

MONEY MILESTONES

20 THINGS KIDS NEED TO KNOW TO LIVE FINANCIALLY SMART LIVES

PRESENTED BY BETH KOBLINER

WORKING DRAFT

PRESIDENT'S ADVISORY COUNCIL ON FINANCIAL CAPABILITY

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NOVEMBER 8, 2011

MONEY MILESTONES

20 THINGS KIDS NEED TO KNOW TO LIVE FINANCIALLY SMART LIVES

MM: 1
YOU NEED MONEY to buy things.

MM: 2
You earn money by **WORKING**.

MM: 3
You may have to **WAIT BEFORE YOU CAN BUY** something you want.

MM: 4
There's a difference between **THINGS YOU WANT** and things you need.

MM: 5
You need to **MAKE CHOICES** about how to spend your money.

MM: 6
It's good to shop around and **COMPARE PRICES** before you buy.

MM: 7
It can be costly and **DANGEROUS TO SHARE INFORMATION** online.

MM: 8
Putting your money in a savings account will **PROTECT** it and pay you interest.

MM: 9
You should always **SAVE AT LEAST 10%** of what you earn.

MM: 10
Entering a credit card or Social Security number online puts you at risk for someone **STEALING YOUR INFORMATION**.

MM: 11
The earlier you start to save, the faster your savings will benefit from compound interest, meaning **YOUR MONEY EARNS INTEREST** on your interest.

MM: 12
A CREDIT CARD IS A TYPE OF LOAN; if you don't pay your bill in full every month, you will be charged interest, and you'll owe more than you originally spent.

MM: 13
It's important to **KNOW WHAT A COLLEGE WILL COST** you before choosing it.

MM: 14
You should **AVOID USING CREDIT CARDS** to buy things you can't afford to pay for with cash.

MM: 15
Your first paycheck may seem smaller than expected since **MONEY IS TAKEN OUT FOR TAXES**.

MM: 16
A great place to **SAVE AND INVEST MONEY YOU EARN** is in a Roth IRA.

MM: 17
You should use a credit card only if you can **PAY OFF THE MONEY OWED IN FULL** each month.

MM: 18
You need **HEALTH INSURANCE**.

MM: 19
Putting all your eggs in one basket can be a risky way to invest; consider a **DIVERSE MIX OF STOCKS AND BONDS**.

MM: 20
Always consider two factors before investing: **THE RISKS AND THE ANNUAL EXPENSES**.

WORKING DRAFT/ 11.08.2011

3-5 YRS

6-10 YRS

11-13 YRS

14-18 YRS

18+ YRS

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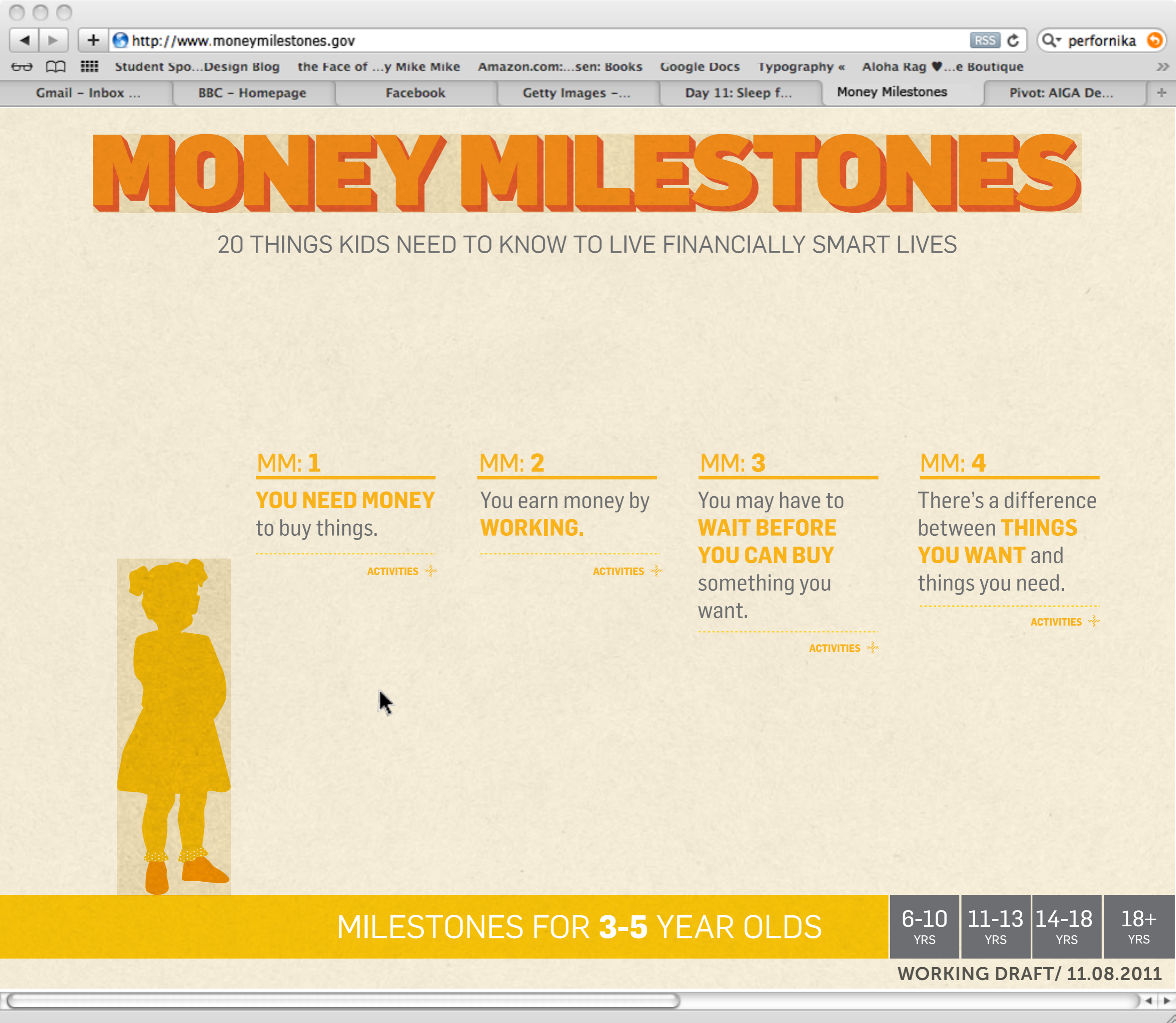
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ACTIVITIES



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ACTIVITIES

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money by

ACTIVITIES



MM: 3

You may have to **WAIT BEFORE YOU CAN BUY** something you want.

ACTIVITIES

ACTIVITIES TO HELP YOUR KIDS REACH THIS MILESTONE

- When your child is standing in line for a turn on the swings, or looking forward to her favorite holiday, point out that sometimes we have to wait for things we want.
- Find three jars (or cans) and label one for saving, one for spending, and one for sharing.
- Each time your child gets money, suggest she put some into the saving jar.

MM: 4

There's a difference between **THING YOU WANT** and things you need

ACTIVITIES

MILESTONES FOR **3-5** YEAR OLDS

6-10 YRS	11-13 YRS	14-18 YRS	18+ YRS
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MONEY MILESTONES

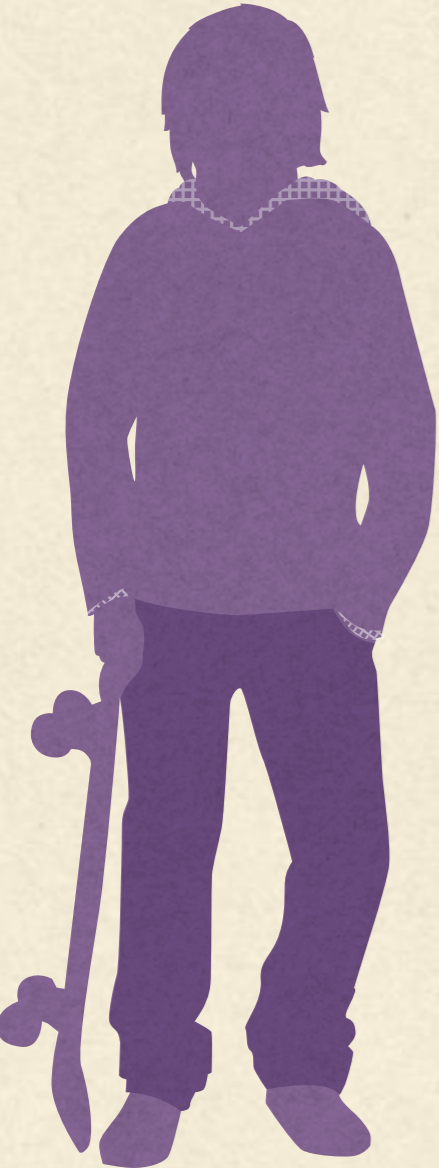
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3-5 YRS 6-10 YRS 11-13 YRS 14-18 YRS 18+ YRS


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ACTIVITIES

ACTIVITIES TO HELP YOUR KIDS REACH THIS MILESTONE

- Encourage your child to always save a dime for every dollar he gets.
- To reinforce the savings habit, go to the bank two to three times a year with your child to deposit savings into his account.
- Consider a "matching plan" for your child's savings: You put in 25 cents for every dollar he saves.

MM: 10

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ACTIVITIES

THE FOLLOWING RESOURCES WERE REVIEWED IN THE PROCESS:

- **Council of Chief State School Officers and the National Governors Association's Common Core State Standards for Mathematics**
- **Council for Economic Education's Financial Fitness for Life**
- **Jump\$tart Coalition's National Standards**
- **Junior Achievement's \$ave USA**
- **National Endowment for Financial Education's High School Financial Planning Program**
- **Network for Teaching Entrepreneurship's Your Financial Future**
- **Schwab's MoneyWise**
- **Sesame Workshop's For Me, for You, for Later: First Steps to Spending, Sharing, and Saving**
- **Treasury's Financial Education Core Competencies**
- **Treasury's Money Math: Lessons for Life**
- **Wisconsin's Model Academic Standards for Personal Financial Literacy**

WITH GRATITUDE TO THE FOLLOWING EXPERTS FOR SHARING THEIR TIME AND INSIGHTS:

- **BRENDA BARR,**
Colorado Department of Education
- **J. MICHAEL COLLINS,**
University of Wisconsin-Madison
- **ADRIAN FRANCO,** Columbia University
- **MARY HAGERTY,** Operation HOPE
- **JULIE HEATH,** University of Memphis
- **JIM HEDEMARK,**
Rhode Island Jump\$tart Coalition
- **BILLY J. HENSLEY,**
National Endowment for
Financial Education
- **TAHIRA K. HIRA,** Iowa State University
- **JEANNE M. HOGARTH,**
Board of Governors of the
Federal Reserve System
- **KAREN C. HOLDEN,**
University of Wisconsin-Madison
- **CHUCK KALISH,**
University of Wisconsin-Madison
- **PUNAM ANAND KELLER,**
Tuck School of Business
at Dartmouth
- **CLAUDIA KERBEL,**
University of Rhode Island
- **HAROLD KOBLINER**
- **SHIRLEY KOBLINER**
- **LAURA LEVINE,**
Jump\$tart Coalition
- **ANNAMARIA LUSARDI,**
George Washington University
School of Business
- **LEWIS MANDELL,** the Aspen Institute
- **KRISTEN MCDANIEL,**
Wisconsin Department of Public Instruction
- **NAN J. MORRISON,**
Council for Economic Education
- **LUKE RHINE,**
Maryland State Department of Education
- **MARY ROSENKRANS,**
Pennsylvania Office of Financial Education
- **PATRICIA SEAMAN,**
National Endowment for Financial Education
- **MARGARET SHERRARD SHERRADEN,**
Center for Social Development at
Washington University in St. Louis
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