

presented by:



FirstAlliance
CREDIT UNION

+

ROCHESTER
mom

SAVE

SPEND

SHARE

A VIRTUAL SKILL-BUILDING EVENT FOR KIDS

&parents

PARENT GUIDEBOOK





The Importance of Financial Literacy

No parent would ever dream of letting their children grow up not knowing how to read or write. When it comes to financial literacy, though, many children grow up not knowing the basics of money management, let alone how to set financial goals.

This isn't because most parents are bad parents. It's because the parents themselves were never taught financial management skills, and as a result, they don't understand the importance of teaching financial literacy to children. That's where this course comes in. These videos will help start important conversations with your kids about managing money.

We've found that the best way to teach children basic money management strategies is to use the concept of Save, Share, Spend. This concept encourages kids to budget the money they get from gifts or allowance. When teaching this concept, we recommend having children put 25% of the money they get into saving and dedicate 5% for sharing, leaving them with 70% they can spend however they want.

The modules in this free course are designed to help your child understand each of the three categories, with a brief video and a follow-up worksheet you can complete with your children. We'll also include more ideas in each module that you can use to continue teaching your kids these important money skills long after you've completed this course.

Teaching your children the importance of save, spend, share at a young age can sow the seeds of financial literacy. It can help them understand how to manage money and reach their financial goals. In your free course packet, we've also included 10 bonus tips about teaching your kids money skills, as well as a list of books available at the Rochester Public Library to continue these important financial conversations with your kids. You can also find a list of resources that will help you keep learning on our site, including blog posts like:

[6 Tips for Teaching Children About Finances](#)

[Things to Consider Before Starting an Allowance for Children](#)

[5 Ways to Teach Your Children Good Money Moves This Halloween](#)

[How to Teach Your Children About Budgeting](#)

If you want to give your child a chance to put everything they've learned into practice, help them become a member of [First Alliance Credit Union](#) today. Once they're a member, they can open their own youth account. Even better, they can track their progress through online banking or our mobile app.

10 WAYS TO TEACH CHILDREN About Money



1. **Use containers to save.** Piggy banks and jars are fun ways to show how your money accumulates as you save. You can also use envelopes that have pictures of all the things they wish to spend their money on if you want to provide even more incentive.
2. **Set a good example.** Your kids learn from you, so if they see you saving they will want to do it too. Keep a savings jar for yourself, or even better bring them with you when you come to the credit union.
3. **Give them an allowance.** Set up a list of chores for your children, and make sure they understand they only get their allowance in exchange for doing chores. Allowance is usually money, but it can be anything of value to your child, such as additional screen time.
4. **Play games that teach children about money.** Games like Monopoly and Life can teach your children about buying, selling and charging money. Other good board games include Payday, Money Bags and Net Worth.
5. **Teach them about credit cards.** This is especially important when your child gets into middle and high school, since as soon as they turn 18 they'll be flooded with credit card offers. You should also cover paying for loans and debt, too.
6. **Help them set savings goals.** If your child wants something expensive, help them set a savings goal for it. Show them how long it will take to reach their goal if they save a certain amount each week.
7. **Encourage them to track their spending.** Buy your child a small notebook and have them track down every purchase they make for at least a week. At the end, show the child how much they spent on different things. Encourage them to think about how they're spending their money.
8. **Help them set a kid-friendly budget.** If you give your kid an allowance, set up different containers for them to put their money in. You might want to set up one jar for saving and one jar for spending, and have your child decide how much goes into each jar every time they get their allowance.
9. **Let them pay for small purchases.** Give your child the experience of paying for a small purchase, like a gallon of milk at the convenience store.
10. **Teach them to comparison shop.** Take your child to different stores and show them different prices for clothes and groceries. Show them that stores charge different prices for different items, and teach them about getting the best value for an item.

CHILDREN'S BOOKS ABOUT MONEY

These books are recommended by and available at the Rochester Public Library.

National Geographic's Everything Money
by Kathy Furgang

Eyewitness Money by Joe Cribb

Bunny Money by Rosemary Wells

Lemonade in Winter by Emily Jenkins

Money Money Honey Bunny by Marilyn Sadler

Lunch Money by Andrew Clements

Smart Girls Guide: Money by Nancy Holyoke

Money Madness by David Adler

Save, Spend, or Donate? by Nancy Loewen

Monsters Money Book by Loreen Leedy

Dollar, a Penny, How Much and How Many
by Brian Cleary

Sluggers' Car Wash by Stuart Murphy



The Importance of Learning to Save

The most important financial skill you can teach your child is how to save money. It's no exaggeration to say that being able to save money can make the difference between your child being burdened with debt or living a financially stable life as an adult.

While there are many ways you can teach children to save money, the best way to get your children in the habit of saving is to help them set a savings goal. For instance, if your child wants an expensive toy, use the price of that toy to give them a goal to save for. Help them figure out how much they'll need to save, and then show them how long they'll need to save to meet their goal according to the simple budget we recommended in the introduction.

For instance, if one of your children wants to buy a \$30 Lego set and they get an allowance of \$20 a month, you can help your child figure out that by saving 25% of their allowance, they would be saving \$5 a month and be able to get their toy in 6 months. You could also show your child that if they were to save 70% of the money they can spend, they would only need to save for two months to get the Lego set.

When you're teaching your children to save, make sure you give them a safe place to store their money. You can go with a mason jar, a tried and true piggy bank, or even better open up a savings account at First Alliance Credit Union. They'll be able to see their money growing when they look at their account using online banking or the First Alliance mobile app, and they'll also be less tempted to use that money for an impulse purchase.

In order to help your child get in the habit of saving, help them complete the activity worksheet we provide after they have watched the "What is Saving Money" video on this page. Remember that you have to turn in this page in order to enter the prize drawing!

We've also included a savings goal tracker in your course packet that you can use to help your children set savings goals. Remember, you can print this out as many times as you want to help your child keep setting financial goals for years to come.

Don't forget that you can also find 10 bonus tips about teaching your kids money skills in your free course packet, as well as a list of books available at the Rochester Public Library to continue these important financial conversations with your kids. You can also find a list of resources that will help you keep learning on our site (page 3).

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SAVINGS

ACTIVITY WORKSHEET



YOUTH MONTH

Child's First Name, Last Initial: _____ Parent/Guardian First & Last Name: _____

What does Saving Money mean? _____

What is something you want to save money for? _____

Draw a picture of something you want to save for:

A large, empty rectangular box with a thin black border, intended for a child to draw a picture of something they want to save for.

Word Problem:

Stacy wants a new bike, it costs \$50. She has \$20 from a gift she received from her grandma on her birthday and her dad gives her \$5 a week as an allowance. Use the number line below to count how many weeks it will take Stacy to save up for her new bike?



Bonus Practice: How many weeks will it take Stacy, if she spends the \$20 she got from her grandma instead of saving it?

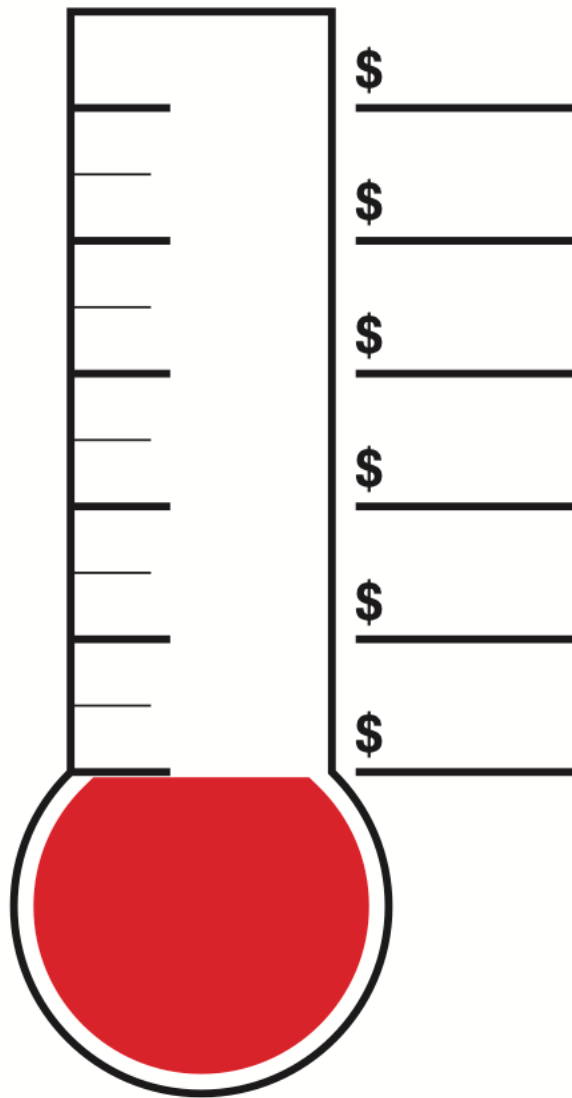


Submit this completed worksheet to be entered into the prize drawings by April 30th 2021.

GOAL SHEET

I'm Saving For

I DID IT!



FirstAlliance | all for one.
CREDIT UNION



The Importance of Learning to Spend

Learning to spend money is by far the easiest of the three skills, not to mention the most fun. However, learning to spend money with care can be a bit more challenging. Children are often impulsive, so they don't always think about long-term ways to spend their money.

You can help your children learn to spend with care by teaching them to think about what they want to spend money on before they spend it. Let them know that wanting things is okay, but that they'll have to make choices about what they want to buy based on how much money they have. If you have a child who wants to buy five toys but only has enough money for two of them, you can help your child figure out which of the toys are most important to them and which ones they can live without.

This is also a great opportunity to teach children about needs vs wants. If your child wants to buy ice cream but they also broke their sister's Barbie doll, they need to be responsible and replace the doll before buying something for themselves.

Going back to the \$20 allowance example from previous sections, if a child saves 25% and sets aside 5% to share, they will have 70%, or \$14, to spend. Encourage them to think about how they can best spend those \$14, and even whether they might want to save part of that \$14 for a financial goal.

Remember, it's up to you as a parent to help your children learn to prioritize their spending so they learn to only spend what they can afford at the moment. In order to help your children learn this lesson, though, you'll need to resist the urge to give your children more money when they don't have enough to buy everything they want. Even if your child is only a dollar short, they need to learn the important lesson that no one will give them money for free when they're adults.

Once your child has finished watching the "What is spending money?" video on this page, sit down with them to complete the spending activity worksheet. Remember that you have to turn in this page in order to enter the prize drawing!

We've also included a savings goal tracker in your course packet that you can use to help your children set savings goals. Remember, you can print this out as many times as you want to help your child keep setting financial goals for years to come.

You can find a list of resources that will help you keep learning on the [First Alliance Credit Union](#) site (page 3).

SPENDING

ACTIVITY WORKSHEET



YOUTH MONTH

Child's First Name, Last Initial: _____ Parent/Guardian First & Last Name: _____

What does Spending Money mean? _____

What is something you want to spend money on? _____

Draw a picture of something you want to buy with your money:

A large, empty rectangular box with a black border, intended for a child to draw a picture of something they want to buy with their money.

Word Problem:

Jordan gets \$20 a month in allowance for doing chores around the house. Out of the \$20 allowance, Jordan saves \$5 each month and sets aside \$4 each month to share with the local food shelf. This means Jordan has \$11 left to spend. Using the chart below, help Jordan keep track of how much they are spending at the store.

Starting Spending Amount:	\$11.00
Bought a candy bar:	\$1.00
Now how much does Jordan have?	
Bought a pack of stickers:	\$2.00
Now how much does Jordan have?	
Bought a pair of silly socks:	\$5.00
Now how much does Jordan have?	
Bought a new coloring book:	\$3.00
Now how much does Jordan have?	

Bonus Practice: Jordan now sees a pack of crayons they want to buy to go with their new coloring book, the cost is \$2.00. What item would Jordan have to return in order to afford the crayons? _____

Submit this completed worksheet to be entered into the prize drawings by April 30th 2021.

Name:

[illegible]



The Importance of Learning to Share

While you want your children to be financially successful, you also want them to be kind. However, kindness doesn't just happen. Instead, it needs to be taught and encouraged throughout a child's life, starting from a young age.

While you can teach children to share their toys and talk about what kindness is, you can also teach them how to be kind by donating time and money to causes they care about. Helping your children to set aside 5% of their money to share is a great way to start building a sense of compassion and empathy in children.

The best way to start talking with your children about sharing is to talk about things that are important to them. Find out if they care about helping animals, or if they're worried about their neighbors going hungry or losing their homes.

Once you know what your children are passionate about, you can help them find local charities that support those passions. Then, every few months, take the 5% you've saved and either donate it directly to their cause or find out what supplies the charity needs most and help your child shop for those items and deliver them to the charity together.

As an example, if your child is getting a \$20 allowance, putting aside 5% of that a month would be \$4. After six months, your child will have \$24 saved up, which is enough to buy some canned food for a food pantry, a bag of dog food for an animal shelter, or even a nice blanket for a homeless shelter. This not only helps out worthy charities—but it also lets your children visualize the difference their money can make when they buy something tangible for a charity, which is very empowering.

If you really want your children to get into the habit of sharing, though, you should model the behavior yourself. Let your kids know what charities you support and why. You can also share stories with your children about other kids in the community who are performing acts of service with your children. You should also know that you can still help your children get into the habit of sharing even if they don't get a regular allowance. You can encourage your children to hold a fundraiser, take a tour of local non-profits or even volunteer your time together at a charity you all agree is important.

In order to help your child get in the habit of sharing, help them complete the activity worksheet we provide after they have watched the "What is Sharing Money" video on this page. Remember that you have to turn in this page in order to enter the prize drawing!

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The Importance of Learning to Share

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We've also included Save, Share and Spend labels in your course packet to help your children keep their money separated into these categories until it's time to use the money for its intended purpose. You can print out these labels as many times as you need.

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SHARING

ACTIVITY WORKSHEET



YOUTH MONTH

Child's First Name, Last Initial: _____ Parent/Guardian First & Last Name: _____

What does Sharing Money mean? _____

What is a cause you want to donate money to? _____

Draw a picture of you sharing your money with a charity that is important to you:

A large, empty rectangular box with a thin black border, intended for a child to draw a picture of themselves sharing money with a charity.

Word Problem:

Cody loves animals. He wants to help the local pet shelter by using some of the birthday money he received from his aunt to buy some supplies for the shelter. Cody has \$10 to spend on supplies for the shelter. Below are the items that Cody sees at the store. Circle the items that he can afford to buy with his \$10? Circle enough options to equal exactly \$10.



Dog Collar: \$2.00



Dog Food: \$9.00



Dog Toys: \$3.00



Cat Food: \$8.00



Cat Toy: \$1.00



Cat Litter: \$7.00

Bonus Practice: There are three possible combinations, see if you can find all three options!

Submit this completed worksheet to be entered into the prize drawings by April 30th 2021.

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