

Tía Isa's Incentives to Save

- Buy a car
- Send her niece to college
- Prepare for emergencies
- Buy a house
- Travel
- Become an entrepreneur (open her own bakery)
- Invest for the future
- Set up for retirement



Incentives to Save

Directions: Create a list of reasons to save money. Be prepared to share your work with the class.

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

Scoring: 10 points for each item listed.

Saving Money

Saving for the future means giving up the opportunity to spend in the present. Tía Isa and her family needed cash to purchase the many things they wanted. Some of these items were very expensive, others were not. Sometimes goals can be categorized by when you want to achieve them. It is good to have short-, medium-, and long-term goals.



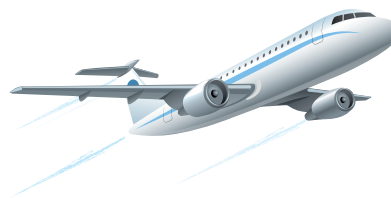
Savings Goal Type 1

Short-term savings goals are something you plan to achieve within one year. *An example would be Tío Andres saving to buy new work boots.*



Savings Goal Type 2

Medium-term savings goals are something you plan to achieve in one to five years. *An example would be Tía Isa and her niece saving money to purchase a car.*



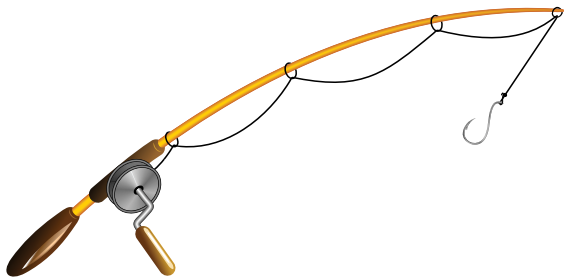
Savings Goal Type 3

Long-term savings goals are something you plan to achieve in five years or more. *An example would be all the members of Tía's family living in the US saving to purchase passage for family members remaining on the faraway island to come to the United States.*

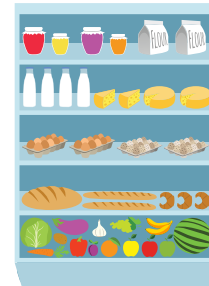
Note: The next-best alternative, which is given up when saving for a goal, is called the opportunity cost.

Sort the Savings Goal Cards

Tío Andres would like a new fishing pole.



Señor Leo wants new display cases for his grocery store.



Meg wants to go to college.



Grandma Maria needs new eyeglasses.



Tía Isa would like to open her own bakery.



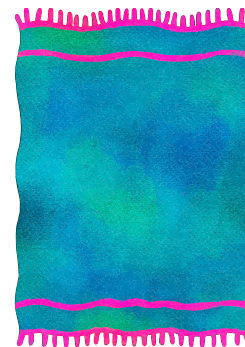
Tía Isa's new car should have new tires.



Miss Amy would like to purchase some books that will help her learn Spanish.



Meg would like a new beach towel.



Tía Isa Wants a Car

Part I

Directions: Match the words in the word box to the correct definition.

- _____ 1. To use money to buy goods and services now
- _____ 2. To keep money for use in the future
- _____ 3. Tangible things such as food, shoes, and cars
- _____ 4. Actions people do for others, such as teaching Spanish
- _____ 5. A savings goal that you plan to achieve in five or more years
- _____ 6. A savings goal that you plan to achieve in two months

WORD BOX

- | | |
|---------------------------|----------------------------|
| A. Goods | D. Services |
| B. Long-term savings goal | E. Short-term savings goal |
| C. Save | F. Spend |

Part II

Directions: Answer these questions using complete sentences.

Tía Isa kept her money in an envelope; her niece stuffed all the money she made in a sock.

1. Can you think of a better place to keep money?

2. Why would this place be better?



Tía Isa Wants a Car

Part I

Directions: Match the words in the word box to the correct definition.

- F** 1. To use money to buy goods and services now
- C** 2. To keep money for use in the future
- A** 3. Tangible things such as food, shoes, and cars
- D** 4. Actions people do for others, such as teaching Spanish
- B** 5. A savings goal that you plan to achieve in five or more years
- E** 6. A savings goal that you plan to achieve in two months

WORD BOX

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|---------------------------|----------------------------|
| A. Goods | D. Services |
| B. Long-term savings goal | E. Short-term savings goal |
| C. Save | F. Spend |

Part II

Directions: Answer these questions using complete sentences.

Tía Isa kept her money in an envelope; her niece stuffed all the money she made in a sock.

1. Can you think of a better place to keep money?

A bank or a credit union

2. Why would this place be better?

It is less likely to be misplaced, stolen, or destroyed at a bank or credit union.

