



Banking on our Future...

Free Resources to Promote Financial Literacy in Kids

Where do children learn basic financial principles? They are not taught as a part of a mainstream school curriculum or at home. One day they will be our customers, tellers, loan officers and CEOs. Financial institutions have a vested interest in promoting financial literacy among our youth.

Financial literacy is defined as "an individual's ability to make informed judgments and effective decisions about the use and management of their money".

(http://en.wikipedia.org/wiki/Financial_literacy) Many adults in today's society are not financially literate. They were never taught how to budget money, balance a checkbook or save for a rainy day much less retirement. The result has been devastating to our economy and our industry. With our children we have an opportunity to grow a more fiscally responsible generation of adults.

Start young and use age appropriate resources.

Children as young as four years old realize that money is important, but they don't understand the difference between paper money and coin. When asked to choose between a one dollar bill and a fist full of pennies, the average preschooler will always choose the coins.



Coloring books and pages are a good way to introduce preschool children to coin and currency. There are free printable money-themed coloring books available on-line at [Nick Jr.](#), [Coloring Planet](#) and the [U.S. Mint](#). You may choose to hold a coloring page contest for older kids. They can design coloring pictures for preschoolers. You can display them in your lobby and make a coloring book for distribution. The winning artist receives a savings bond.



Elementary school kids love to learn about money. It is math that makes sense. They want to know why each coin is different and how much things cost. This is the time to teach the value of a dollar.

The Federal government provides some very worthwhile online resources to help teach kids about money. The U.S. Mint has one of the best sites available - "[h.i.p. pocket change](#)". It is very interactive. Kids of all ages will love it, but the clear demographic is the elementary age child. There are games, cartoons, online coloring and information about the history of money and coin collecting. If you have a computer in your lobby this would be "the" desktop shortcut for kids. You can also include this link on your bank's website.



In-bank programs are also important. Kids need hands-on experience. Have a state quarter contest to see who can collect all 50 states. Ask kids to bring in their change, guess the amount and then count it to see how close they are. They will love watching the coin counter in action. A great "prize" for elementary school kids is a roll of pennies or a piggy bank with your bank's logo.



Kids ages 11 to 14 know how to spend money, but the value of a dollar and the concept of working for it, has not made much of an impression. [PBSKids](#) has a wonderful resource for this age group. The "Money" section of the PBSKids website provides [suggestions for making money](#) (babysitting, dog walking and a kids' guide to starting their own business), [managing money](#) and [smart spending](#). The site is very interactive and practical. Their game "[Mad Money](#)" is a fun and

engaging learning experience. Teenagers new to your financial literacy efforts would also benefit from this site.

Young adults, ages 15 to 17, are planning for the future. They want to buy a car, graduate from high school and strike out on their own. Few have any idea what it takes financially to execute their plan. The Jump\$tart Coalition for Personal Financial Literacy has an online "[Reality Check](#)" to help teenagers understand how much money they will need to live life on their own and the jobs they can work to afford the lifestyle they choose. The Jump\$tart Coalition has a number of other resources available for young adults on their website. Some are available for download and others are online lessons. [One publication addressing the use of credit and credit cards is particularly on target.](#)



Opening Savings Accounts for Children

Financial institutions are often reluctant to open individual savings accounts for kids, but those ages 11 to 17 can reap a life-long benefit from the experience and you can gain a life-long customer. Savings accounts with no check privileges, ATM or debit cards present very little (if any) risk to the financial institution. State law determines your ability to contract with a minor, but banks allowing only individual saving accounts mitigate their risk of loss by product and not by contract.



Your Customer Identification Program requirements may be another concern, but federal regulation gives you the ability to create special reduced identification allowances for minor children. Many financial institutions allow school ID cards, birth certificates, insurance and Social Security cards as documentary verification. Your CIP determines what you can accept as ID when opening accounts for minor children. Whether or not you opening savings accounts for kids is a policy decision for your financial institution. Allowing the practice gives children in your community a head start in achieving the goal of financial literacy.

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Getting Started

The resources highlighted in this article are just the tip of the iceberg. There is no need to reinvent the wheel – just set it into motion. Hand out coloring books, add the link to h.i.p. pocket change on your bank's website, hold summer coin collecting contests and assemble a financial information packet for graduating seniors. Promoting financial literacy in children benefits your bank, your community and beyond. Let's start banking on our future today.

Resources, Links and Action plan

Age Group	Activities	Resources
Preschool	<p>Coloring and counting: Print pages from websites to handout to kids ages 6 and younger. A four pack of crayons would be a good addition. Buy 500 packs for \$47.95 at http://www.pospaper.com/restaurant-crayons-4-500.html</p>	<p>http://www.nickjr.com/home-life/kids-money/money-games-activities/moneygames-activities_ap.html</p> <p>http://www.nickjr.com/printables/kai-lan-coins-counting-pack.jhtml</p> <p>http://members.coloringplanet.com</p> <p>http://www.usmint.gov/kids/campCoin</p>
Elementary 1st, 2nd and 3rd grades	<p>Computer games cross over to this age group as well. PBSKids “Mad Money” game teaches the importance of budgeting and spending wisely.</p> <p>PBSKids also has off-line activities you can print out and make available to customer’s children and community schools. This includes journal pages, puzzles and family discussion tools.</p> <p>Hold a “Banker for a Day” essay contest this summer. You pick the topic. The winner gets to be a banker for a day – visit the vault, safe deposit area, teller line, drive thru and lending area. Of course a fun prize would be appreciated too.</p> <p>The Federal Reserve of New York has a wonderful publication for kids available free for download. Both English and Spanish versions are online.</p>	<p>http://pbskids.org/itsmylife/games/</p> <p>http://pbskids.org/itsmylife/money/</p> <p><u>Federal Reserve of New York Publication: Great Minds Think: A kid’s Guide to Money</u></p>
Elementary 3rd, 4th and 5th grades	<p>The computer games are a big hit with this age group too.</p> <p>Hand-on activities are fun and easy:</p> <ul style="list-style-type: none"> ● Fill a jar with coins and hold a contest to guess the amount. Hold a “party” at the end of the contest to count and roll the change. The child closest to the amount gets a savings bond or other prize. ● Hold a story writing contest. Use U.S. Mint commemorative coins as inspiration. Post the stories on your website, arrange with the local paper to have them printed or display them in your office. ● Hold a coin collecting contest to see who can collect coins from all 50 states. The winner gets a display folder for the 	<p>U.S. Mint: http://www.usmint.gov/kids/</p> <p>http://www.usmint.gov/kids/coinNews/</p> <p>http://www.usmint.gov/kids/-collectorsClub/</p>

	<p>collection. http://www.jpscorner.com/State_Quarters_Supplies.htm</p>	
<p>Middle School – 6th, 7th and 8th grades</p>	<p>Computer games cross over to this age group as well. PBSKids “Mad Money” game teaches the importance of budgeting and spending wisely. PBSKids also has off-line activities you can print out and make available to customer’s children and community schools. This includes journal pages, puzzles and family discussion tools. Hold a “Banker for a Day” essay contest this summer. You pick the topic. The winner gets to be a banker for a day – visit the vault, safe deposit area, teller line, drive thru and lending area. Of course a fun prize would be appreciated too. Use “New Money Fact Sheets” to teach about the redesign of our money supply. Kids love to learn and the sheets provided by the Bureau of Printing and Engraving are very well done. The Federal Reserve of New York has a wonderful publication for kids available free for download. Both English and Spanish versions are online.</p>	<p>Use the resources above. Coloring pages from the U.S. Mint include all coins in circulation and commemorative coins. They are perfect for this age group.</p> <p>Printable money puzzles:</p> <p>http://www.activitiesforkids.com/words</p> <p>http://www.kidsfinance.com/-wordsearch1.html</p> <p>http://www.kidsfinance.com/-wordsearch2.html</p> <p>http://www.kidsfinance.com/-unscramble.html</p> <p>http://www.usmint.gov/kids/</p>
<p>High School – Ages 15 to 17</p>	<p>This age group wants the focus on “real-life”. They need begin understanding how to use the products and services banks provide.</p> <p>The Jump\$start Coalition for Financial Literacy offers many free publications for this age group. Browse their Clearinghouse for free and moderately priced resources.</p> <p>Opening Individual saving accounts for this age group helps them learn the basics of banking in a “low risk” environment. With no check writing privileges, ATM or debit cards, kids learn how and where to save.</p> <p>Encourage field trips to the bank and participate in career day at local high schools.</p>	<p>Jump\$start Reality Check: http://www.jumpstart.org/reality-check-page1.html</p> <p>Browse the clearinghouse: http://clearinghouse.jumpstart.org/</p> <p>Some suggested publications: 40 Money Management Tips for College Students: http://www.smartaboutmoney.org/</p> <p>ABCs of Credit Card Finance – Essential Facts for Students: http://www.kfi.ky.gov/public/teacher.htm</p> <p>Careers in Banking Brochure from the ABA: http://www.aba.com/ABAEF</p>