

Lab Template

Text: Financial Algebra

Volume: 1

Chapter: Chapter 3_Banking Services

Unit number 4

Title of unit: Savings Accounts

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Attach the Following Documents:

1. Lab Instructions Work sheet (Economic Time Machine)
2. Student Handout(s) delivered via school class page system
3. Rubric and/or Assessment Tool Answer sheet

Short Description (Be sure to include where in your unit this lab takes place):

This is a very simple chapter with a very straight forward formula: $I=prt$. However, for students they struggle with the concept of money growth over time. Their experience is too short. In this scenario the students get to travel in time and try to beat the system by using the concept of the time value of money.

This is customized to myself but details can be changed as it works for you.

Insert Title Here

Time Machine or

How to get rich over time – maybe.

LAB PLAN

TEACHER: (Teacher Prep/Lab Plan)

⤴ **Lab Objective**

...Reinforce the Simple Interest Formula

... Concept of compounding

⤴ **Statement of prerequisite skills needed** (Vocabulary, Measurement Techniques, Formulas, etc.)

⤴ **Vocabulary**

Savings Account	Simple Interest formula
Interest	Minimum Balance
Interest Rate	Maturity
Principal	Simple Interest

⤴ **State Standards addressed:** (Highlight "Green" Standards, you may use your District's Power Standards if applicable)

Math: Extend the properties of exponents to rational exponents

1. Explain how the definition of meaning of rational exponents follows from extending the properties of integer exponents to those values, allowing for a notation for radicals in terms of rational exponents.

Create equations that describe numbers or relationships

4. Rearrange formulas to highlight a quantity of interest, using the same Reasoning as in solving equations.

⚡ **Reading:**

⚡ **Writing:**

⚡ **Leadership: FBLA**

⚡ **SCAN Skills/Workplace Skills:**

⚡ **Teacher Preparation:** *(What materials and set-up are required for this lesson?)*

...Attached Worksheet – The Economic Time Machine

...Daily Compounding Worksheet

⚡ **Lab Organizational Strategies:**

⚡ **Grouping/Leadership/Presentation Opportunities:** Teams are done in teams of two

⚡ **Cooperative Learning:** Team members have to crunch the numbers together

⚡ **Expectations:** Reinforce the lessons, Students connect with the real world concept of time value of money & the idea that there is no easy fix for investing or savings.

⚡ **Time-line:** One Period

⚡ **Post Lab Follow-Up/Conclusions** *(to be covered after student completes lab)*

⚡ Discuss real world application of learning from lab: Discuss the following

...Flaws in original plan (paradox of time travel)

...What would it take to have had the plan work.

...Examine the rose colored nature of glasses when you look back.

...What other historic events were taking place that caused the high savings rates.

...Introduce concept of inflation