

Pointers For Parents

America's Youth Learn Their Financial ABCs

(NAPSA)—While they can receive e-mails through their cell phone or use a CD-ROM to do their homework, many of today's kids could add to their knowledge of saving and personal money management.

Recent studies show that kids aren't learning about the basics of money management either at school or at home. The national savings rate is now lower than during the Great Depression.

To help, the American Bankers Association Education Foundation (ABAEF) conducts a National Teach Children to Save program where bankers go into local schools to teach children the value of money. ABAEF wants to make savings day "every day," by encouraging parents to teach their children about money.

Good habits start early and healthy money skills last a lifetime. Here are some simple suggestions to teach your kids the value of money:

- **Teach your child the importance of saving.** To make their savings visible and real, have them build up savings in a piggy bank.

- **Help them open up their own savings account and make deposits.** Many banks have children's accounts that offer no-fee and no-minimum balance. If your bank doesn't offer this feature, ask if special arrangements can be made.

- **Make going to the bank a fun activity.** Some banks have kids clubs where members get newsletters in the mail or receive balloons when they make a deposit. If your bank doesn't offer this, use another positive reward such as an ice cream cone or a trip to the park.



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- **Kids love to get mail, so keep an eye out for their monthly statement.** This will help them see the gradual effect of interest on their balance.

- **Involve children in spending decisions and talk about savings.** This gives them practical experience in the buying and saving process.

- **While many children know that money doesn't grow on trees, they may think it comes out of a wall.** Show them how an ATM works and help them understand that to take money out of the bank you must first put it in.

- **Give your kids positive feedback.** As they get older and their allowance increases, give them responsibility about how they spend money.

For more information, visit www.aba.com and click on Consumer Connection.