

# Bringing Up a Nation of Savers

In order to ensure that today's children will become financially responsible adults, it's important to help them develop healthy money habits and attitudes early on. The importance of saving is one of the most critical messages to convey to young people whose most valuable asset, because of their age, is time.

Very young children can be positively influenced about saving. Children catch on to the

idea of saving pretty quickly. After all, children are natural savers — they save everything from stickers to the latest give-aways at fast-food restaurants. With some encouragement, children can apply this same concept to saving their pennies (and nickels, dimes and quarters too!).

One of the easiest ways to get children started on a savings plan is to have them put money away in a bank. You can use the “wrapper”

below to make a bank out of a coffee can. Use this exercise to help children understand why saving is important: Saving now can help you get the things you want later. Take advantage of the opportunity to discuss setting goals, the concept of interest, and ways to increase savings.

Saving and planning are vital to our nation's future and a value we want to pass on to the next generation of Americans. To learn more about the attitudes, behaviors, and

influencers of young people towards personal finance and money management, refer to the 1999 Youth and Money Survey and 2001 Parents, Youth and Money Survey, sponsored by the American Savings Education Council and the Employee Benefits Research Institute, in partnership with the TIAA-CREF Institute. Full reports as well as additional tools and resources can be found on the TIAA-CREF Institute Web site <[www.tiaa-crefinstitute.org](http://www.tiaa-crefinstitute.org)> and the ASEC Web site <[www.asec.org](http://www.asec.org)>.



CUT HERE

**Save It or Spend It — You Decide**  
Every time you receive some money, you have to decide whether to save it or spend it. Here's a compromise— you can spend some and save some. The choice is up to YOU!

**This BANK Belongs To:**

**It really adds up**  
 100 pennies equal \$ \_\_\_\_\_  
 100 nickels equal \$ \_\_\_\_\_  
 100 dimes equal \$ \_\_\_\_\_  
 100 quarters equal \$ \_\_\_\_\_  
 All together this equals \$ \_\_\_\_\_

**What might you do with that?**  
 \_\_\_\_\_

**How Interesting...**  
 For bigger goals in your future, consider opening a savings account. This way the bank will pay you interest on your money. Say you put \$100 in the bank earning 4% interest. After the first year, you will earn \$4 in interest for a total of \$104. What's more, your interest will earn interest, too!

**I Need To SAVE:**

Glue or draw a picture of your savings goal  
HERE.

**Tips for Saving MORE!**

- Collect deposits on bottles.
- Save some of your allowance every week.
- Look for places to cut spending.
- Empty all the change from your pockets into your bank at the end of the day.

**I'm Saving For:**

## Tips for Assembly

1. Have child write in his/her name, savings goal, and the amount that has to be saved.
2. Glue wrapper to a coffee can.
3. Put a strip of masking tape around the rim of the can to protect against sharp edges. (This should be done by an adult.)
4. Cut a slit in the top of the plastic lid.