

## You and Your Child – Talking About Money

How do you feel about your own personal financial knowledge? A number of surveys would indicate that you might not feel comfortable talking about money...

- Three quarters of all American adults feel very well informed about managing their household finances.
- Over 40% of America's families live off of 110% of their income.
- The average credit card balance for the adults is \$6,094.
- More people will file for bankruptcy this year (over 1.7 million) than will go to college.

If you have a child, you know how important these skills will be for your boy or girl as they get older. However, a study by the bank FleetBoston found that, among parents with children five or older, three quarters do not feel well prepared to teach their kids about basic personal finances.

So, where will children get their information on personal finance? The National Council on Economic Education found that nearly 90% of students depend on their parents for information, while 80% of parents believe that schools are teaching financial education to their students. Unfortunately, no state has a set of mandatory financial literacy standards.

Personal financial education should begin early, and parents need to be involved. Here are some ideas to help you focus on personal financial education with your child:

- Brush up on your own personal financial education! Use the links below to get started.
- From a very young age, children learn by watching. Model good personal financial skills by using credit wisely, managing debt, and goal setting.
- Talk to your children about how much things cost, and how long it will take for you to save for those items. When your family sets goals, include everyone in the discussion.
- An allowance is a great way to introduce children to many of the financial education skills they will need later in life. Help your child to open a bank account, and encourage them to save for specific goals.
- Involve your children in financial education activities from an early age. Have them help you to clip coupons and balance your checkbook. At the supermarket, teach them about good consumer habits. Did you know that the most expensive items at the store are usually at eye level? Now you do, and your children can too!
- Talk to your children's teachers. Find out what they are doing at school to encourage personal financial education. Currently, there are no mandatory personal financial standards for K-12 students. Networks Financial Institute has developed a set of Personal Financial Education Competencies that we hope will someday be adopted by state departments of education. You can view the competencies [here](#).

## **Personal Financial Education Materials**

### **Improving your personal financial knowledge –**

Federal Government Links - <http://www.treas.gov/offices/domestic-finance/financial-institution/fin-education/resources/>

FDIC's Money Smart Program -  
<http://www.fdic.gov/consumers/consumer/moneysmart/overview.html>

The Federal Reserve Resources - <http://www.mymoney.gov/>

Federal Reserve Education - <http://www.federalreserveeducation.org/PFED/>

The Federal Reserve of Dallas - <http://www.dallasfed.org/ca/wealth/index.html>

The Federal Reserve of Chicago -  
[http://www.chicagofed.org/consumer\\_information/personal\\_finance\\_information.cfm](http://www.chicagofed.org/consumer_information/personal_finance_information.cfm)

Bureau of Public Debt - <http://www.publicdebt.treas.gov/mar/marmoneymath.htm>

Fannie Mae Foundation -  
[http://www.fanniemae.foundation.org/programs/finance\\_tools.shtml](http://www.fanniemae.foundation.org/programs/finance_tools.shtml)

### **Working with your kids –**

National Endowment for Financial Education (High School) -  
<http://www.nefe.org/hsfpportal/index.html>

Practical Money Skills for Life (All Ages) -  
[http://www.practicalmoneyskills.com/english/at\\_home/](http://www.practicalmoneyskills.com/english/at_home/)

Young Americans Center for Financial Education - <http://www.yacenter.org/index.cfm>

Money Savvy Generation (Elementary/Junior High) -  
<http://www.msgen.com/prod/assembled/home.html>

Moonjars (Elementary) - <http://www.moonjar.com/default.aspx>

U.S. Mint for Kids (Elementary) -  
<http://www.usmint.gov/kids/index.cfm?fileContents=teachers/financialLiteracy.cfm>

The Stock Market Game (All Ages) - <http://www.smg2000.org/>

Inquisitive Kids (4<sup>th</sup> and 5<sup>th</sup> Grades) - <http://www.inquisitivekids.com/>