

AMERICAN
CONSUMER
CREDIT
COUNSELING

The Credit Counseling Professionals

Financial Fun

For Parents & Kids Preschool - 2nd Grade



1

What is money?

- Identifying coins & bills
- The value of coins & bills
- Activities
- Quiz

2

What costs money?

- Price comparison
- Identifying costs
- Activities
- Quiz

3

How do I earn money?

- It pays to work
- Activities
- Quiz

4

How do I spend & save money?

- Money management
- Activities
- Quiz

Financial Fun

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Children start learning about money long before ***their first savings account, job or credit card.***

Begin the conversation even before they're in school by talking about work and money. Everyday activities are teachable **moments:**

- Teach your children about price comparison and value on your next trip to the grocery store.
- Next time you visit the ATM teach your child that money doesn't actually come from a machine, you have to earn it.
- Next time you are opening bills take the time to talk about payment for services, credit card debt and interest rates. Children need to be taught about debt, specifically loans and credit cards.

This packet contains information and activities that will help children understand what money is, the value it holds, how to earn it, and how to spend and save it.



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American Consumer Credit Counseling (ACCC) is a nonprofit 501(c)(3) organization. Founded in 1991, ACCC offers confidential credit counseling, housing counseling, bankruptcy counseling, a debt management program, and educational resources nationwide.

1 WHAT IS MONEY?

Money is an exchange for something you need or want. Children see money exchanged but don't fully understand the value money holds on life's necessities.

The flash cards, activities, and quizzes on the following pages can be used to teach children to identify different coins and bills, learn the value of each, and be able to add coins & make change.

Preschool: Focus on identifying different types of coins and counting and sorting them.

Kindergarten: Focus on how much each coin is worth while drawing equivalencies between different coins (example: 5 pennies make 1 nickel)

First & Second Grade: Focus on how to use the fewest amount of coins to get certain amounts, and whether or not the child has enough money to buy different items at different prices. For children in the **second grade** focus on how to make change.

SOME POPULAR PICTURE BOOKS ABOUT MONEY & IT'S USES

JUST A PIGGY BANK

by Gina & Mercer Mayer

THE COIN COUNTING BOOK

by Rozanne Lanczak Williams

BUNNY MONEY

by Rosemary Wells

JELLY BEANS FOR SALE

by Bruce McMillan

26 LETTERS AND 99 CENTS

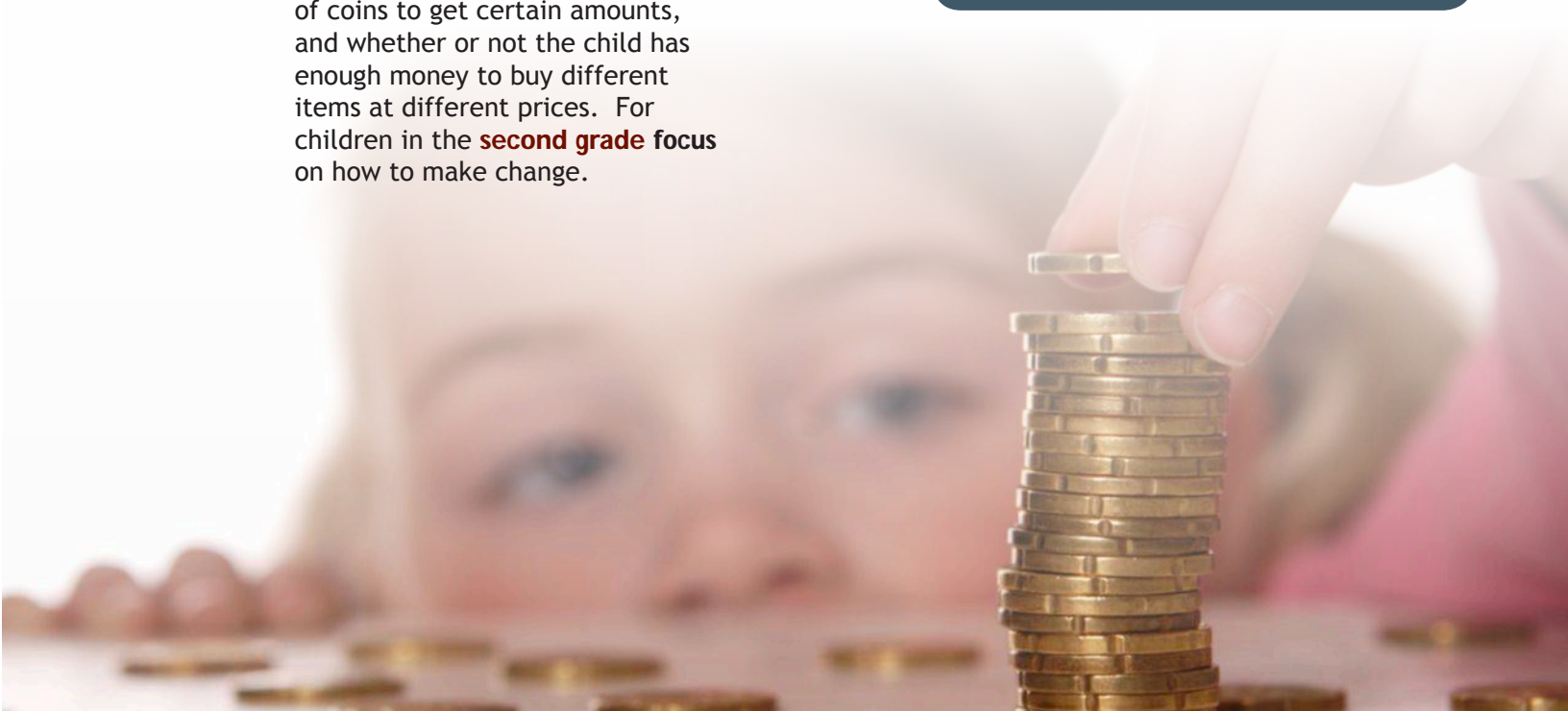
by Tana Hoban

A CHAIR FOR MY MOTHER

by Vera B. William

GREAT RESOURCE FOR PARENTS

A Penny Saved-Allowance Techniques
Neale S. Godfrey



PENNY



= 1¢



1 NICKEL = 5 PENNIES



DIRECTIONS:

CUT OUT
THE FLASH CARDS
on this page and use them
to teach children what
each coin looks like, what
it's worth and how to
combine money to get
different amounts.

NICKEL



= 5¢



1 DIME = 10 PENNIES



1 QUARTER = 25 PENNIES

1 QUARTER = 5 NICKELS

1 QUARTER = 2 DIMES+1 NICKEL

What else can you use
to make 1 QUARTER?

DIME



= 10¢



1 DIME = 2 NICKELS



1 DOLLAR = 4 QUARTERS



QUARTER



= 25¢



1 DIME =
1 NICKEL + 5 PENNIES



DOLLAR BILL



= \$1.00

ACTIVITIES

Here are some fun things you can do with your child to further increase their understanding of money.



GAME: Money Roll

Age Group: Preschool and up

YOU'LL NEED:

Dice

10 Pennies
10 Nickels
10 Dimes
10 Quarters

OBJECTIVE:

Be the first player to save 25 cents.

HOW TO PLAY:

Take turns rolling the dice. Each player gets the number of pennies that coincides with the number shown on the die. Once a player accumulates 5 pennies or more, the pennies are exchanged for a nickel. 2 nickels are then exchanged for a dime and so on until they can exchange for a quarter. The first player to get a quarter wins!

BONUS: Let the winner keep their winnings to add to their piggy bank!

LESSON:

Kids will quickly understand the fact that a dime is worth 10 pennies, that a nickel is worth 5, and that less coins doesn't necessarily mean less money.

ACTIVITY: Play Store

Age Group: Preschool and up

YOU'LL NEED:

10 Pennies
10 Nickels
10 Dimes
10 Quarters

Making a store is a fun way for a child to learn about money. Find ordinary objects in your house, assign a price to them, and hang a price tag with that price. Give each child a certain amount of coins (and bills depending on their age). Younger children can purchase one item at a time. Once they have learned how to add the coins, then they can purchase more than one item. As a challenge, tell each child that they **MUST** use all their money. This will mean they have to add many of the different items in the store to discover what they must buy in order to have no money left. Another fun twist is to give the child a budget. If they stay within the set budget allow them to put their savings in their piggy bank. Have the older children take turns playing store keeper. If someone gives too much money, the store keeper must know how to make correct change.

GAME: Pocket Change

Age group: Elementary School

YOU'LL NEED:

A variety of coins

HOW TO PLAY:

Have several coins in various denominations available. Come up with a few coin-based questions such as: "I have three coins in my pocket that are worth twelve cents, what are they? (answer: 1 dime and 2 pennies)" or "I have 3 coins that are worth 25 cents, what are they? (answer: 2 dimes and 1 nickel)." Have your child answer the question then show them the coins to see if he or she is correct. Then move on to questions that have more than one answer. For example: "I have six coins that are worth thirty cents. What are they? (answer: 1 quarter and 5 pennies or 6 nickels)."

CHALLENGE: Have your child put your skills to the test. Have him or her make up the questions!

QUIZ ONE: WHAT IS MONEY

NOTE FOR PARENTS: As a general guideline, questions 1-3 are appropriate for children in preschool. Questions 1-8 are appropriate for children in kindergarten. Questions 1-13 are appropriate for grades 1-2.

1. Which coin is a penny?



2. Count the pennies. How many did you count?



- a. Ten b. Three
c. Six d. Five

3. Color the coins. PENNIES = yellow, NICKELS = blue, DIMES = red, QUARTERS = green



4.  This is a _____.

- a. Penny b. Dime
c. Nickel d. Quarter

5.  = _____ ¢

- a. 10 b. 1
c. 25 d. 5

6. How much money is this?

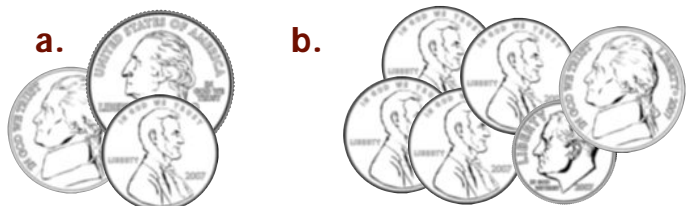


- a. .27¢ b. 53¢
c. .32¢ d. 5¢

7. Two  = _____ 

- a. 1 b. 3
c. 5 d. 4

8. Which grouping of coins is worth more?



9. Bobby buys a can of soup for 2 quarters and Gina buys a can of beans for 3 dimes.
How much did they spend all together? _____

10. How do you make 33¢ using the fewest amount of coins? _____

11. How do you make 46¢ using the fewest amount of coins? _____

12. A toy costs 86¢. Do you have enough money below to buy it? _____



13. Which bunch of coins is NOT equivalent to 2 quarters

a.



b.



13. You pay \$1.00 for something costing 65¢. The clerk gives you the change below.
Is the change correct? _____



2 WHAT COSTS MONEY?

The focus of this section is to understand what costs money and what doesn't, that some things cost more than others and that if you don't have enough money for something then you can't buy it.

The best way to teach these lessons is to point out instances in every day life in which money is and isn't spent.

HERE ARE A FEW GREAT HANDS-ON IDEAS:

Point out the different prices at the grocery store. Talk about what you are buying and how much it costs. Emphasize that some items cost more than others.

Go on a "money tour" around the house. For example, help kids understand that hot water costs more than cold water. Or that keeping the heat up too high means spending more for heat. (This also offers a great opportunity to teach about conserving energy to save money)

Pile up all of the bills for the month and have them look at the amount on each one. This reiterates the cost of living.

TEACHING POINTS

MONEY is exchanged for goods and services

BUYING something means exchanging money for it

The amount of money needed to buy something is called it's PRICE

Different goods and services have different prices

Some things are FREE. They don't cost money

If you don't have enough money to buy something you can either save up to buy it another time or buy something else



STOVE



\$800

DIRECTIONS:

CUT OUT THE FLASH CARDS
and use them to teach
children that items have
different costs.

Example: Show 1 card and
ask "Does this cost money?"
"How much does it cost?"

Example: Show two cards and
ask "which item costs more?"

SNEAKERS



\$25.00

KITE



\$1.50

MARKERS



\$3.75

COMPUTER



\$650

QUIZ TWO: WHAT COSTS MONEY

Use the words in the bank at the bottom of the page to fill in the blanks

1. _____ is the amount people pay when they buy a good or service.
2. _____ is used to buy goods and services.
3. The amount of money something costs is it's _____.
4. Different goods and services have different _____.
5. To _____ is to keep money to spend later. To _____ is to use money to buy goods and services.
6. When you _____ something you exchange money for it.
7. Going to the playground is _____. It doesn't cost money.
8. Turning the heat up in the house costs money. Circle if this is TRUE or FALSE.
a. TRUE b. FALSE
9. Everything at the grocery store costs the same amount of money. Circle if this is TRUE or FALSE.
a. TRUE b. FALSE
10. In the box below, draw a picture of something that costs money.



WORD BANK

COST PRICE SPEND FREE

PRICES SAVE BUY MONEY

3 HOW DO I EARN MONEY?

Without assistance, many young children can not understand the concept that money coming out of the ATM actually comes from a bank account that has to be fed into with money that is earned by working. Likewise, it will be just as hard for them to understand that when you swipe your credit card at the grocery or another store, that you are responsible for paying that money back.

Use this section to teach children that they have to work to earn money, that the ATM isn't just a cash dispenser, and that piece **of plastic you pull out to make purchases isn't magic.**

One of the best ways to teach **your kids about money is to make them work for it.** You can use the allowance guidelines on this page and the chore chart on the next page to do so. Kid's are much more likely to take better care of their things and spend more carefully if the know the amount of work that goes in to making money.

A SIMPLE WAY TO CALCULATE YOUR CHILD'S ALLOWANCE

A fair way to calculate your child's allowance (especially if you have more than one child) is to take the child's age and divide it in half.

6 years old = \$3 per week (or per month depending on what you prefer)

This is fun because they know that each birthday gets them a raise in their allowance.

The next step is to develop a money management plan together. See section 4 (How do I spend and Save Money) for details.

TEACHING POINTS

People have to work to earn money

People put money that they earn from **working into a bank account**

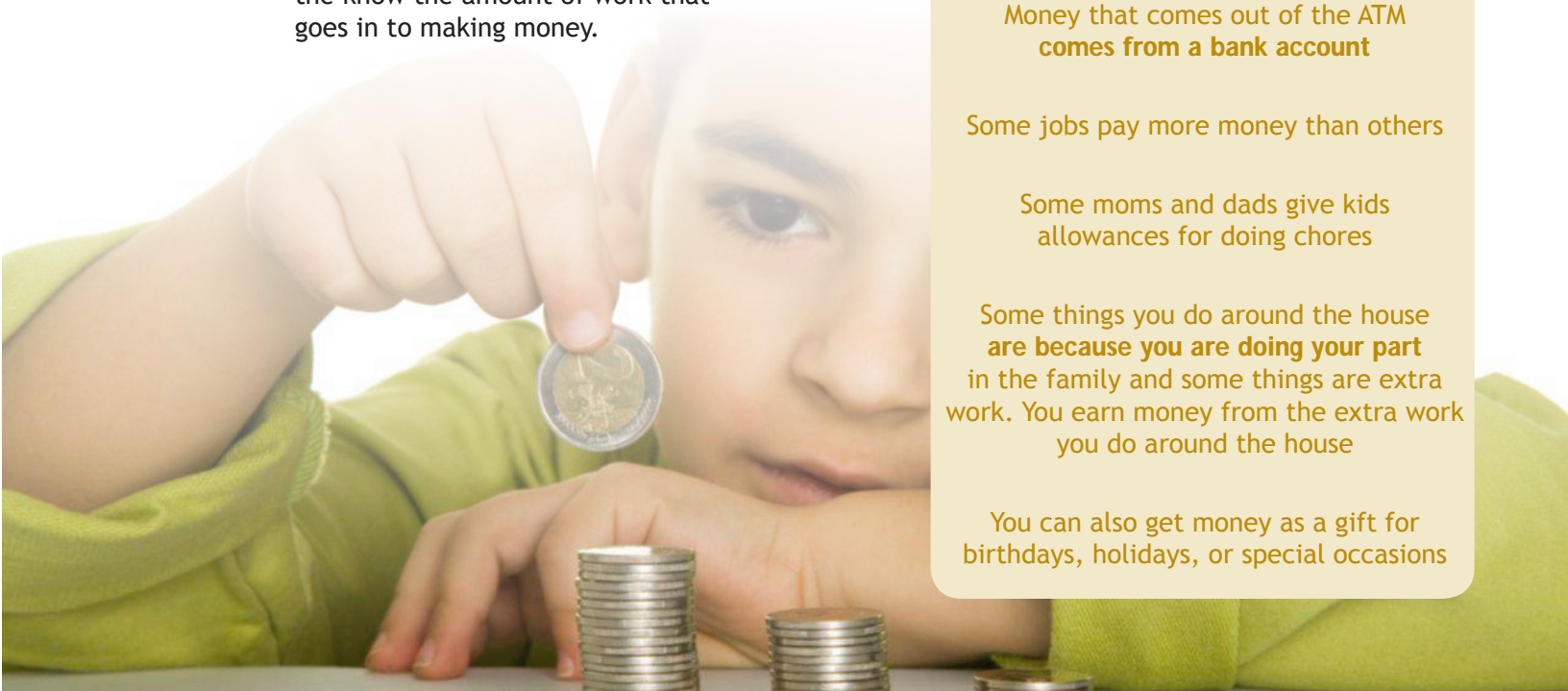
Money that comes out of the ATM **comes from a bank account**

Some jobs pay more money than others

Some moms and dads give kids allowances for doing chores

Some things you do around the house **are because you are doing your part** in the family and some things are extra work. You earn money from the extra work you do around the house

You can also get money as a gift for birthdays, holidays, or special occasions



CHORE CHART

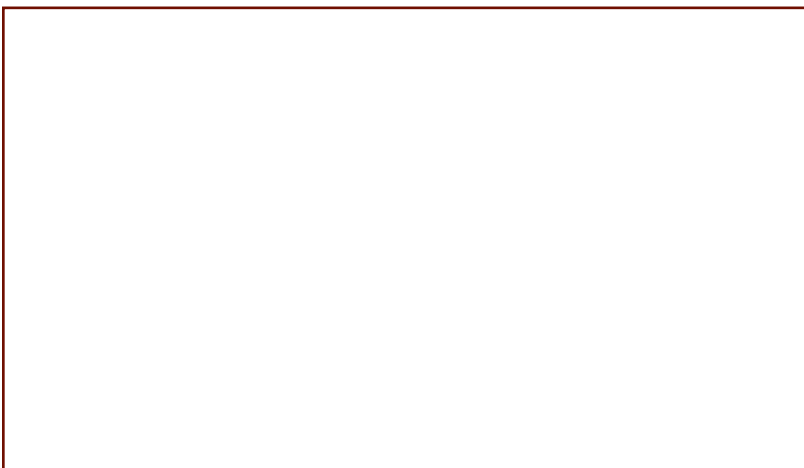
Keep track of daily chores using this chore cart. Add all the chores that need to be completed and check them off or put stickers in the boxes when the chore is completed. The chores below the maroon line are chores that earn money. Make it clear that in order for him or her to get the allowance they need to have completed all their regular chores and their money making chores for the week.

Chore	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Make Bed							
Set Dinner Table							
Take Trash Out							

QUIZ THREE: HOW DO I EARN MONEY

Use the words in the bank at the bottom of the page to fill in the blanks

1. People have to _____ to earn money.
2. When you work it's called a _____.
3. People put the money they earn from working into a _____.
4. Money that comes out of the _____ is really coming out of a bank account.
5. Circle the thing below that you can do to earn money
 - a. Brush your teeth
 - b. Put your toys away after you play with them
 - c. Take out the neighbors trash
6. Sometimes mom and dads pay kids an _____ for doing special chores.
8. Some jobs pay more money than others. Circle if this is TRUE or FALSE.
 - a. TRUE b. FALSE
9. Some jobs you do because you are part of the family and some jobs you do to earn money. Circle if this is TRUE or FALSE.
 - a. TRUE b. FALSE
10. In the box below, draw a picture of a job you can do to earn money (example: raking the leaves).



WORD BANK

ATM WORK ALLOWANCE

BANK ACCOUNT JOB

4 HOW DO I SPEND & SAVE MONEY?

The focus of this section is to distinguish between “needs” and “wants”. It is important to help children understand when to save and when to spend.

They need to understand that if they want something they must first earn the money and then budget for it. On top of that, they need to come to the understanding that they can’t “have it all”. If they want a toy then they can’t also have candy. Or if they want a bike they have to save up some money to help pay for it. In the long run, this will establish a much better sense of the benefits of saving and making smart choices.

Let your kids make mistakes. Watching kids make mistakes is hard, but they need to learn the consequences of poor financial planning. Chances are, they will blow through their first “paychecks” quickly. When they **come begging to you for more money**, remind them that they are the ones who chose how to spend their money.

DEVELOP A MONEY MANAGEMENT PLAN

Once you have established your child’s allowance (in the previous section) it’s a good idea to establish a plan.

For example:

35%: Spending money

55%: To be saved

10%: Goes to charity

This is an important activity that helps children understand that they can’t just spend everything they earn right away.

TEACHING POINTS

It is important not to SPEND all your money as soon as you get it

To SAVE money means to put it away to buy something in the future

A NEED is something you have to have to survive, such as a place to live, a winter coat, or a good pair of shoes

A WANT is something you would like to have, but you’ll still survive without it, such as toys, candy, or video games

If you only have a certain amount of **money to spend you need to CHOOSE** between one or the other. For example, you can’t necessarily have a new toy **AND a piece of candy**



CREATE YOUR OWN MONEY SAVING ENVELOPE

1. Cut the along the solid lines.
2. Fold along the dotted lines.
3. Tape or staple the sides of the envelope.
4. Have your child fill in the blanks.
(You can even decorate the envelope using crayons or stickers)
5. Start Saving!

ONCE THERE IS \$ _____ IN THIS ENVELOPE
I CAN USE IT TO BUY _____

QUIZ FOUR: HOW DO I SPEND & SAVE MONEY

Use the words in the bank at the bottom of the page to fill in the blanks

1. If you save money _____ you will have more money to spend _____.
2. You should _____ a certain amount of your allowance and _____ the rest.
3. A _____ is something you have to have to survive.
4. _____ are things you would like to have but you don't need them to survive .
5. Circle the thing below that is a **NEED**
 - a. Candy bar
 - b. Food to eat for dinner
 - c. New toy
6. Circle the thing below that is a **WANT**
 - a. A place to live
 - b. A warm winter coat
 - c. Video game
8. If you don't have enough money to buy something you can save up money to buy it later. Circle if this is **TRUE** or **FALSE**.
 - a. **TRUE** b. **FALSE**
9. Money being saved for something special can be used to buy something now if you really want it. Circle if this is **TRUE** or **FALSE**.
 - a. **TRUE** b. **FALSE**
10. In the box below, draw a picture of something you want to save your money for.

WORD BANK

NOW WANTS SPEND

NEED SAVE LATER



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