

## Financial Literacy Month creates opportunities to talk to children about money

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April is National Financial Literacy Month, a time to increase our knowledge about personal financial education. It's a perfect time for parents to begin teaching their children about finances.

A 2008 survey by The Hartford Financial Services Group reported that nearly 72 percent of the parents surveyed acknowledged that they are their children's primary source of personal finance education, although 44 percent said they need more guidance on how to best teach their children the skills necessary to become financially responsible and successful adults. A 2008 Parents and Money survey by Charles Schwab showed that nearly 70 percent of parents surveyed felt less prepared to give their teens advice about investing than they did about sex.

Sara Croymans, a family resource management educator with University of Minnesota Extension, explains that some parents don't teach their kids about money because they think they shouldn't talk about money with children, don't have the time, or think children don't have enough money to have a need to manage it. "However, there is value in teaching children good money habits, and parents can start this education when their children are young," said Croymans.

The early, formative years are ideal for talking with children about money because this is when life habits and skills are developed. In addition, when parents are involved with helping their children learn wise use of financial resources, the parents typically increase their ability to manage their own financial resources.

Reading young children stories with financial concepts and discussing money matters can help children learn about money and become responsible money managers. The book *Berenstain Bears and Mama's New Job*, for example, teaches about allocating resources, while the book *A Bargain for Francis* teaches about setting goals.

Visit your local library this month and ask for children's books related to financial management. A list of appropriate books and other resource materials, including conversation starters to use with your children, are available from University of Minnesota Extension at [www.extension.umn.edu/youth&money](http://www.extension.umn.edu/youth&money).