Safe Savings Choices

Read how banks protect savings and may pay interest.

SS.4.FL.3.5 "Explain that when people deposit money into a bank (or other financial institution), the bank may pay them interest. Banks attract savings by paying interest..."

NAME ______________________ DATE __________

1 READ AND MARK

Read it twice

YOUR JOB Underline each sentence that tells why a bank is a safe place for savings. Circle each sentence that explains interest or why a bank may pay it.

Maya Saves for a Bicycle

1 On Saturday, Maya carried $30 she had saved from dog-walking to Community Bank. She wanted to keep the money for a new bicycle. At home, the bills could be lost, damaged, or taken. At the bank, her money would be kept in an account. A bank is a safer place for savings than a drawer at home.

2 When Maya deposits money, she gives it to the bank to put in her account. The bank may pay her interest. Interest is extra money the bank adds to her savings. A bank might offer interest because it wants people to save money there. Paying interest can attract people who are deciding where to keep their savings.

3 Maya asks about the account before depositing her $30. The bank worker explains that interest is not a fee Maya pays. It is money the bank may pay her. Maya also learns she can check her account balance and withdraw money when she needs it. She chooses the bank because it protects her savings and may help them grow.

2 ANSWER WITH EVIDENCE

Use the passage

1. Why does Maya think a bank is a safer place for her savings than home?

2. What is interest, according to the passage?

3. Why might a bank offer interest to people who save money there?

4. Give the two reasons Maya chooses to deposit her money in the bank.

3 YOUR TURN

Your own words

Imagine you have $20 to save. Write exactly three sentences explaining whether you would deposit it in a bank. Include one safety reason and explain how interest could affect your savings.

Safe Savings Choices

PART 1 · READ AND MARK

Underline each sentence that tells why a bank is a safe place for savings. Circle each sentence that explains interest or why a bank may pay it. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Why does Maya think a bank is a safer place for her savings than home?	**At home, bills could be lost, damaged, or taken. The bank keeps her money in an account.**
2	What is interest, according to the passage?	**Interest is extra money the bank may add to a person's savings.**
3	Why might a bank offer interest to people who save money there?	**The bank may offer interest to attract people to save money there.**
4	Give the two reasons Maya chooses to deposit her money in the bank.	**The bank protects her savings, and it may help her savings grow by paying interest.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would deposit my $20 in a bank because it is safer than keeping bills in my backpack. The bank would keep my savings in an account. It may pay interest, which would add extra money to my savings.

Accept any reasonable three-sentence choice that includes a bank safety reason and accurately explains that interest may add money to savings. Students may choose not to deposit the money if they still explain the bank's safety and possible interest accurately.