



Smart Money Skills.

Third-Fifth Grades



Table of Contents

module 1 – money matters

Key Concepts.....	3
Draw a Bill.....	4
It Cost You What?.....	5

module 2 – manage it

Key Concepts.....	6
Goal Setting.....	7
Budget Game.....	8
A Plan for Success.....	9

module 3 – get banked

Key Concepts.....	10
Banks & Credit Unions.....	11
Make a Deposit.....	12
Banking BINGO	13
Check It Out.....	14
Do Your Research.....	15

module 4 – smart future

Key Concepts.....	16
Let's Buy a Car	18
Rule of 72.....	19
Why Wait?.....	20

money matters

module 1
key concepts



Key Concepts

- **Money** is what we use to obtain the things we need. Money is our currency of exchange and comes in the form of coins and bills.
- **Trading & Bartering** is what people did before money existed. It is a way of getting something we need by trading it for something we have. For example, you could trade your apple for your friend's banana.
- **Producers** are people who make things that others need and want. For example, someone produced the pencil that you are using today.
- **Consumers** are people who use the things others produce. You are the consumer of the pencil you are using today.
- **Supply** is how much of something is available.
- **Demand** is how much of something people want.
- **Supply & Demand** work together. For example, if you have 3 hats and your friends want 2 of them the supply is 3 and the demand is 2. But it works the other way as well. Sometimes the demand is greater than the supply; meaning sometimes people want more of a product than what is available.

Additional resources

For more games and activities about money ask your parents to help you visit Umpqua Bank's website at www.umpquabank.com.

money matters

module 1
classroom activity



Draw a Bill

You have seen a one dollar bill many times. You may have even used one today, but do you remember what it looks like? I mean what it really looks like? Here is our chance to take a closer look.

1. You will be given 10 minutes to draw the front of a one dollar bill.
2. You cannot look at one; you must work off of your memory.
3. Try to include as many details as possible.
4. Start drawing when your presenter gives you the go ahead.

A large, empty rectangular box with a thin black border, intended for drawing the front of a one-dollar bill.A second large, empty rectangular box with a thin black border, identical to the one above, for drawing the front of a one-dollar bill.

money matters

module 1
take home activity



It Cost You What?

Did you know that the value of our money changes over time? No, we don't change the actual number on the coins or bills, but what that coin or bill can buy changes. It is called inflation. You can learn about inflation firsthand through this fun take home activity.

1. Ask a grandparent, if possible, how much the various items listed below cost when they were your age. You can ask a grandparent over the phone or in-person.
2. Then, ask a parent or guardian how much the same items cost when they were your age.
3. Now, research how much these same items cost today.
4. Use the chart below to fill in this information and then answer the questions that follow.

Item	Grandparent	Parent	You
Gallon of Milk			
Candy Bar			
Movie Ticket			
Loaf of Bread			
Postage Stamp			
Gallon of Gas			
Cup of Coffee			

Did the cost of items go up or down over the years?

What item went up or down the most? By how much did it go up or down?

manage it

module 2
key concepts



Key concepts

- A **Need** is something that we must have in order to survive. Water, food, shelter and clothing are examples of needs.
- A **Want** is something that we desire, but do not need in order to live. A new bicycle is an example of a want.
- A **Goal** is something specific that you work towards. For example, you might have a goal to get A grades in all of your classes this year.
- A **Budget** is a plan for your money.
- **Income** is all of the money that you are given or earn. **Gross Income** is the amount of money your boss pays to you. **Net Income** is the amount of money that you receive after taxes have been taken.
- **Demand** is how much of something people want.
- **Taxes** are the money that people pay to the government for public services such as roads, schools, police and fire departments.

Additional resources

For more games and activities about money ask your parents to help you visit Umpqua Bank's website at www.umpquabank.com.

manage it

module 2
classroom activity



Goal Setting

Goals are important. They help us plan for and get the things we want and need. Below you will find a simple chart format to list your short-term goals and long-term goals.

1. Fill in three short-term goals in the chart below.

Short-Term Goals	When	Cost	Savings Plan

1. Fill in three long-term goals in the chart below.

Short-Term Goals	When	Cost	Savings Plan

manage it

module 2
classroom activity



Budget Game

Now that you know how to create a budget to plan for your money, let's see if you can stay within your budget.

1. You will be given a card with your career/job and your monthly net salary (the amount you can spend per month).
2. Write your income in the correct box in the budget below.
3. When your presenter says to go, you will visit the five expenses posters that are displayed around the room.
4. Choose one expense option per poster and write that amount in the correct box in the budget below.
5. Choose your own amount to put into savings each month and write it in the correct box in the budget below.
6. Once you have all five expenses and your savings, add up your total to see if you stayed within your budget.
7. Write down how much money you have left over in the bottom right box under "Balance."

Description	Expense	Income	Balance
Job:		\$	
Food	\$		
Clothing	\$		
Housing	\$		
Transportation	\$		
Housing	\$		
Saving	\$		
TOTAL	\$	\$	\$

manage it

module 2
take home activity



A Plan for Success

There is nothing more important for money management than a budget. Have a parent or guardian help you create your own budget.

1. Together write down all the ways you receive money (income).
 2. Then, write down all the things you typically buy (expenses).
 3. Choose something that you want, but do not yet have enough money to buy.
 4. Together work out a plan (budget) on how you will save for this item and when you will be able to buy it.
 5. Use the questions and budget chart below.
- What is the item you are saving for?
 - How much does the item cost?
 - How much money do you earn each week?
 - Are there additional ways you can earn more money to put towards your goal?
 - How much are you able to save for this item each week?
 - Fill in the amounts and do the math below.

Amount of the item	Amount you save per week	How many weeks until you reach your goal
_____	_____	_____

\div $=$



Key Concepts

- A **Bank** is a financial institution that provides accounts and services to help people manage their money. Banks are a for-profit business.
- A **Credit Union** is similar to a bank with accounts and services to help their members manage their money, but they are a non-profit organization.
- A **Savings Account** is a place to store the money that you want to save for something in the future. Most savings accounts earn interest.
- **Interest** is the fee to borrow money. If you borrow money you pay interest. If someone borrows money from you they pay interest.
- A **Checking Account** is a place to store the money that you use on a regular basis for things such as groceries, gas and bills.
- You **Deposit** money when you put it into your bank or credit union account.
- You **Withdrawal** money when you take it out of your bank or credit union account.
- **Account Balance** is how much money you have in your account. It is very important to keep track of this.

Additional resources

For more games and activities about money ask your parents to help you visit Umpqua Bank's website at www.umpquabank.com.

get banked

module 3
classroom activity



Banks & Credit Unions

Do you know the differences between banks and credit unions? Put an X in the correct space for each item on the left.

	Bank	Credit Union	Both
Checking Account			
Savings Account			
Credit Card			
Loan			
For-Profit			
Non-Profit			
Pays Taxes			



Banking BINGO

Let's see how well you remember the things we have covered so far.

1. Randomly place the numbers 1-25 in the boxes below.
2. Answer the questions the presenter asks with the answers listed below.
3. Mark off the box with the number of the correct answer if anyone in your class gets the question right.
4. Be the first to mark off all of the boxes in a row to win. The row can be straight across (horizontal), up and down (vertical), or diagonal.

1. ATM
2. Withdrawal
3. Savings Account
4. Credit Union
5. Bank
6. Balance
7. Gross Income
8. Deposit
9. Interest
10. Need
11. Producer
12. Taxes
13. Coin
14. Supply
15. Budget
16. Income
17. Want
18. Demand
19. Consumer
20. Expenses
21. Checking Account
22. Trade
23. Goal
24. Net Income
25. Bill



Check It Out

Do you know the different parts of a check?

1. Place the correct number from the key below in the circles of the check.

I am a student
123 Your Street
Anywhere, USA 12345

Date _____

Pay to the Order of _____ \$ _____

_____ Dollars

For _____

1-866-4UMPQUA (1-866-486-7782)

UMPQUA B.A.N.K.

Sample-Void

① 882

② _____

③ _____

④ _____

⑤ _____

⑥ _____

⑦ _____

⑧ _____

⑨ _____

⑩ _____

⑪ _____

⑫ _____

⑬ _____

⑭ _____

⑮ _____

⑯ _____

⑰ _____

⑱ _____

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Key:

1. Check number
2. Date
3. Who you are paying the check to
4. Amount in numbers
5. Amount in words
6. Memo (note to remind you of the reason for the check)
7. Signature
8. Account number



Do Your Research

Choosing a bank is a big deal. You want to make sure that the bank will fit your needs and your personality. With your parent or a guardian, practice doing some research.

1. Go to Umpqua Bank's website or give them a call to answer the following questions:

Umpqua Bank – www.umpquabank.com – 866 486 7782	
Do you offer free checking accounts?	
What are the requirements for a free checking account?	
Do you offer free savings accounts?	
What are the requirements for a free savings account?	
Does an ATM/Debit Card come with the account?	
Are there any other banks where I can use the ATM without a fee?	
What is the fee for using another bank's ATM?	
Do you offer overdraft protection?	
Do you have any special accounts for students?	



Key Concepts

- A **Credit Score** is your financial report card, but instead of letters it consists of numbers (300-850). Instead of measuring how well you do in school, it measures how well you do at paying back money you borrow and how well you manage your money. If you pay your bills on time and do not borrow more than you can pay back you will have a good credit score.
- A **Debit Card** looks like a credit card, but it actually accesses your own money. If you use your debit card the money is taken right out of your checking account.
- A **Credit Card** allows you to borrow money from the bank or lending institution whenever you want, but you have to pay it back. If you don't pay it back fast you will be charged extra money we call interest. The interest rate you are charged per year is called Annual Percentage Rate (APR). With a credit card you have a limit as to how much you can spend.
- A **Loan** is when you borrow money from a bank, credit union or other financial institution. Loans are usually used for larger purchases such as college, a car, or a house. With a loan you must pay it back within a certain time and pay a certain interest rate. You should know what the interest rate and the terms (how long you have to pay it back) are before getting the loan.
- **Interest** is the fee to borrow money. If you borrow money you pay interest as with a credit card or loan. If someone borrows money from you they pay interest. This is similar to the interest you receive on your savings account. You are essentially lending your money to the bank to use for other loans and they, in return, pay you interest.
- **Compounding Interest** can work for you or against you. Compounding interest is when interest grows on interest. For example, you put \$100 into an investment that earns 10% interest per year. $\$100 \times 10\% = \110 . At the end of the first year you have \$110. But in year 2 you will earn 10% on the entire \$110 (not just the original \$100). $\$110 \times 10\% = \121 .

smart future

module 4
key concepts



Key Concepts (cont.)

- **The Rule of 72** shows you how long it will take for your investment to double. Let us say that you saved \$1,000 to invest. You invest this money in an account that pays you 8% interest. Here is how you calculate the Rule of 72: $72 \div 8 = 9$ years. That means that your \$1,000 will double every 9 years.

Additional resources

For more games and activities about money ask your parents to help you visit Umpqua Bank's website at www.umpquabank.com.



Let's Buy a Car

You may not be old enough now to drive a car, but let's pretend that you are 18 years old. You really need a car to drive to work, but you do not have enough money to pay for it completely. You will need to get a loan. Let's see how getting a loan works for someone with good credit and someone with bad credit.

1. Everyone is going to buy the same car.
2. Every student has good credit, but the presenter has bad credit.

\$10,000 Car – 3 Year Loan			
Students	790 Credit Score	3.5% APR	\$293 per month
Presenter	550 Credit Score	17% APR	\$357 per month

Questions

1. How much money do the students save per month by having good credit?

$$\frac{\text{Monthly Payment for Presenter}}{\text{Monthly Payment for Students}} = \text{Saved per Month}$$

2. How much money do the students save per year by having good credit?

$$\frac{\text{Saved Per Month}}{\text{Months Per Year}} = \text{Saved per Year}$$

3. How much money do the students save total?

$$\frac{\text{Saved Per Year}}{\text{Years For Loan}} = \text{Total Saved}$$

4. Why is it better to have good credit?



Rule of 72

Now that you have worked so hard for your money, it is time to let your money work for you. Let's see how the money you have invested can grow. .

1. You have saved \$1,000 to place into an investment.
2. The investment grows by 8% every year.
3. Calculate how fast your money will double using the Rule of 72.
4. Place the average age of the class in the first box on the left (your presenter will help you with this).
5. Add your answer to The Rule of 72 (below) to the average age of the class and put that amount in the second box on the left.
6. Keep doing this until you have ages in all of the boxes on the left.
7. Now calculate how much money you have for each age knowing that your money doubles each time and place that number in the correct box to the right.

The Rule of 72

$$72 \div 8 = \underline{\hspace{2cm}}$$

Your Investments Working For You	
Average age of the class _____	\$1,000
	\$
	\$
	\$
	\$
	\$
	\$

1. How much money did you originally invest?
2. How much money did you end up with (bottom right box)?
3. How much did you earn?

$$\underline{\hspace{2cm}} \text{ Amount in bottom right box} - \underline{\hspace{2cm}} \text{ Amount you originally invested} = \underline{\hspace{2cm}} \text{ Amount you earned}$$



Why Wait?

It is never too late to start saving your money for the future, but it sure does help if you start early. Complete the following activity with a parent or a guardian to see how much better it is to start saving early.

1. Assume both you and your parent/guardian invest money in an investment account earning 9% interest.
2. The Rule of 72 tells you how many years it will take for your money to double in an investment.
3. Answer the questions and fill out the chart using the Rule of 72, which has already been completed below.

Rule of 72
$72 \div 9 = 8$ years to double

1. Looking at the chart below, who do you think will have more money at around 65 years old?

2. Fill in the amounts at each age for you and your parent/guardian.

You		
Now	__ years old	\$3,000
In 8 Years	__ years old	
In 16 years	__ years old	
In 24 years	__ years old	
In 32 years	__ years old	
In 40 years	__ years old	
In 48 years	__ years old	

Your Parent/Guardian		
Now	__ years old	\$3,000
In 8 Years	__ years old	
In 16 years	__ years old	
In 24 years	__ years old	
In 32 years	__ years old	
In 40 years	__ years old	
In 48 years	__ years old	

continued on next page >

smart future

module 4
take home activity



Why Wait? (cont.)

3. How old are you when you reach \$48,000? How about your parent? How old are you when you reach \$188,000?
4. How much do you have when you are in your forties? How about your parent?
5. Is it better to start young with less money or older with more?