LESSON PLAN

Guaranteed Deposits

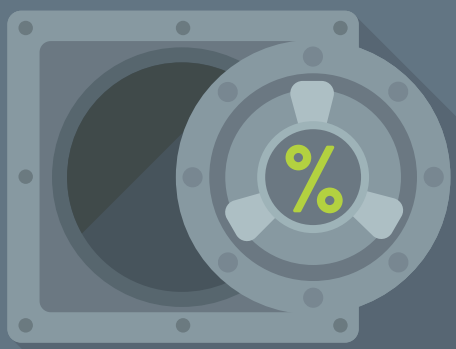
- IT'S A -
MONEY THING®

INCLUDED IN THIS PACKAGE

- **LESSON PLAN** *(2 pages)*
- **ACTIVITY** *(10 pages)*
- **QUIZ** *(1 page)*
- **ACTIVITY ANSWER KEY** *(1 page)*
- **QUIZ ANSWER KEY** *(1 page)*

COLLECT FROM YOUR LIBRARY

- **VIDEO 49** *(Guaranteed Deposits)*
- **PRESENTATION 49** *(Guaranteed Deposits)*
- **HANDOUT 49** *(Guaranteed Deposits)*



BROUGHT TO YOU BY

CapEd CREDIT UNION

LESSON PLAN

Guaranteed Deposits

GRADES
10 to 12

TIME
45 minutes



OVERVIEW

Certificates of deposit (CDs) offer a different approach to investing than stocks. In this lesson, students will explore the features of CDs and how strategies like laddering can help investors balance returns with access to their money. Students will then put their knowledge to the test in an investment-themed game of Snakes and Ladders.

GOALS

- Expand students' understanding of available investment options
- Encourage students to consider risk, flexibility and potential returns when comparing investments

OBJECTIVES

- Define Certificates of Deposit (CDs) and their key features, including interest rates, term lengths and maturity dates
- Describe the benefits and limitations of CDs as an investment option
- Compare CDs and stocks based on risk, flexibility and potential returns

ASSESSMENT

Use the activity in this lesson plan to assess students' grasp of the topic. An optional quiz is also provided (the quiz is not factored into the lesson's 45-minute runtime).

Did you know? *This lesson plan explores concepts from Standard 4 (Investing) from the* ***Council for Economic Education's National Standards for Personal Financial Education.***

MATERIALS

- ☐ **VIDEO 49**—*Guaranteed Deposits*
- ☐ **PRESENTATION 49**—*Guaranteed Deposits*
- ☐ **HANDOUT 49**—*Guaranteed Deposits*
- ☐ **ACTIVITY**—*Snakes and Laddering and Answer Key*
- ☐ **QUIZ**—*Guaranteed Deposits and Answer Key*

PREPARATION

- *Gather digital materials (video and presentation)*
- *Prepare the* **ACTIVITY:** *Prepare a digital or physical version of the game board as outlined in the Answer Key. Print and cut out the question card deck (pages 2–5) and four sets of response cards (page 6). Gather four dice.*
- *Print* **HANDOUT 49** *for each student*
- *(Optional) Print* **QUIZ** *(Guaranteed Deposits) for each student*

LESSON PLAN

Guaranteed Deposits

TIMELINE

5 minutes	Introduce topic and show **VIDEO 49** *(Guaranteed Deposits)*
10 minutes	Go over **PRESENTATION 49**
25 minutes	Facilitate the group **ACTIVITY**
5 minutes	Wrap up and distribute **HANDOUT 49**
(Optional)	Assessment: **QUIZ** *(Guaranteed Deposits)*

INSTRUCTIONS

1. Introduce and determine students' familiarity with the topic by asking:
   - Why might someone choose to invest their money?
   - What types of investments have you heard of?

   Then say: "Stocks are often one of the first things that come to mind when you think about investing, but they aren't the only option. Today, we'll learn about Certificates of Deposit and the role they can play in an investment strategy."
2. Show **VIDEO 49**
3. Go over **PRESENTATION 49**
4. Facilitate the **ACTIVITY**
   - Set up the game board and question card deck as outlined in the Answer Key
   - Divide students into four teams
   - Give each team a set of response cards and one dice
   - Explain that teams advance through the game by correctly answering multiple-choice investment questions and earning rolls of the dice
   - Read a question card aloud; repeat the question and answer options as needed
   - Give teams a few moments to discuss, then have them raise their response cards at the same time
   - Reveal the correct answer; teams that answered correctly roll the dice and move their game pieces
   - Repeat with a new question each round
   - The first team to reach the Finish space wins; if time runs out, the team closest to Finish wins
5. Distribute **HANDOUT 49** and briefly review the comparison between CDs and stocks
6. Wrap up by sharing the following:
   - Different investments offer different levels of risk, flexibility and potential return
   - Understanding these differences can help you choose investments that fit your goals
7. (Optional) Distribute **QUIZ** for individual assessment, or answer the questions together as a class; decide whether or not students can reference their notes/handouts during the quiz

NOTES

IT'S A MONEY THING®

ACTIVITY

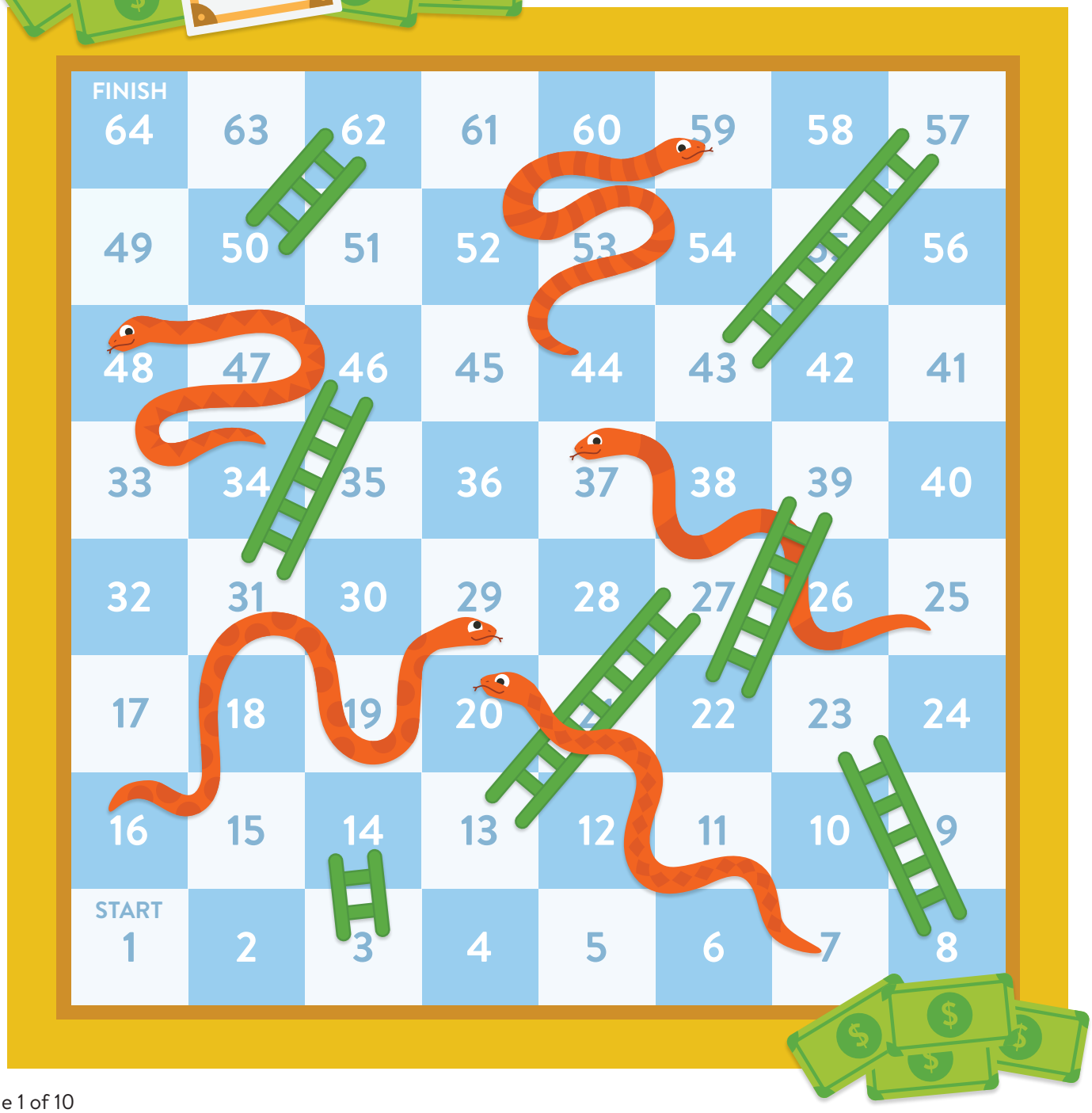
Guaranteed Deposits

BROUGHT TO YOU BY

CapEd CREDIT UNION

SNAKES AND LADDERING





IT'S A MONEY THING®

ACTIVITY

Guaranteed Deposits

BROUGHT TO YOU BY

CapEd CREDIT UNION

SNAKES AND LADDERING – QUESTION CARDS

Directions: Print and cut out the question cards. Shuffle them together into one deck.

What does CD stand for?

- **A** Cash Deposit
- **B** Certificate of Deposit
- **C** Certified Dividend

Answer: B

Which statement best describes a Certificate of Deposit (CD)?

- **A** A guaranteed investment product sold by financial institutions
- **B** An account for money you plan to spend regularly
- **C** An investment whose value changes with the stock market

Answer: A

True or false: When you put money in a CD, you agree to leave it there for a specific amount of time.

- **A** True
- **B** False

Answer: A

What is the maturity date of a CD?

- **A** The date you first deposit money into the CD
- **B** The date the CD's term ends
- **C** The date the CD's interest rate changes

Answer: B

Which feature tells you how long your money will stay in a CD?

- **A** The deposit amount
- **B** The interest rate
- **C** The term

Answer: C

What is one benefit of investing in a CD?

- **A** Your return increases whenever the stock market rises
- **B** You know how much interest you'll earn
- **C** You can access your money at any time without penalty

Answer: B

ACTIVITY

Guaranteed Deposits

SNAKES AND LADDERING – QUESTION CARDS

Directions: Print and cut out the question cards. Shuffle them together into one deck.

True or false: CDs are a good choice for money you might need to access at any time.

- **A** True
- **B** False

Answer: B

What may happen if you withdraw money from a CD before its maturity date?

- **A** You may have to pay a penalty
- **B** You may have to extend the CD's term
- **C** You automatically earn more interest

Answer: A

Jordan is choosing where to put money. Which situation is the best fit for a CD?

- **A** Jordan needs to spend the money regularly
- **B** Jordan wants to trade investments whenever prices change
- **C** Jordan can leave the money invested for an agreed-upon term

Answer: C

True or false: Generally, the longer the term of a CD, the more interest your money will earn.

- **A** True
- **B** False

Answer: A

Taylor thinks interest rates may rise soon. Based on today's presentation, which CD term might Taylor prefer?

- **A** The term doesn't matter
- **B** A shorter term
- **C** A longer term

Answer: B

Logan thinks interest rates may fall soon. Based on today's presentation, which CD term might Logan prefer?

- **A** The term doesn't matter
- **B** A shorter term
- **C** A longer term

Answer: C

ACTIVITY

Guaranteed Deposits

BROUGHT TO YOU BY

SNAKES AND LADDERING – QUESTION CARDS

Directions: Print and cut out the question cards. Shuffle them together into one deck.

What is one feature of a callable CD?

- **A** Its interest rate always increases over time
- **B** The financial institution can redeem it before its maturity date
- **C** You can withdraw your money at any time without penalty

Answer: B

What does it mean to create a CD ladder?

- **A** Move your money from CDs into stocks as prices rise
- **B** Put all your money into the longest-term CD available
- **C** Divide your money among CDs with different terms

Answer: C

Which example shows a CD ladder?

- **A** $1,000 each in 1-year, 2-year and 3-year CDs
- **B** $3,000 in a single 3-year CD
- **C** $1,500 in two separate 3-year CDs

Answer: A

Sam puts $1,000 into each of 5 CDs with terms of 1, 2, 3, 4 and 5 years. What happens as the CDs reach maturity?

- **A** The CDs mature in a random order
- **B** All 5 CDs mature at the same time
- **C** One CD matures each year

Answer: C

What is one benefit of using a CD ladder?

- **A** Portions of your money become available at different times
- **B** Your money is always available without restrictions
- **C** Every CD earns the same interest rate

Answer: A

Ava wants to invest $5,000 in CDs but doesn't want the entire amount tied up for the same length of time. Which strategy best fits this goal?

- **A** Choose several CDs that all mature at the same time
- **B** Divide the $5,000 among CDs with different terms
- **C** Put all $5,000 into one long-term CD

Answer: B

ACTIVITY

Guaranteed Deposits

BROUGHT TO YOU BY

SNAKES AND LADDERING – QUESTION CARDS

Directions: Print and cut out the question cards. Shuffle them together into one deck.

Compared with stocks, CDs generally have:

A The same level of risk

B Higher risk

C Lower risk

Answer: C

Which investment generally has greater potential for higher returns?

A A CD

B A stock

C Stocks and CDs have the same potential return

Answer: B

Casey wants an investment they can sell if they need access to their money. Which option is generally more flexible?

A A CD

B A stock

C Stocks and CDs are equally flexible

Answer: B

Alex prefers a predictable return and is willing to accept less potential for growth. Which investment better matches those preferences?

A A CD

B A stock

C Either one will provide the same result

Answer: A

Melissa knows she'll need her money in about 1 year. What should she pay particular attention to when choosing a CD?

A Whether the CD is callable

B The CD's interest rate

C The CD's term and maturity date

Answer: C

Cameron doesn't want all their money locked into a long-term CD. Which approach could help?

A Choose several CDs that all have the same term

B Divide the money among CDs with different terms

C Put all the money into one long-term CD

Answer: B

SNAKES AND LADDERING – RESPONSE CARDS

Directions: Print and cut out one set of response cards for each team.

A

B

C

Directions: Trim and join pages 7–10 to assemble the large-format game board.



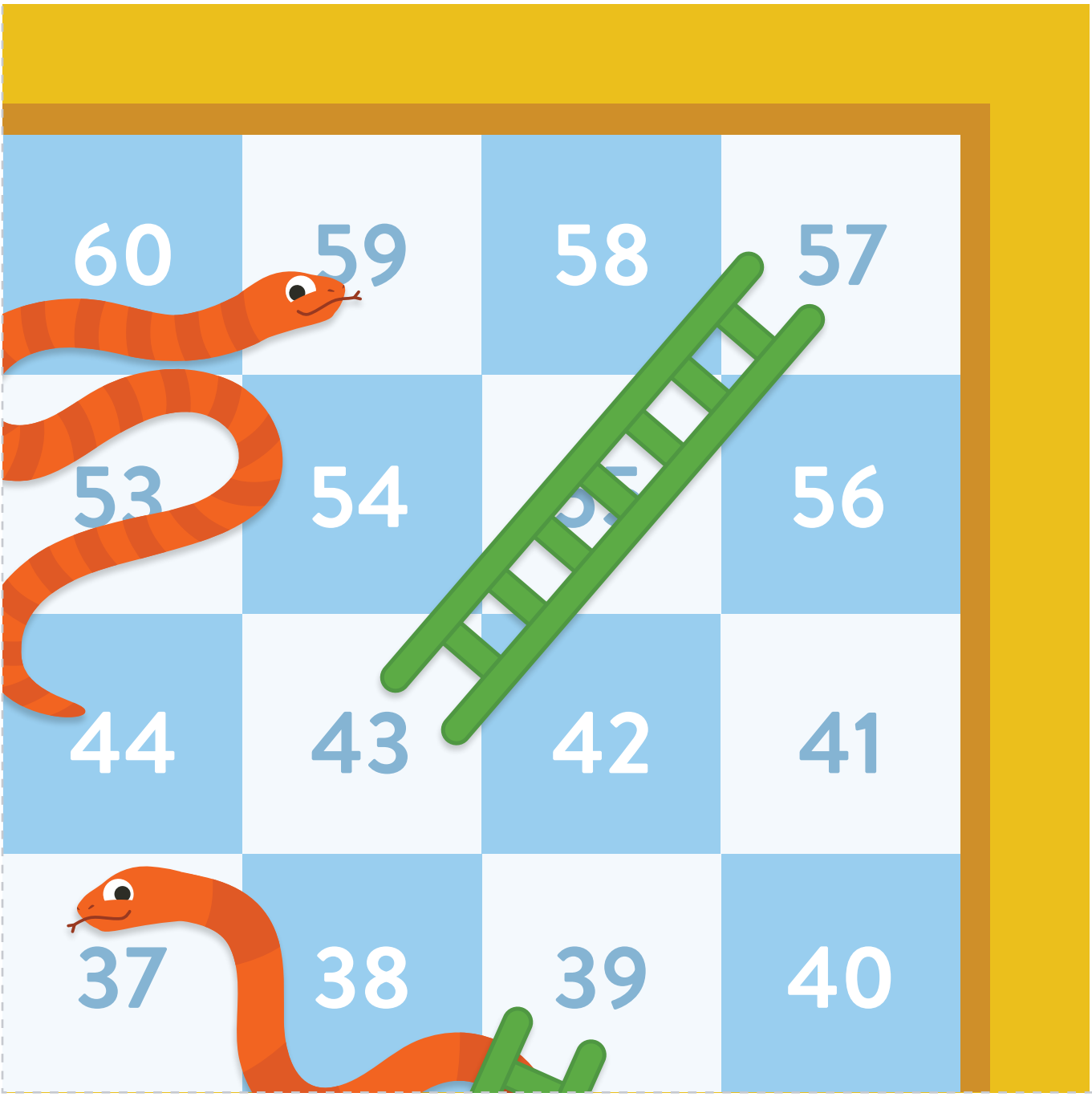
FINISH

64	63	62	61
49	50	51	52
48	47	46	45
33	34	35	36

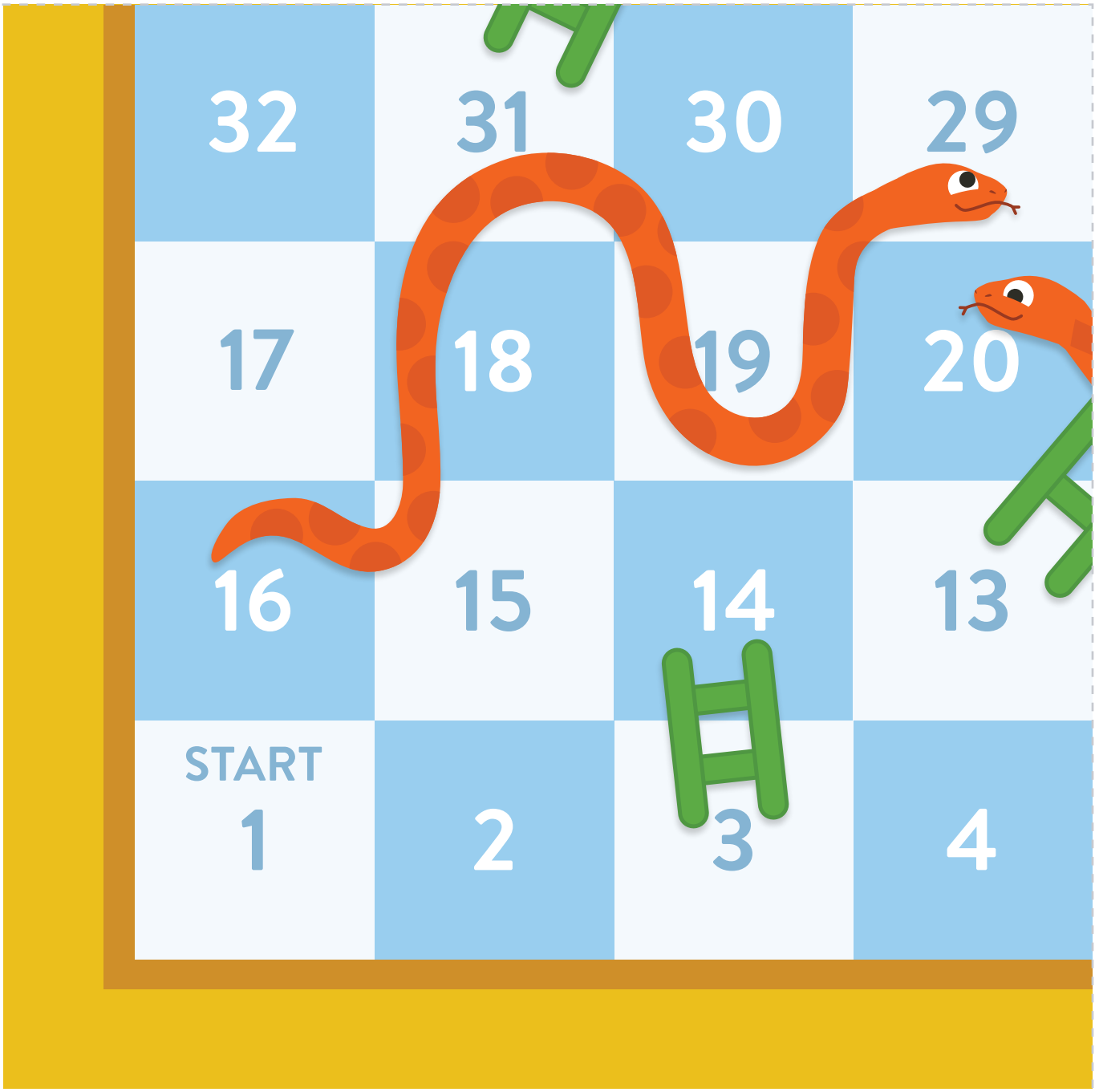
Directions: Trim and join pages 7–10 to assemble the large-format game board.

BROUGHT TO YOU BY

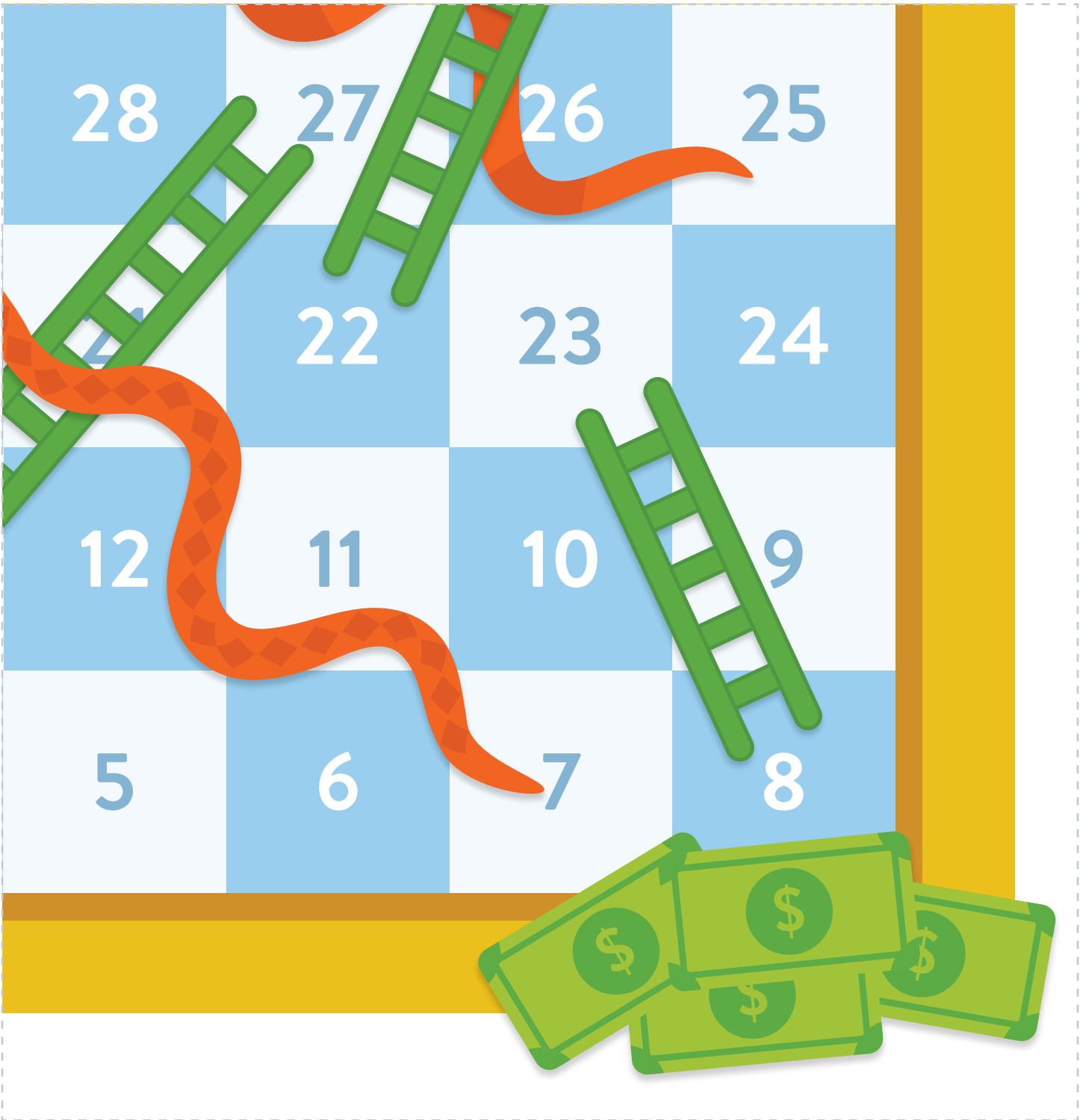
CapEd CREDIT UNION



Directions: Trim and join pages 7–10 to assemble the large-format game board.



Directions: Trim and join pages 7–10 to assemble the large-format game board.



QUIZ

Guaranteed Deposits

NAME: _____

TOTAL
/ 10 pts

MATCHING

Directions: For each situation, write the letter of the feature it best describes in the blank.

_____ 1.	Maya wants to know exactly when the term of her CD will end.	A. Lower risk
_____ 2.	Keegan wants to know how much interest his investment will earn.	B. Greater flexibility
_____ 3.	Leah wants an investment that she can easily buy or sell if she needs her money.	C. Higher potential returns
_____ 4.	Gavin is willing to accept more risk for the possibility of earning more over time.	D. Maturity date
_____ 5.	Mason is more concerned about protecting his money than earning a higher return.	E. Predictable return

/5 pts

SHORT ANSWER

Directions: Answer the following question in a sentence or two.

6. Describe one benefit and one limitation of investing in a CD.

/2 pts

7. Describe one difference between CDs and stocks for each of the following: risk, flexibility and potential returns.

/3 pts

IT'S A MONEY THING®

ACTIVITY ANSWER KEY

Guaranteed Deposits

SNAKES AND LADDERING

Directions: Use the following guide to facilitate the game.

SETUP

Choose how you will display the game board:

- **Digital:** Project the one-page game board (Activity page 1). Use a drawing or annotation tool that allows you to mark and erase each team's position as they move around the board.
- **Physical:** Print and assemble the large-format game board (Activity pages 7–10). Use removable markers, such as magnets or sticky notes labeled with each team's name, to track their positions.

Prepare the question card deck:

- Print and cut out the question cards (Activity pages 2–5) and shuffle them together into one deck.

Prepare the team materials:

- Print and cut out four sets of response cards (Activity page 6).
- Gather four dice



Note: The recommended setup uses four teams and one shared game board. If you need to accommodate more teams, consider adding a second board or having students play in small groups using copies of the one-page game board.



HOW TO PLAY

Divide students into four teams and place each team's marker at START. Establish the order in which teams will roll and move.

Each round follows the same process:

1. Read one question card aloud to all teams. Repeat the question and answer options as needed.
2. Give teams a few moments to discuss their answer, then have them reveal their response cards at the same time.
3. Reveal the correct answer.
4. Each team that answered correctly rolls the dice and moves its marker the corresponding number of spaces.
5. Resolve each team's roll and movement before continuing to the next question. If a team lands at the bottom of a ladder, move its marker to the top. If a team lands on the head of a snake, move its marker to the bottom.
6. Begin a new round by reading the next question card.

GAME END

The first team to reach the FINISH space wins. An exact roll is not required. If time runs out, the team closest to FINISH wins.

IT'S A MONEY THING®

QUIZ ANSWER KEY

Guaranteed Deposits

MATCHING

Directions: For each situation, write the letter of the feature it best describes in the blank.

D	1. Maya wants to know exactly when the term of her CD will end.	A. Lower risk
E	2. Keegan wants to know how much interest his investment will earn.	B. Greater flexibility
B	3. Leah wants an investment that she can easily buy or sell if she needs her money.	C. Higher potential returns
C	4. Gavin is willing to accept more risk for the possibility of earning more over time.	D. Maturity date
A	5. Mason is more concerned about protecting his money than earning a higher return.	E. Predictable return

/5 pts

SHORT ANSWER

Directions: Answer the following question in a sentence or two.

6. Describe one benefit and one limitation of investing in a CD.

Example benefits: Lower risk; predictable returns.

Example limitations: Limited access to funds; lower potential returns.

/2 pts

7. Describe one difference between CDs and stocks for each of the following: risk, flexibility and potential returns.

CDs are lower risk; stocks are high risk.

CDs are less flexible; stocks are easier to buy and sell.

CDs generally offer lower returns; stocks have higher potential returns.

/3 pts