

# What is *Money Smart*?

Welcome to the *Money Smart* guide for parents and caregivers of children in grades 3–5. Discussing money early in a child’s life helps to build a strong foundation for healthy financial habits in the future. Within these pages you will find information, resources, activities, and conversation starters about money to help build that foundation.

This guide corresponds to the *Money Smart* curriculum that would normally be delivered by an educator in a classroom or other group setting. This resource can also be used by all families with children, whether or not your child is learning about these topics in school.

To support everyday explorations of money, each module includes the following:

- **About This Topic:** A brief overview of each module.
- **From the Classroom:** Parent and caregiver information about the topic in the form of key questions that are used as part of the *Money Smart* curriculum in the classroom. Questions are answered in the same language used by educators to provide consistency from classroom to home.
- **Words to Know:** Key vocabulary terms about money.
- **Resources:** Books, games, and other online resources that engage children and help reinforce the topics. These are just a few of many existing resources, and are not endorsed by the Federal Deposit Insurance Corporation.
- **Conversation Starters ... Ask Your Child:** Thought-provoking conversation starters that can be discussed anywhere, at any time, and will lead to interesting discussions between you and your child around the topic of finances.
- **Try This ... :** Simple and fun activities to do at home, or around town, that engage children in the topic while supporting parents in their job of raising children.

We hope you find these pages useful and fun for the whole family! To find more resources, visit:

- [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart) (for the FDIC’s financial education curriculum)
- [www.consumerfinance.gov/parents](http://www.consumerfinance.gov/parents) (to find age-appropriate information and activities for children)
- [www.mymoney.gov](http://www.mymoney.gov) (to find financial education resources from more than 20 federal agencies)

## Your Child’s Future

Part of building a strong foundation for your child’s financial future is making sure his or her personal information stays secure. Controlling and limiting access to a child’s information is one of the best ways to protect children from identity theft.

Keep in mind that scammers also use social networking sites to gather even small tidbits of information that can be used to commit fraud. Parents and caregivers can learn more about how to help keep their child safe when using mobile phones and computers by visiting **OnGuardOnline** ([www.onguardonline.gov](http://www.onguardonline.gov)), the federal government’s website to help you be safe, secure, and responsible online.

## Tips For Talking About Money

Children are naturally curious and ask a lot of questions. Sometimes, questions about money can be awkward or seem hard to answer, but it's important to engage children in the process of understanding how money works and its value. This guide includes "Ask Your Child" questions and fun and useful "Try This" activities to support these conversations and allow children an opportunity to share their thoughts and wonderings. Furthermore, they also allow you to bond with your child as you create comfort in discussing money matters.

Use the "Ask Your Child" questions and "Try This" activities to ask about specific topics that may have been covered in the classroom. Or use them as boredom busters while running errands or eating dinner. They are designed to fit into your schedule and make it easier to talk to your child about money.

However you engage with your child around the topic of money, you are sure to gain some wonderful insight into your child's interests and understanding of the world. And remember, you are your child's best role model. You may not have all the answers, but engaging in these conversations and activities offers opportunities to learn together.

## About the Resources

The resources listed in this guide are just a few possibilities available in the wide world of children's books, apps, and games that explore the topics found in these pages. A local librarian or your child's teacher may have other suggestions.

### Ways to Use Books:

- **Read together.** This is a wonderful way to bond with your child and support his or her emerging literacy skills while talking about money.
- **Ask for a summary.** Whether your child reads with you or alone, ask him or her to explain what the words or pictures are about.
- **Have a discussion.** Use the books as conversation starters to talk about the concepts of money and how it applies to your lives.

### Ways to Use Games and Online Resources:

- **Play and learn together.** Spend time using the online resources with your child. Notice how your child approaches decision-making. Ask: *What did you discover while visiting this website or playing this game?*
- **Discuss games.** After your child has explored the games on his or her own, ask: *Which one was your favorite? What skills did the game require? What did you learn about money?*

## Youth Banking Programs

**Youth banking programs are partnerships between schools and banks in which your child is given the opportunity to open and deposit money into a real savings account in school as part of a financial education program.** Having and using a bank account not only reinforces what your child learns about money in the classroom, but also gives your child opportunities to form healthy financial habits. Youth banking programs can:

- Prepare your child to open and learn about how a bank account works, which better positions them for economic opportunities.
- Prepare and empower your child to make sound financial decisions.
- Reinforce what your child is learning in the general curriculum, in math, social studies, and other subjects.

Financial education and real-life experience saving in an account can be a powerful combination. Research shows that having a bank account *boosts the effect of financial education* in the classroom. In addition, in-school banking *increases account ownership* and *improves attitudes toward banking*.

Children in grades Pre-K–2 are ready to start forming healthy money habits and learn norms and rules of thumb that relate to money. They also are learning basic numeracy, how to understand and work with numbers. By second grade, children are developing basic money management skills. Youth banking programs for your child’s age group can promote your child’s development in these areas.

**As a parent or caregiver, you can look for opportunities to get your child involved in one of these innovative programs.**

- Ask your child’s teacher if the school offers a youth banking program or whether offering one is a possibility.
- Check with your bank to see whether they offer any programs or events that combine school-based financial education with the experience of saving in a bank account.
- If there is not a program in place at your school, consider putting the school in touch with a bank or nonprofit engaged in youth financial capability. Together, they can choose from a wide range of options to create a program that is a great fit for the school, the bank, and – most importantly – the students. Encourage them to visit FDIC’s Youth Banking Resource Center online at [www.fdic.gov/youthsavings](http://www.fdic.gov/youthsavings) to learn more.

**Once you find a youth banking program for your child, be supportive by:**

- **Returning any required forms or permission slips.** If you have questions about forms, ask!
- **Building a habit of saving.** Even small amounts add up over time, so help your child stick to a habit of putting a bit into savings out of every amount they earn or receive.
- **Showing interest.** The conversations starters, family activities, and other resources in this Parent/Caregiver Resource Guide are a great way to show interest and reinforce learning.
- **Volunteering.** Ask how you can lend a hand. For example, help prepare supplies and materials for lessons. Or chaperone a field trip to a local bank branch.
- **Participating.** Many youth banking programs include special events for parents and families to learn and have fun doing it.