Name: _____ Date: _____

The Savings Jar That Grew a Dollar

Circle group

Coins in a jar are safe. But the jar never grows on its own. Money in a savings account at a bank can grow. The bank pays you a little extra for holding your money. That extra money is called interest.

A bank uses a rate to work out interest. A rate is often a percent. A percent means "out of every 100." Pretend a bank pays 5 percent a year. For every 100 dollars you keep there, you earn 5 dollars each year.

Say you put in 20 dollars. Twenty is one fifth of 100. So you earn one fifth of 5 dollars. That is 1 dollar. After a year, you have 21 dollars. You just waited.

A dollar may sound small. But money that stays longer can earn more. Bigger deposits earn more too. Saving 100 dollars would earn 5 dollars in that year.

Rates change, and banks differ. A grown-up can help you compare. With interest, your savings can go to work.

Questions

1. What is interest?

_____

_____

2. What does a percent mean?

_____

_____

3. In the example, how much does 100 dollars earn in a year at 5 percent?

_____

_____

4. How much interest does 20 dollars earn?

_____

_____

5. Do all banks have the same rate?

_____

_____

6. Why is a savings account better than a jar of coins?

_____

_____

Words to know

interest: extra money a bank pays you for saving with it
savings: money that is kept and not spent
percent: a way to say how many out of 100
deposits: amounts of money put into a bank account

Talk together (every group has these)

1. Find one fact that every group read. How did your sheet say it?
2. What did your sheet tell you that you think another group's did not? Ask them.
3. What is one question about this topic that none of the sheets answered?

Name: _____ Date: _____

The Savings Jar That Grew a Dollar

Triangle group

Keeping coins in a jar is safe, but the jar never gets any bigger on its own. Money kept in a savings account at a bank can. The bank pays you a small extra amount for letting it hold your money. That extra money is called interest.

Banks use a rate to work out interest. A rate is often written as a percent, which means "out of every 100." Pretend a bank pays 5 percent a year. That means for every 100 dollars you keep there, you earn 5 dollars each year.

Now suppose you put in 20 dollars. Twenty is one fifth of 100, so you earn one fifth of 5 dollars. That is 1 dollar. After one year, you have 21 dollars. You did nothing but wait.

A dollar may sound small. But the longer money stays in the bank, the more interest it can earn. Larger deposits earn more too. A person who saves 100 dollars would earn 5 dollars in the same year.

Interest rates change, and different banks offer different ones. A grown-up can help you compare them. Still, the lesson is clear. Saving is not only putting money away. With interest, your savings can slowly go to work for you.

Questions

1. What is interest?

_____

_____

2. What does a percent mean?

_____

_____

3. In the example, how much does 100 dollars earn in a year at 5 percent?

_____

_____

4. How much interest does 20 dollars earn in the example?

_____

_____

5. Do all banks pay the same rate?

_____

_____

6. Why does a savings account have an advantage over a jar of coins?

_____

_____

Words to know

interest: extra money a bank pays you for saving with it
savings: money that is kept and not spent
percent: a way to say how many out of 100
deposits: amounts of money put into a bank account

Talk together (every group has these)

1. Find one fact that every group read. How did your sheet say it?
2. What did your sheet tell you that you think another group's did not? Ask them.
3. What is one question about this topic that none of the sheets answered?

Name: _____ Date: _____

The Savings Jar That Grew a Dollar

Square group

Keeping coins in a jar is perfectly safe, but the jar never grows any bigger by itself. Money that sits in a savings account at a bank, on the other hand, can increase. The bank pays you a small extra amount in exchange for letting it hold your money, and that additional money is known as interest.

Banks calculate interest using a rate, which is frequently written as a percent. A percent means "out of every 100." Pretend that a bank pays 5 percent each year. That means for every 100 dollars you leave in the account, you earn 5 dollars annually.

Now suppose you deposit 20 dollars. Twenty is exactly one fifth of 100, so you earn one fifth of 5 dollars, which is 1 dollar. After a single year, you would have 21 dollars. You accomplished that simply by waiting.

A dollar may sound insignificant. Yet the longer money remains in the bank, the more interest it can earn, and larger deposits earn more as well. A person who saves 100 dollars would earn 5 dollars over the same year.

Interest rates change, and different banks offer different ones, so a grown-up can help you compare them. The lesson is still clear. Saving is not merely putting money away, because with interest your savings can slowly go to work for you.

Questions

1. What is interest?

_____

_____

2. What does a percent mean?

_____

_____

3. In the example, how much does 100 dollars earn in a year at 5 percent?

_____

_____

4. How much interest does a 20-dollar deposit earn in the example?

_____

_____

5. Do all banks offer the same interest rate?

_____

_____

6. Why does a savings account have an advantage over a jar of coins?

_____

_____

Words to know

interest: extra money a bank pays you for saving with it
savings: money that is kept and not spent
percent: a way to say how many out of 100
deposits: amounts of money put into a bank account

Talk together (every group has these)

1. Find one fact that every group read. How did your sheet say it?
2. What did your sheet tell you that you think another group's did not? Ask them.
3. What is one question about this topic that none of the sheets answered?

For the teacher: The Savings Jar That Grew a Dollar

Each student sheet carries a shape, not a level. The same topic and facts, written three ways.

Circle: The Savings Jar That Grew a Dollar

Easier · 155 words · Flesch-Kincaid grade 2.4

1. A little extra money the bank pays you for holding your money.
2. Out of every 100.
3. 5 dollars.
4. 1 dollar.
5. No. Rates change and banks differ.
6. The bank adds interest, so the money grows. The coins in a jar stay the same.

Triangle: The Savings Jar That Grew a Dollar

This passage · 196 words · Flesch-Kincaid grade 3.5

1. A small extra amount of money the bank pays you for holding your money.
2. Out of every 100.
3. 5 dollars.
4. 1 dollar.
5. No. Interest rates change and different banks offer different ones.
6. The bank adds interest, so the money grows, while coins in a jar stay the same.

Square: The Savings Jar That Grew a Dollar

Harder · 213 words · Flesch-Kincaid grade 6.5

1. A small extra amount of money the bank pays you for holding your money.
2. Out of every 100.
3. 5 dollars.
4. 1 dollar.
5. No. Interest rates change and different banks offer different ones.
6. The bank adds interest so the money grows, while coins in a jar never change.