

Winning the Lottery

SUBMITTED BY: WGYP Summer 2011 Instructor

SUBJECT(S): Personal Finance

GRADE LEVEL(S): 9, 10, 11, 12

≡ OVERVIEW:

In the other lessons for this unit, students became familiar with investing and potential investment vehicles. This lesson works best if students have already gone through the earlier three lessons, in which they learned about different investment options and evaluated them using four variables in a group setting. This lesson focuses on having students use the tables they made about different kinds of investment options as they think about what to do with their lottery winnings. Students will work in pairs on this exercise.

≡ NBEA STANDARD(S):

- Personal Finance, III. Managing Finances and Budgeting
- Personal Finance, IV. Saving and Investing

Common Core Standard(s):

- Reading Informational Text — RI.9 -10.1.; RI.9 -10.2.
- Speaking and Listening — SL.9 -10.1.

Purpose:

- The students will use what they learned about different investment options to design a personal investment portfolio.

- They will take decisions for their investment options using a four-variable assessment system.

Activity:*Introduction (5 mins)*

Ask students to go over what they learned in the other three lessons of this unit (Lessons 31-33) and review the major takeaways: the importance of diversification, the need to be cautious, and the importance of learning as much as they can. Answer any questions they have.

Teacher-led Activity (5 mins)

Tell the students they have won \$1 million and now must figure out what to do with it. They have discussed it with their families and have been advised to invest a portion of it. In this project, they will propose a possible investment portfolio. Students can work in pairs, but each one can also propose their own investment portfolio.

Partner Work (15 mins)

- Have teams return to the handout on assessing investment opportunities.
- Ask them to write down some long-term goals they may have in terms of what they want to do.
- Have them work on how they want to divide the \$1 million and figure out how they can reach their goals.
- They can think about this longitudinally as well. For example, they can initially invest less money and see what opportunities arise in the growing technology sector or go in right away.

Group Activity (10 -15 mins)

Have students put together a plan on butcher paper. Let them discuss it in pairs. If need be, they can also use the computer to get more information and ask any other questions they may have.

Informal Presentation (10 mins)

After they have written their plans, ask them to informally present what they decided and why they made these decisions. Have other students ask questions and compare the different plans.

Tying It all Together:

Ask students to reflect on what is the hardest part about making investment decisions, and how they worked around these challenges. Encourage them to think about what they can do right now given all that they have learned about investments.

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