



## First United Bank's FIVE STAR UNIVERSITY KIDS Financial Literacy Presentation

*\*What needs to be read aloud by the Teacher is in red.\**

*This presentation was created specifically for all of you by a company called First United Bank. First United Bank was started in 1907, which means that Bank is more than 100 years old! There are three First United Banking Centers right here in Lubbock. How many of you have ever been to a Bank?*

*(Wait for responses)*

**Question – Who can tell me what a bank does?**

*(Call on a few children and reward them for correct answers with a Gold Coin—explain that these represent \$1 but are not real money. You have 20 gold coins to give out during the presentation. You'll need to collect them back up after each presentation.)*

**Answer:** Banks keep your money **SAFE**. If you only remember one thing from this presentation today, I want you to remember that Banks Exist to Keep Your Money SAFE.

Let's watch this short video to explain what a bank does.

[Watch Video ]

Okay, lets review for a minute. What are the two kinds of accounts that will keep your money safe?

**Answer:** CHECKING and SAVINGS ACCOUNTS

That's right! Checking and Savings Accounts. What is the money that is put into the checking and savings accounts called?

**Answer:** DEPOSITS



That's right. Deposits. Who can tell me what a LOAN is?

Answer: When Bank's loan people money to buy the things they need such as cars, homes or to start a business.

What is the name of the small fee the Bank will charge you for loaning you money when you need it?

Answer: INTEREST

Interest, that's right! Let me ask you another question. Why are banks important to our **community**?

Answer: Give time and money to charities and other non-profit organizations around the community.

- o First United Bank employees are involved outside of the Bank.
- o Banks donate money to really good community events and causes. In fact, First United Bank gave nearly \$1M to organizations and non-profits last year alone.
- o That is enough money to buy:
  - 100,000 pepperoni pizzas
  - 8,334 American Girl Dolls
  - 6,666 Xboxes
  - 4,347 hover boards
  - 2,000 iPads
- o First United Bank is just ONE Bank! There are other community banks in Lubbock and all of them contribute time and money to charitable causes.

The bottom line is that banks are good for the community. Now that we know what banks do and how they help us, let's go back and look at how they got started. Let's watch this short video to learn more about the history of banks.

[Watch Video 2]

Who signed the charter to establish the First Bank of the United States?

Answer: President George Washington

President George Washington was the first President of the United States of America. Who can tell me which dollar bill President Washington is on?

Answer: The \$1 bill



So, a \$1 bill, a quarter, a \$20 bill.... What are all of those things called?

Answer: MONEY

That's right, money. Money is what we use to buy the things we want or need. Money is our currency of exchange and comes in the form of bills and coins. Let's watch this short video on the history of money.

Let's watch this short video on the history of money.

[Watch Video 3]

Dollar bills like this \$1 bill are pretty special. Have you ever tried to tear a dollar bill? It's very difficult to do. Who can tell me what dollar bills are made of?

Answer: Special cotton & linen so it isn't easy to tear or break

Who can tell me what the highest denomination of a dollar bill ever issued to the public was?

Answer: \$10,000.

They stopped producing the \$10,000 bill in 1969, so now, Banks do not keep them in their vaults. We've talked about the history of money and what it's made of, but can anyone tell me how you get money?

Answer: It's gifted or earned

So, what are some things you can do as a kid to *earn* your own money?

Answers:

Help more at home; help mom and dad with the yard work or house cleaning

Help your neighbors around their homes

Wash cars

Have a garage sale

Have a lemonade stand



Those are all great answers! How many of you have heard of Lemonade Day?

This year, Lemonade Day looks a little different, but we still want to learn all about how to start a successful business so that when it is safe to have a Lemonade Stand again, you can start your own and be an ENTREPRENEUR. I just used a big word. Can anyone tell me what the word entrepreneur means?

**Answer:** An entrepreneur is a person who starts a business for the purpose of making a profit.

Let's look at some famous entrepreneurs:

Steve Jobs – Started Apple

Walt Disney – Started the Disney Company (Created Mickey Mouse & Disney World)

Blake Buchanan – Bahama Bucks (started right here in Lubbock)

Katie School – Lemonade Day Entrepreneur\* who earned more than \$500 at Lemonade Day in 2015. Katie was only 10 years old at the time. That's just a year or so older than most of you.

So, an Entrepreneur is someone who starts a business for the purpose of making a profit. What is a profit?

**Answer:** A profit is the money gained from sales after expenses are paid.

What are expenses?

**Answer:** Expenses are all the costs related to your business. Everything you spend money on to run your business.

We have a simple equation that we'll use today: Sales – Expenses = Profit (Write this on the board.)

Just for today, let's pretend that we are going to open our own Lemonade Stand. Who wants to open a Lemonade Stand with me? I'm looking for some volunteers to help out.

Who in the audience is the best leader? (Choose CEO to sit in a chair at the front of the room, give them CEO Badge.)

\_\_\_\_\_ is such a good leader that he/she is going to be our Chief Executive Officer (CEO) for our Lemonade Stand. He/She is responsible for overseeing the entire Lemonade Stand.



Who in the audience is the most creative? Who loves to draw/color? Who has the best ideas? (Choose a student to be the Marketing Director. Have them sit in another chair at the front of the room.)

\_\_\_\_\_ is so creative that he/she is going to be our Chief Marketing Officer for our Lemonade Stand. He/She is responsible for handling all the marketing and advertising.

Our Marketing Director is now going to name our Lemonade Stand. (They can get help from their classmates for this part.)

Now, we need someone who is good at Math and likes to work with numbers. (Choose a student, have them sit at the front of the room and give them the calculator.)

\_\_\_\_\_ is so good at math that he/she is going to be our Chief Financial Officer for our Lemonade Stand. He/She is responsible for handling all the finances.

Now that we've got a good leadership team, let's talk about some of the expenses we are going to have in starting up our Lemonade Stand Business. Our CFO is going to help us add up how much all of these supplies for our Stand will cost us. (Have CFO use calculator to add up prices for a total of \$92.)

Stand Supplies	\$45
Lemons	\$10
Sugar	\$12
Ice	\$6
Cups	\$7
Advertising	\$12
<b>Total:</b>	<b>\$92</b>

It looks like we'll need \$92 to purchase all the supplies needed to start our Lemonade Stand. So, how much money do we have? Well, let's see. Raise your hand if you have a gold coin.

I gave out about 20 gold coins today, so let's say we have \$20 to put towards our Lemonade Stand supplies. We have \$20, so we still need \$72 to purchase all our expenses needed to start our lemonade stand. Where are we going to get the rest of the money we need to start our stand?

Answer: Get a LOAN from the BANK



That's right! We're going to watch a quick video about what the process of going to a Bank to get a loan would look like.

[Watch Video 4]

Good job! After paying back the Bank the \$74 they loaned you, plus the \$20 we invested in our business, we made \$200! You've all worked hard and should be proud of what you've accomplished.

Let's watch this short video to learn about some of the things you can do with your money once you've earned it.

[Watch Video 5]

Closing