Do you want to become a millionaire? In order to become a millionaire, you must begin saving now for the future. There are a variety of savings options that will allow you to save regularly. Which option do you think would be right for you?

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**Econ/Personal Finance Standards:**
Personal Finance Standard 3, Benchmark 3.1

**Key Concepts:**
- 401(k)/403(b) Plans
- Annuity
- Certificate of Deposit (CD)
- Individual Retirement Account (IRA)
- Money Market Deposit Account (MMDA)
- Pension Plan

**Introduction:**
Are you close to becoming a millionaire? Do you have thousands of dollars in your savings account that you could spend on a new car, computer, or iPhone 7? If not you better start saving money now.

There are many options to choose from when looking at how and where to save your money. In this personal finance lesson, students will examine the various types of savings accounts, retirement plans, and also explore the different ways in which savings can earn interest (Madura, Casey, and Roberts, 2010).

The website ([http://money.cnn.com/calculator/pf/millionaire/](http://money.cnn.com/calculator/pf/millionaire/)) will allow students to see the month and year they will become a millionaire based on what they currently have saved. After using this tool, students will understand the importance of starting early in implementing a savings plan.
Resources:
Textbook chapter and other print resources used or referenced to complete this lesson.

Internet websites with URL and brief description used or referenced to complete this lesson.
➢ Picture located at the top of this lesson.

➢ Students will use the following website to explore different savings calculators.

➢ Students will use the following website to access an article to refer to when doing the extension activity.

➢ Students will use the website below to enter their current savings amounts, monthly contributions, and average rate of return to decipher when they will become a millionaire.

➢ Students will use the following website to collect information about different savings account options.

➢ Students will use the following website to research different retirement plans.

Process:
1. The teacher will introduce briefly a variety of savings options, which include: Checking Accounts, NOW Accounts, Savings Accounts, Certificate of Deposit (CD), Money Market Deposit Accounts (MMDA), Traditional IRAs, Roth IRAs, Pension Plans, 401(k), 403(b), Fixed Annuities, and Variable Annuities (Madura, Casey, and Roberts, 2010).
2. To better understand the concepts students will conduct research through their book and the Internet to further their knowledge with more detailed information about the specific savings accounts. A couple websites that can be used for research are stated below.
   • Use the following site to examine different types of accounts.
     http://www.schwabmoneywise.com/public/moneywise/money_basics/account_types
   • Use the following site to research different retirement plans.
• Use the following site to explore different savings calculators.

3. Students will be split into groups of two or three. Each group will choose one of the savings options from Step 1.
4. Once the savings option is chosen, the following questions will need to be researched and answered in complete sentences in the form of a presentation. This can be done through a PowerPoint, Prezi, Aurasma, Brochure, Poster, or any other presentation of their choice (Madura, Casey, and Roberts, 2010).
   a) What is unique about this savings option?
   b) How do you sign up for this option?
   c) Can you follow how the savings are growing or declining easily using the Internet?
   d) How does this savings option earn interest?
   e) What other information can you find about this option?
   f) How will this savings option benefit your financial plan now and in the future?
5. When students are finished creating their presentations, they will present them to the class.
6. As a class, we will review each of the savings options discussed and choose one option they are most likely to use right now.
7. After the option is selected we will discuss as a class the following questions (Madura, Casey, and Roberts, 2010).
   a) What is unique about this savings option?
   b) How easy would it be to participate in this option?
   c) How will this savings option affect your financial plan now and in the future?
8. With a partner, discuss the importance of saving to ensure financial security in your life.

Conclusion:
As you have seen in this lesson, there are many great savings options to choose from when thinking about implementing a savings plan. Each savings account has its own positive and negative traits. Some savings options accumulate more interest than others.

It takes time to save money and it is never too late to begin saving. It is important to start saving early so that you can have your needs and wants fulfilled in the future.

Try not to waste money on disposable wants. Next time you want to buy a soda, instead put the money in your savings account. One day saving the soda money may make you a millionaire.

Assessment Activity:
Carter received holiday money from her grandma. But, the grandma told Carter that the gift came with a catch: She must save the money for college, which was three years away. After a discussion with her parents and the local banker, she decided to place the money in a money market deposit account.

Three years pass and Carter is making decisions about college, such as what she will need to bring, whether or not to buy a computer, how to buy books, and so forth. Fortunately for Carter, and as a result of her hard work, she received a number of scholarships that will go a long way toward meeting these expenses.
Then she remembers the money market account. This money was for college. She is about to go to college but would really like to have a car. She knows she doesn't need a car at college, but the idea of being on her own and having her own car is very exciting. Her parents argue that it would be better to use the money to start an IRA. But they leave the decision up to her.

Carter has come to you for help with making her decision (Madura, Casey, and Roberts, 2010). Use a word processing document to answer the following questions.

a) Do you think she is obligated to use the money for college needs only? Why or why not?
b) Do you think a car for college is something she needs or wants? Why?
c) Do you think she has earned the right to use the money as she wishes, since she worked hard to earn scholarships to help pay for college? Why or why not?
d) Write four complete sentences explaining what you think she should do with the money.

Now you have an understanding of the importance of saving early for items and experiences you want and need in the future. Use a word processing document to write a five-sentence paragraph about the steps you can take to begin saving now for the future.

Extension Activity:
Read the article from the Business Insider Inc., 29 Money Lessons Every High School Graduate Should Know by Libby Kane, July 24, 2014. The entire article can be found here.

After you have read the article, use a word processing document to answer the following questions in complete sentences.

a) Out of the 29 lessons, list two lessons that you already knew. In other words, what two points did you already know and understand before you read this article? Do you currently follow these two financial points in your own life?
b) Out of the 29 lessons, list two lessons that you did not previously know. Why do you think these are important points when it comes to saving money? Will you implement these lessons into your own financial future? Why or why not?
c) Out of the 29 lessons, list two lessons that you would like to know more about. Why are you interested in learning more about these two points?