

the Little buffalos Savings Club

Quarterly Newsletter for Kids

Financial Literacy for Your Little Buffalo

Practical money management skills learned at an early age can have a lasting impact on the rest of your child's life. In fact, this is one of the most important areas where you can truly change the course of their life. Educating your children about financial wellness will help them build healthy spending habits for the future. Here are some great ways to teach your kids about money.

1. Play Games That Involve Money

One of the best ways to teach a lesson is by doing so without your child even realizing that they are learning. Play games that include a financial element like Monopoly or Life and help them strategize during the game. This will help your child learn the importance of budgeting and planning for the future, all under the guise of play. You can find online games to help your child learn financial skills on our [kid's page](#).

2. Make a Wish List with Your Child

An essential part of financial literacy is creating a set of priorities. We can't have everything we want all at once, but we can achieve our goals over time if we plan ahead. This is a great lesson that children can learn. Sit down with your child and have them list five things they want. Then have them rank them from most important to least important. Once the list is created, strategize with your child about how they can obtain their wishes.

3. Teach While You Shop

Take your child shopping and actively explain your decision-making process. When you arrive at the store, tell your child how much money you have to spend and what your priorities are. Show them why you are picking one item over another and explain things like discounts and coupons. Remember, children will learn from your example. Telling them about budgeting is important, but it's much more impactful if they see you following a budget yourself. Additionally, give your child small amounts of money to spend themselves. You'll be surprised at how happy they will be to spend \$2 on anything they want! They'll also learn the importance of spending with a limited budget.



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4. Give an Allowance

Giving an allowance gives children first-hand experience with money. They learn the rewards of careful spending and saving and the risks of making impulsive spending decisions. And those risks are a lot smaller than they will be later in life! Kids also appreciate things that they can buy with their own money. If you're wondering how much allowance to give, know there aren't strict guidelines. Some parents choose to give one dollar for each year of a child's age. Other parents base their kids' allowance on work they do around the house — like cleaning, lawn and garden chores, or babysitting younger siblings. Some parents put their kids in charge of paying for some of their own expenses — like clothing, video games, or tickets to movies — and set the allowance based on that. Whatever amount you decide on, keep in mind that it will become a regular expense for you to consider in your family budget. Make it work for you and your child.

5. Split Money into Categories

Get a piggy bank that splits money into spending, saving, and giving. Teach your child about what each category is and how they are allowed to use the money in each section. Every time you give them their allowance, talk them through how they plan to use their funds. Place the piggy bank next to your child's wish list so that their spending and saving goals are clear to them. Also, talk through the charitable causes your child thinks are important, and when they hit a giving goal, donate the money to that cause in your child's name.

6. Involve Your Kids in Major Purchases

Deciding where to go on vacation? Buying a new appliance? Include your kids in the process and have them help with the research. You can show them the factors that go into making the decision and have them help you compare the options before making the purchase. They'll feel proud to know they helped with the research to make the best decision for the entire family. In short, teaching children about finances can be easier than it might seem. It just takes a bit of planning, a little patience, and some creativity.

Name: _____



When parents don't give in to every one of their children's requests, they are teaching them to value _____.

Complete the sentence by following the instructions below and coloring the picture.



- 1 PINK
- 2 DARK GREEN
- 3 YELLOW
- 4 LIGHT GREEN



Ask your parents to help you open an accumulator certificate. Only \$50 is required to open and then you can watch your savings grow! If this is your first accumulator certificate, we will send you a stuffed little buffalo!

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