



Financial Literacy – Personal Finance Tips for Young Children

Anytime is the right time to begin teaching children about money, and the American Bankers Association has tips that can help parents teach money at home.

- ✓ Talk openly about money with your kids. Communicate your values and experiences with money. Encourage them to ask you questions and be prepared to answer them – even the tough ones.
- ✓ Explain the difference between needs and wants, the value in saving and budgeting and the consequences of not doing so.
- ✓ Set up a chore chart and give your children an allowance for completing their tasks. Require them to save at least a small portion each week. The three jars method, one for spending, one for saving and one for charitable contributions is a good way to impart a sense of responsibility.
- ✓ Open up a savings account at your local bank for your children and take them with you to make deposits, so children can learn how to be hands-on in their money management.
- ✓ Be an example of a responsible money manager by paying bills on time, being a conscious spender and an active saver. Children tend to emulate their parents' personal finance habits.