



# Learning About Saving and Investing

## A Financial EZ-Reader



**Department of  
Developmental  
Disabilities**



**Altarum**



**LifeCourse Nexus**

Training and Technical Assistance Center  
UMKC Institute for Human Development • UCEDD



[jobguide.ohioemploymentfirst.org](http://jobguide.ohioemploymentfirst.org)

## What Is This?

This is one in a series of 6 booklets. They are meant to help you learn about financial things.

This EZ-Reader, **Learning About Saving and Investing**, is to help you learn about ways you can have money to spend in the future. This booklet will help you learn about why it is important to save money. It is meant to help you get started with a savings plan and setting goals for saving or investing money.

You will see that there is a lot of open space throughout the booklet. Feel free to write notes on it if you wish.

## How to Use the EZ-Reader



EZ-Readers use words and pictures to help you understand what you need to know.



You might be able to read this booklet by yourself.



You can also ask someone to read it with you.

## Saving Money



People save money for different reasons.



Saving money means you are choosing not to spend that money right now.



Saving money means you can have money to spend in the future.

## What Is a Savings Plan?



You can decide to make a savings plan.



A savings plan helps you set aside money to buy or pay for something in the future.



Saving money can also help you stay out of debt.

## Why Save Money?



You can save money for unexpected expenses.

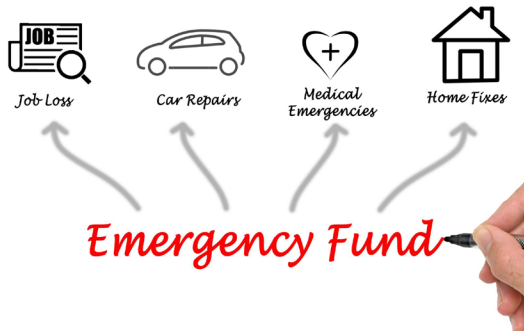


An unexpected expense could be an unplanned repair to your home or car.



An unexpected expense could be replacing your broken television or computer.

# Emergencies



You can save money for emergencies.



A serious illness or accident can be an emergency cost.



Losing your job can be an emergency cost.

## Saving for a Goal



You can save money to meet a goal.



A goal could be saving enough money for a down payment to buy a home.



Another goal could be saving enough money for a vacation.



# Getting Started



Start by keeping track of how much money you have coming in and going out.



You can see how much money you have left after paying your expenses.



If there is extra money after paying your expenses, you can decide how much of that money you want to save.

## How Much Do I Save?



Once you decide your savings goal, you can plan how to reach your goal.



You can decide to save a monthly amount or a set amount from each paycheck.



List your savings amount with your other expenses each time.

## What If You Want to Save More?



One way to save more money each month is to spend less.



Look closely at your monthly spending.



Cut out buying things you don't really need.

## Where Can I Keep My Savings?



A bank has different types of accounts where you can put money.



A checking account can be for money that is spent right away on bills or other expenses.



A savings account can be for money you want to save for later.

## Is My Money Safe?



A savings account is a safe place to keep your money.



The bank keeps your money safe.



If something happens to the bank, there is insurance to protect your money.

## How Does My Savings Account Grow?



Your savings account grows when you add money.



Your savings account also grows because of extra money the bank adds to your account.



This extra money is called interest.

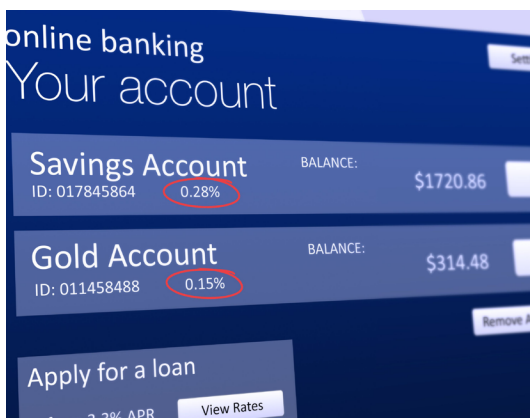
# What Is Interest?



Interest is extra money the bank pays you for keeping your money in their bank.



The bank pays a rate, or percentage, of the money you have in your account back to you.



The more money in your savings account, the more interest you get paid.

## What Is Investing?



Investing means you buy a share in a company.



When they make money, you get more money added to what you invested.



When you invest, you plan to leave your money there for a long time.



## How is Investing Different than Saving?



Your money in a savings account can only get bigger.



With investing, you can lose money.



If the company you invest in loses money, you lose money too.

## Saving vs Investing



With investing, your money can grow faster, but you might lose money too.



When you invest, you have a greater chance of losing your money than when you save.



You can decide how much risk you want to take with your money.

## Resources

### ***How to Save Money: 23 Tips that Work***

<http://www.ramseysolutions.com/budgeting/the-secret-to-saving-money>

### ***Eight Simple Ways to Save Money***

<http://bettermoneyhabits.bankofamerica.com/en/saving-budgeting/ways-to-save-money>

### ***Video: How to Set Up Your Emergency Fund***

<https://www.youtube.com/watch?v=IrA2xv4vEPM>

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