

Presentation: Basics of Saving

Ages 8-12

***BEFORE PRESENTING:** Edit the first and eleventh slide and log in to the Manager to show your branding.

Slide 1 Sponsor Intro

NOTES

Introduce yourself to the class and explain a little about your role. You could go over your typical day, why you sponsor Banzai for their class, why you think financial literacy is important, or some things your financial institution offers.

Sponsor Intro

Hi, my name is [YOUR NAME].

I work as [JOB TITLE] at [FINANCIAL INSTITUTION].

Banzai!

Slide 2 Title

NOTES

Saving is an essential part of creating a budget and setting yourself up for financial success. And the best part is that you're never too young to start! Today we'll go over all the basics of savings—some things may surprise you.



Slide 3 Presentation Overview

NOTES

This slide serves as a table of contents and can be used to introduce the presentation. These are the specific topics you'll cover in the order you'll present them in.

We'll talk about...

- Why you should save
- Saving with a purpose
- Goals
- How to save

Slide 4 Concept Overview

NOTES

Saving is choosing not to spend some money now so that you can use it for something else in the future.

Ask the students why they think saving is important.

Steer them toward the idea that saving allows you to gather enough money to buy something big that you wouldn't be able to buy otherwise. Help them brainstorm some ideas for what that could be (a game, a bike, etc.).

You can also touch on the dangers of not saving. Explain that if you never save any money, it will be really difficult or impossible to afford expensive things. And if you don't save up an emergency fund, you could be in big trouble if something unexpected happens, like an accident or a natural disaster.

Why is saving important?



Slide 5 Deep Dive

NOTES

The best way to save is to work toward a goal. Don't think of it as putting money away for no reason. Saving will be much easier and more effective if you have a specific purpose in mind. That purpose should have a fixed dollar amount and a timeline.

Instruct the students to get out a piece of paper and write down 1 or 2 things they'd like to save for and a guess at the cost (you can also ask the students to think of goals if they don't have paper). Give them a few minutes to think and answer. You'll probably need to help students come up with ideas and estimate costs. Once the class finishes, ask a few students to read their goals to the class.

Save with a purpose.



Slide 6 Deep Dive

NOTES

Ask yourself two questions: when do you want to reach your goal and what's realistic? You may want to reach it by tomorrow, but you need time to save. Consider whether your goals are short or long-term.

A short-term goal will take a few months to years to save up for. Most of the things on your lists are probably short-term goals. Let's walk through an example to practice creating a timeline:

Hank's goal is to buy a \$90 bike. He gets \$10/week in allowance. **How much would you suggest he put into savings?** Walk through how different amounts would impact his timeline (ex: \$5/week means he would save \$90 in 18 weeks). **What if Hank started a window-washing business and earned an extra \$5 each week? How would that change things?**

Give the students a few minutes to create their own timelines. Help anyone who gets stuck.

A long-term goal takes a really long time, sometimes decades! Long-term goals could be things like buying a house, creating a retirement fund, or saving for college. Encourage the students to think of one long-term goal.

Saving Timelines

- When do you want it?
- What's realistic?



Slide 7 Factoid

NOTES

Now that you have your goals, you need a way to reach them. The 3 Jar System is a great way to get started with budgeting.

Every time you earn money, you divide it up into three jars: one for spending, one for saving, and one for giving. You can dip into the spending jar whenever you want. The giving jar is for donating. You can use it to support a charity you like or a family in your neighborhood. The savings jar is where you put all of the money that you're saving toward your goal. Keep the jars somewhere you can see so that you remember to save.

Ask the students to imagine that they got \$20 for their birthday and think about how they would divide it up. Demonstrate an example (\$5 into spending, \$5 into giving, and \$10 into saving) and ask students to share other options. Note that deciding how to divide the money up can be tricky. The next strategy can help with that.

The 3 Jar System—one jar for...

- Spending
- Saving
- Giving



Slide 8 Factoid

NOTES

The 50/30/20 rule is a popular strategy that helps you know how to divide your money.

50% of your money goes toward needs like food or clothes, 30% goes toward wants like treats at the grocery store, and 20% goes to saving.

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The 50/30/20 Rule

- 50% to needs
- 30% to wants
- 20% to savings



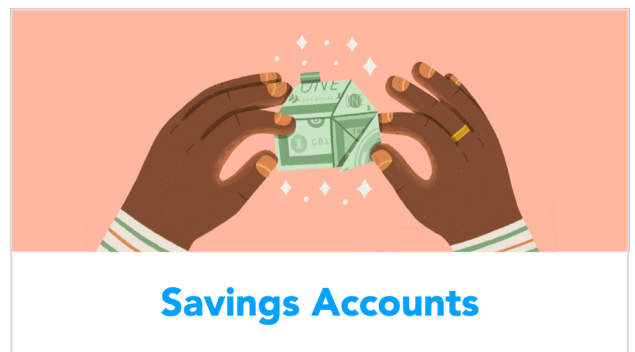
So, in our \$20 example, you would put \$10 toward needs, \$6 toward wants, and \$4 toward savings. But, if you don't have to pay for a lot of your needs, you may be able to save even more. Remember, the more you save, the sooner you'll reach your goal!

Ask the students for more dollar amount examples and help them practice breaking it up with the 50/30/20 rule. For example: \$10 would be \$5 for needs, \$3 for wants, and \$2 for saving.

Slide 9 Deep Dive

NOTES

There are lots of options for where to keep your savings. The three jar method recommends starting with jars, but you may also opt for a wallet or drawer. If you want to get serious about saving, the best place is a savings account at a bank or credit union like [your financial institution].



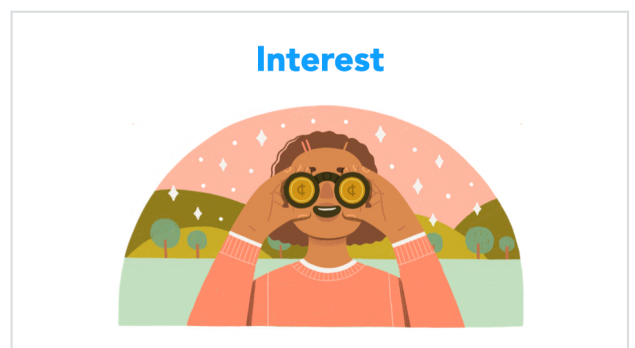
Savings accounts allow you to make sure your money is safe. This is because of the NCUA or FDIC, which are government agencies that protect almost every financial institution. If anything were to happen to your money, the government would pay it back to you, up to \$250,000! If something happens to your money that you keep in a jar, there's no guarantee you'll get it back.

*Note: there's a slide later in this presentation that you can edit with the details of your Financial Institution's saving account options. You may consider going over those specifics then.

Slide 10 Deep Dive

NOTES

The best thing about keeping your money in a savings account? Interest! Interest is money that the financial institution pays you. You don't have to do anything and your savings will grow! Interest works as a percentage. So the more money you have in your account, the more you'll earn.



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Show how interest works by opening the [Savings Calculator](#) in another tab. Tell the class that the darker part of the graph represents interest and point to the "interest earned" number along the bottom bar. Take suggestions from the class as you adjust the sliders to show how big of an impact interest can have.

Slide 11 Deep Dive

NOTES

Go over the savings accounts at your financial institution that would apply to these students. Explain the process to open one.

Savings accounts at [your institution] for YOU:

- Fill
- These
- In

Slide 12 Review and Questions

NOTES

These are all the topics you discussed. **Ask for questions.**

Review

- The importance of saving
- Saving with a purpose
- Creating a saving goal
- Saving strategies
- Savings accounts

Slide 13 Banzai Resources

NOTES

If there's time, open up a few of these resources and go over them with the students. If not, encourage students to look at these resources later.

More to see!

- [Opening Your First Account Article](#)
- [50/30/20 Rule Calculator](#)
- [Saving with a Purpose Coach](#)