

Lesson Plan

Text: Financial Algebra

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Volume: 1

Chapter: Chapter 3_Banking Services

Unit number 4

Title of unit: Exploring Compound Interest

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

This section is to introduce the concept of compounding interest using the mastered skill of simple interest.

Because these are simple formulas I plan to demonstrate the formula using the examples in the book. (1/2) day

- Classwork: Students to do the applications from the book. One-on-one assessment and reteaching. (1 days)
- Intro to Compounding Assignment (1/2 day)

LESSON PLAN

TEACHER: Teacher Prep/ Lesson Plan

- Lesson Objectives (Students will be able to:)
 - ...Understand the concept of getting interest on your interest
 - ...Compute compound interest using a table
- List of prerequisite skills needed:
 - ... Students will use simple interest formula to do compound interest calculations
 - ... do daily day-to-day accounts
 - ... measure growth of investments compared to simple interest
 - ... Calculator skills
- Vocabulary:

Compound Interest	Quarterly Compounding
Annual Compounding	Daily Compounding
Semi Annual Compounding	Crediting

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

Math: (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.

Interpret the structure of expressions:

1. Interpret expressions that represent a quantity in terms of its content
- a. Interpret parts of an expression, such as terms, factors, & coefficients

b. Interpret complicated expressions by viewing one or more of their parts as a single entry.

c.

Reading: (Reading)

Writing: (Writing)

Leadership: FBLA

- **Teacher Preparation:** (What materials and set-up are required for this lesson?)
 - ... Text Book, Work Book, Whiteboard, Worksheets & Calculator
 - ... projector & excel
- **Content Delivery:** (How will the lesson be delivered? List any grouping and instructional strategies as well.)
 - ... Demonstrate lesson, do some together, have students work together as teacher monitors
- **Instructional Documents** (Please attach any Worksheet, Quiz, Reading Guide, etc)
 - ... see attached
- **Assessment Tool used in this Lesson** (scoring method, guide, or rubric)
 - ... Vocabulary Jeopardy – with Lesson 3.3
 - ... Worksheet Quiz, page 43-44 in student workbook
- **Reinforcement/Intervention/Extension Activities**
 - ... Go over examples in book with students
 - ... Assign selected applications on page 141-142 to work in class
 - ... One-on-one work with students
 - ... Re-visit based on quiz and worksheet results
- **Career Applications** (When will this be used in “real life”?)
 - ... Any fixed rate investment is now compounded and if not should be otherwise noted. So if exploring savings accounts, cds, or money market funds students should ask for details of the compounding in order to make accurate comparisons.
- **Web Page:**
 - ...Bankrate.com - <http://www.bankrate.com/>
 1. Can be used to show the power of compounding using larger numbers.
 2. Can be used to check work.
 - ...US News Finance
<http://money.usnews.com/money/blogs/my-money/2010/09/23/compound-interest-best-friend-or-worst-enemy>
 1. An article with a contrary take on interest compounding, would also be good in the section on credit.

<https://wa-appliedmath.org/>