

## Week 2 – Credit

### Pre-K – Grade 5 Education

April is National Financial Literacy Month, which is designed to create awareness about the importance of personal financial education. Last week we focused on What is a Credit Union?, coin recognition and learning about money.

This week our focus will be on credit. Most parents are great about teaching their children the basics of financial education. However, one area that seems to get left out is understanding credit and loans. This week's activities will include a workbook, flashcards and a word search.

### Articles of interest for parents

<https://www.creditrepair.com/blog/credit-101/teaching-kids-about-credit/>

<https://www.thesimpledollar.com/financial-wellness/teaching-kids-about-credit/>

### Book Recommendations

Book Title	Author
Brody Borrows Money	Lisa Bullard
The Little Borrowing Brother	Maureen Buff
How to Use Credit	Ryan Randolph

### Videos about credit

<https://www.youtube.com/watch?v=mllbYh0DFMc>

<https://www.youtube.com/watch?v=s1OUCDuI9fA>

# Visible & Invisible Money Workbook



Name: \_\_\_\_\_

# Many Ways to Pay!

There are several different ways that we pay for the goods and services that we need and want. Most kids pay with money they have saved up like dollars and coins, but there are other ways to pay too!

Make a list below of the different ways that something can be paid for:

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Important vocabulary:

Goods: Items that are bought and sold (food, toys, toothpaste)

Services: Jobs done for others (haircuts, mowing lawns, car repairs)

Need: Something that is required to live (food, shelter, clothing)

Want: Something you would like to have (bike, iPad, candy)

# Visible vs. Invisible Money

Payment Form	Definition	Visible or Invisible
Cash	Money in the form of bills or coins.	Visible
Debit Card	A card attached to your checking account which subtracts the amount you spend from your checking account.	Invisible
Credit Card	A card that allows you to buy something today and pay later. When you borrow, you will have to pay it back plus interest.	Invisible
Check	A written, dated, and signed document that directs a financial institution to pay a specific amount of money to a person or place. Money comes out of your checking account.	Invisible
Electronic Payment/Phone	A way to pay for things using a phone, computer, phone, or internet.	Invisible

Important vocabulary:

Visible money: Bills and coins that you have, to pay for goods and services. This is money that you can see, touch and count.

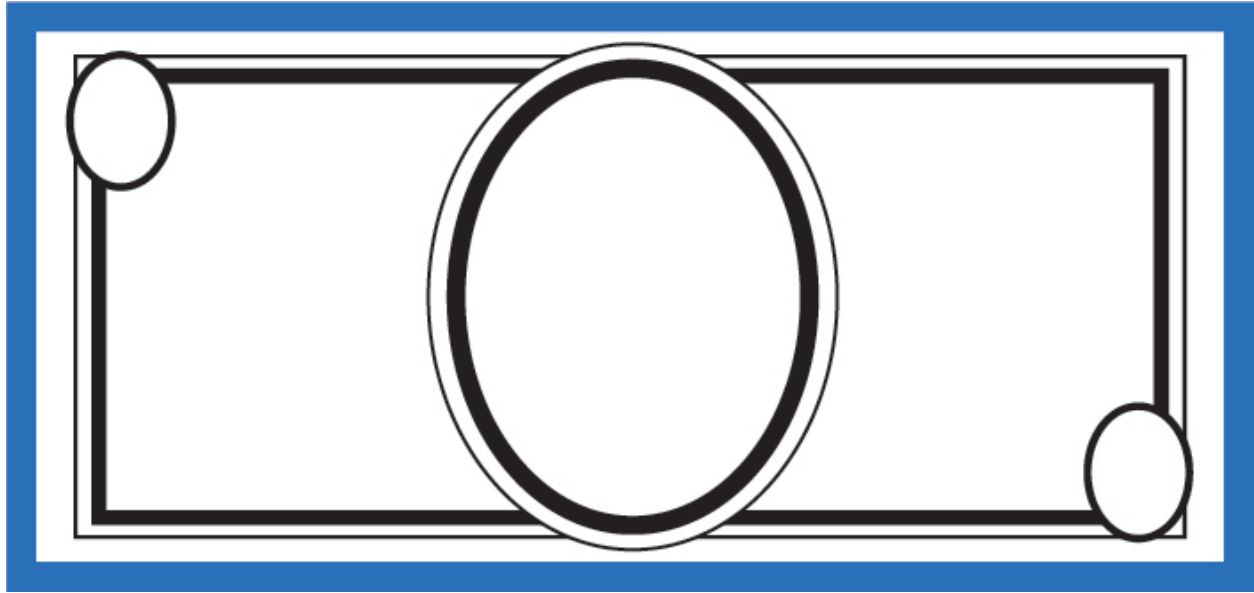
Invisible money: Money that you cannot see which comes out of your account or it's money that you borrow.

Credit: When a financial institution or a person lets you borrow money today, with your promise to pay them back in the future.

Interest: The extra amount you pay back to the person or credit union you borrowed money from.



# Design your own dollar bill



Decorate and color your own dollar bill!

Is a dollar bill Visible or Invisible money?  
(Circle your answer)

Visible

Invisible

What is something that you might buy with Visible money?

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# Flashcards

Color the flashcards, cut them out and glue the fronts and backs together so you can practice the words of week 2!

# Needs

Something that is required to  
live

# Wants

Something you would like to  
have

# Goods

Items that are bought and sold

# Services

Jobs done for others



# **Visible money**

Bills and coins that you have, to pay for goods and services. This is money that you can see, touch and count.

# **Invisible Money**

Money that you cannot see which comes out of your account or it's money that you borrow.

# Cash

Money in the form of bills or coins.

# Debit Card

A card attached to your checking account which subtracts the amount you spend from your checking account.

# Check

A written, dated, and signed document that directs a financial institution to pay a specific amount of money to a person or place. Money comes out of your checking account.

# Credit Card

A card that allows you to buy something today and pay later. When you borrow, you will have to pay it back plus interest.

# **Electronic Payment/Phone**

A way to pay for things using a phone, computer, phone, or internet.

# **Credit Union**

A not-for profit cooperative owned by its members

## Week 2 Credit Vocabulary

S W U S I Z A X L G E E S R I T I  
E X X Z J I E N H D O O W X X N P  
R Z Q I N I Q C L F X O E H U E H  
V Y S Q O K O S D P Y V D G T M S  
I N Y K I N R P U P I P P S I Y A  
C I M C N I B L L I K W D Z D A C  
E Z B E U V W A N F T R O W E P G  
S R P H T Z M T A G A W S D R C D  
T X S C I F E N W C M J R O C I A  
T S D J D R W M T Y X A Q B T N O  
D N O G E M A I J J C M H S E O F  
A F A S R Z D U U T K H Q E M R U  
S P T W C E E G I T U V D X O T B  
Z J B S R W N B W J G R B L V C O  
P E E C D A E H Z M G C V I K E S  
N W W Q D D E P O N B K Y Q H L H  
U Z T K A E H V Z N Z T F A K E J

Credit Union    Electronic Payment    Check    Credit Card

Debit Card    Cash    Interest    Credit    Want    Need

Services    Goods

## Week 2 Credit Vocabulary

**S** W U S I Z A X L **G** E E S R I T I  
 E X X Z J I E N H D **O** O W X X N P  
 R Z Q I **N** I Q C L F X **O** E H U E H  
 V Y S Q **O** K O S D P Y V **D** G T M S  
 I N Y K I N R P U P I P P **S** I Y A  
 C I M **C** N I B L L I K W **D** Z D A C  
 E Z B E **U** V W A N F T R O W E P G  
 S R P H T Z M T A G **A** W S D R C D  
 T X S **C** I F E N W **C** M J R O C I A  
 T S D J **D** R W M T Y X **A** Q B T N O  
 D **N** O G E M A I J J **C** M H S E O F  
 A F **A** S R Z **D** U U T K H Q E M R U  
 S P T **W** C E E G I T U V **D** X O T B  
 Z J B S R W N **B** W J G R B L V C O  
 P E E **C** D A E H Z M G C V I K E S  
 N W W Q D **D** E P O N B K Y Q H L H  
 U Z T K A E H V Z N Z T F A K E J

Credit Union      Electronic Payment      Check      Credit Card

Debit Card      Cash      Interest      Credit      Want      Need

Services      Goods