$150. What will you decide to spend your savings on?

Scenario 4:

You have been saving money to buy concert tickets that cost \$60. Your favorite band announces a last-minute show, and tickets are available for \$100. On the same day, there's a limited-time sale on a pair of sneakers you've been eyeing for \$80. What will you do with your savings?

Scenario 5:

You have \$15 left over from your allowance this week. You see a new gadget that costs \$12 and a poster of your favorite movie for \$10. You also have a savings goal to buy a skateboard for \$50. What will you choose to spend your leftover money on?

These scenarios should prompt students to consider their spending choices and the opportunity costs associated with each decision.

Assessment:

Students will be assessed based on their participation in the classroom discussion and in-class activities and a written reflection on what they learned about the importance of saving money and developing good money habits.

Criteria	Excellent (4)	Good (3)	Satisfactory (2)	Needs Improvement (1)	Not Attempted (0)
Participation in Discussion	Actively participated in the discussion, providing thoughtful insights and responding to peers.	Participated in the discussion with relevant contributions and engaged with peers' ideas.	Participated minimally in the discussion, occasionally offering insights but not engaging fully.	Rarely contributed to the discussion or only provided superficial responses.	Did not participate in the discussion.

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In-Class Activities	Successfully completed all in-class activities with a high level of accuracy and demonstrated a deep understanding of the concepts.	Completed most in-class activities with accuracy and understanding, but may have had minor errors.	Completed the activities with some accuracy but displayed a partial understanding of the concepts.	Completed the activities with significant errors and struggled to grasp the concepts.	Did not attempt or complete the in-class activities.
Written Reflection	Wrote a comprehensive reflection that demonstrated a clear understanding of the lesson's key points and how they relate to personal finance decisions.	Wrote a reflective response that addressed the lesson's key points and connected them to personal finance, though with minor gaps.	Provided a basic reflection that touched on some key points but lacked depth or clarity.	Submitted a vague or incomplete reflection that did not effectively address the lesson's content.	Did not submit a written reflection.

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Overall Understanding	Displayed a strong grasp of the lesson's concepts, successfully applying them to real-life scenarios and providing insightful analysis.	Demonstrated a good understanding of the concepts and was able to apply them to scenarios, but with occasional inaccuracies.	Displayed a satisfactory understanding of the concepts, though struggled to consistently apply them to scenarios accurately.	Displayed limited understanding of the concepts and had difficulty applying them to scenarios.	Showed a lack of understanding of the concepts and did not attempt to apply them.
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ChatGPT by OpenAI was used in the creation of this lesson plan.