



**Money
Smart**

for Grades Pre-K-2
Parent/Caregiver Guide



**A fun way for parents and caregivers
to help kids get smart about money.**

TABLE OF CONTENTS

What Is Money Smart?	3
1) Understanding Currency	6
2) Earning Money	8
3) Needs and Wants	10
4) Setting Goals	12
5) Saving and Spending	14
6) Borrowing and Lending	16

Caution:

Coins are a leading cause of choking-related injury and death for young children, particularly for those aged 3 and under.

FDIC Disclaimer:

The books and online resources referenced in the Educator Guide and Parent/Caregiver Guide are examples/options that may be used to support the subject being taught and should not be considered as an endorsement by the Federal Deposit Insurance Corporation (FDIC). Reference to any specific commercial product, process, or service by trade name, trademark, manufacture, or otherwise does not constitute an endorsement, a recommendation, or a favoring by the FDIC or the United States government.

The FDIC *Money Smart* curriculum references books and provides links to other websites for convenience and informational purposes only. Users should be aware that when they select a link on the FDIC's website to an external website, they are leaving the FDIC's site. Linked sites are not under the control of the FDIC, and the FDIC is not responsible for the contents of any linked site or any link contained in a linked site, or any changes or updates to such sites. The FDIC is not responsible for any transmission received from a linked site. The inclusion of a link does not imply endorsement by the FDIC of the site, its content, advertisers, or sponsors. External sites may contain information that is copyrighted with restrictions on reuse. Permission to use copyrighted materials must be obtained from the original source and cannot be obtained from the FDIC.

WHAT IS MONEY SMART?

Welcome to the **Money Smart** guide for parents and caregivers of children in grades Pre-K–2. 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 young 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 utilized 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 at home, or around town, that engage children in the topic while supporting parents in their job of raising kids.

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

- www.fdic.gov/moneysmart (for the FDIC's financial education curriculum)
- www.consumerfinance.gov/parents (to find age-appropriate information and activities for children)
- 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 (<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?*