



## Piggy bank smarts

Smart money management begins at home. Washington University researcher Michal Grinstein-Weiss found that teaching kids about money in childhood helps them better manage their mortgage loans as adults. The study was in Social Work Research.

The professor offers 5 ways parents can teach their kids financial literacy:

1. Discuss and explain basic finances around the dinner table, especially the difference between needs and wants.
2. Teach kids how to save and set short-term goals (a new toy) and long-term goals (college). Kids will follow by example if they see you saving for something such as a family vacation.
3. Open a savings account for your child as early as possible. Even if you bank online, visit the bank with your child to make a deposit because actions reinforce behaviors. Review monthly statements together.
4. Teach kids budgeting and money-management skills. Help your child figure out how much money to save for how long to reach a goal amount.
5. Get kids involved in daily activities and decisions about spending. Take them grocery shopping and have them compare prices of different brands. Count out the cash during a sale.