



# Savings Interest with a Bank

**Utah Core:** MEASUREMENT AND DATA Standard 5.MD.1

**Objective:**

*I can explain what a savings account is and how interest helps money grow over time.*

**Materials:**

- Whiteboard or chart paper
  - Play money or printed “bank bucks”
  - Optional: jars or envelopes labeled “Savings Account”
  - Calculators (optional)
  - A few example interest rate cards
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## 1. Warm-Up (5 minutes)

**Ask students:**

- “What does it mean to save money?”
- “Where do people keep their money safely?”

**Introduce:**

A **savings account** is a place at a bank where you store money. Banks **pay you interest** for keeping your money there.

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## 2. Direct Instruction (10 minutes)

**Key Vocabulary**

- **Savings account:** A place in a bank where you keep your money safely.
- **Interest:** The extra money the bank pays you for saving your money.
- **Interest rate:** The percentage that shows how much interest you earn.
- **Deposit:** Money you put into your account.
- **Balance:** How much money you have in your account.

**Simple Example:**

You deposit **\$100** in a savings account. The bank pays you **5% interest** per year.



Interest earned =  $\$100 \times 0.05 = \$5$

New balance = **\$105**

Explain:

**Saving money makes your money grow because the bank pays you interest.**

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### **3. Guided Practice: “Watch Your Money Grow!” (10 minutes)**

Write these examples on the board and solve together.

1. Deposit \$50, earn 10% interest.  
Interest = \$5 → New balance = **\$55**
2. Deposit \$200, earn 5% interest.  
Interest = \$10 → New balance = **\$210**
3. Deposit \$80, earn 8% interest.  
Interest = \$6.40 → New balance = **\$86.40**

Ask students: “What do you notice about how different interest rates change the growth?”

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### **4. Activity: Savings Simulation (15 minutes)**

**Give each student/pair:**

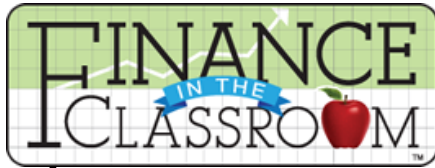
- A “bank account” jar or envelope
- A starting deposit (e.g., \$100 in play money or written on a card)
- An “interest rate” card (5%, 7%, or 10%)

**Directions:**

1. Students record their starting deposit.
2. They calculate their interest for one “year.”
3. They add the interest to their savings balance.
4. Option: repeat for 2–3 “years” to show growth over time.
5. Students compare which rate helped their money grow the fastest.

**Discussion Prompt:**

“What happened to your money over time? Why?”



## 5. Discussion (5 minutes)

Ask:

- “Why do people save money in a bank rather than keep it at home?”
- “What are some things you might save money for?”
- “How does interest help you reach your goals?”

Highlight that **longer saving = more growth**, even without adding more money.

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## 6. Exit Ticket (3 minutes)

Students answer:

1. What is a savings account?
2. What is interest?
3. If you save \$100 at 5% interest, how much interest will you get in one year?

# Printable Scenario Cards: Savings Interest

Cut these apart for student groups or individual use.

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## Card 1: Piggy Bank Savings

**Samantha deposits \$50 in her savings account. The bank pays 5% interest per year.**  
Students calculate:

- Interest amount
  - New balance after one year
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## Card 2: Birthday Money

**James deposits \$100 from his birthday money. His bank account earns 6% interest per year.**  
Students calculate:

- Interest amount
  - New balance after one year
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## Card 3: Weekly Allowance

**Ava deposits \$20 each week. After one year, she has \$240. The bank gives 4% interest annually.**  
Students calculate:

- Interest amount
  - Total balance
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## Card 4: Lemonade Stand Profit

**Leo deposits \$80 from his lemonade stand earnings. His bank account pays 8% interest per year.**  
Students calculate:

- Interest amount
- New balance after one year

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### **Card 5: Saving for a Bike**

**Maya deposits \$150 in her savings account. The bank pays 7% interest per year.**

Students calculate:

- Interest amount
  - New balance after one year
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# Worksheet / Quiz: Savings Interest

Name: \_\_\_\_\_ Date: \_\_\_\_\_

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## Part 1: Vocabulary (Matching)

Match the word to the correct definition.

- A. Savings Account
- B. Interest
- C. Interest Rate
- D. Deposit
- E. Balance

1. \_\_\_\_ A place at a bank where you keep your money safe.
  2. \_\_\_\_ Extra money the bank pays you for keeping your money there.
  3. \_\_\_\_ The percentage used to calculate interest.
  4. \_\_\_\_ Money you put into your savings account.
  5. \_\_\_\_ How much money is in your account.
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## Part 2: Simple Interest Calculations

Show your work.

6. You deposit **\$100** at **5% interest** for one year.  
Interest = \_\_\_\_\_  
New balance = \_\_\_\_\_
  7. You deposit **\$200** at **4% interest** for one year.  
Interest = \_\_\_\_\_  
New balance = \_\_\_\_\_
  8. You deposit **\$50** at **6% interest** for one year.  
Interest = \_\_\_\_\_  
New balance = \_\_\_\_\_
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## Part 3: Multiple Choice

9. Which account will earn the most interest after one year?

- A. \$50 at 4%
- B. \$100 at 5%
- C. \$50 at 6%

10. What happens to your money in a savings account over time?

- A. It disappears
- B. It grows with interest
- C. It stays the same no matter what

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## Part 4: Short Answer

Answer in 1–2 sentences.

11. Why is it better to save money in a bank instead of keeping it at home?

12. How does interest help your savings grow?