



## Take Time to Save Now

### Student Worksheet

### Dream and Reach for the Sky

1) Describe a dream that you have that requires money.

#### To get to the *Plan Well, Retire Well* website:

- In the Internet browser's Address bar, type in the website's url:  
<http://www.retirewell.uiuc.edu>
- If this is the first time you have visited this website, you're a "first time user." Enter a login name and a password in the boxes under First Time User. The login name does not need to be your real name – just pick something you can remember.
- You need to complete two sections: "Time Makes a Difference" and "Start Saving." Read the website information and answer the following questions.



### Time Makes a Difference

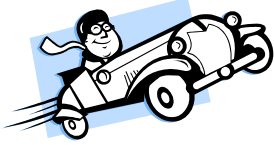
#### Make Time Work for You

Use the calculator, "How much will my savings be worth?," to answer these questions. Assume you don't earn enough to pay federal or state taxes and the inflation rate is 0%. (Put 0% in the box for federal and state tax rate and inflation rate.)

- 1) If you save \$100 for 10 years and earn 5% interest each year on your savings, how much is it worth in 10 years? \_\_\_\_\_
- 2) If you invest an additional \$100 each year for 10 years (and earn 5% each year), what would your savings be worth in 10 years? \_\_\_\_\_

### Make Time Work for You (continued)

- 3) To buy a car you need to save \$10,000. You have \$250 in a savings account which earns 2.0% annual interest rate. You have a new job and you plan to save \$400 each month towards your goal. How many years will it take to save \$10,000? \_\_\_\_\_



- 4) Explain how compounding interest helps your savings grow.

### Interest Adds Up

Circle the correct answer.

- 4) You will have more money over time if you save \$100 each month rather than deposit \$1,200 at the end of the year.    True    False
- 5) The more often interest is paid, the faster your money will grow.    True    False



### Start Saving

#### Obstacles That You Can Overcome

- 6) Give an example of an obstacle to saving that you have experienced. How can you overcome this obstacle?

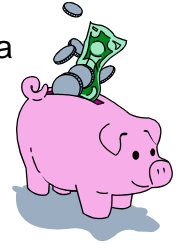
#### Saving Tips

- 7) Create a new tip that someone your age could use to save money.

## Dollars from Dimes

9) Jamie has a part-time job and makes \$80 a month. Jamie would like to go with a school group to Florida, but it costs \$350. Jamie has 12 months to save the money. This is what Jamie spends money on each month:

- Food: \$20
- Movies: \$20
- CDs: \$30
- School and sport supplies: \$10



Using the calculator “What’s It Worth to Reduce My Spending?,” write a plan for Jamie so that Jamie can save money to go on the trip.



## Turn Your Dream into Reality

10) Think of a financial goal for yourself and write it down. Be sure you include what your goal is, how much money it takes, and when you want to accomplish it. Next, write a plan for how you will accomplish this financial goal. Use one of the calculators from the *Plan Well, Retire Well* website to help you with this plan.

**Financial Goal:**

**Plan:**