



Financial Literacy Lessons for kids!™





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What does **saving** mean?

Saving is simply setting money aside or holding onto money for you to use in the future.

In other words, if someone gives you \$5, you don't spend that money right away. You put the money in a safe place (maybe you have a savings jar or a savings account).

The opposite of saving is spending or giving money away and that can be fun too. What do you like to do?

Some people are natural savers, and some people are natural spenders—which is great because it would be boring if we were all alike! It is important to have both kinds of people to make the world go-around, so our communities stay in balance. If everyone saved money, stores wouldn't have any shoppers or make money so it's always good to have balance.

Do you like to
save money, or
do you like to
spend money?

**Saving is part of what
you earn that you don't
spend. You set savings
aside to use later.**

Saving is a great way to store up your money to buy the things you need or the things you want in the future.

Why is saving important?

Saving money is very important. Have you heard that before?

The reason we save money is to buy the things we need and it's good to have the money when you really need it. As you get older, you may want to save money to go to school. It's hard to believe that kids spend their hard-earned money and savings to go to school, but that's what a lot of young people do when they graduate from high school.

After students graduate, many go to colleges and universities or trade schools to get degrees or training, which is very expensive.



When kids turn 15 or 16 years old, they usually get a part-time job after school to make money. The reasons they want to make money are different depending on each teenager.



Some teenagers make money to buy a new iPhone. They may need it because their phone broke, or they may want it because the phone has new features. It's hard to decide if your money is paying for what you want or what you need.

Why would you want to make some money?

Which of these items are wants and which are needs?

Candy bar



Bottle of water



Game system



Hover board



Shampoo



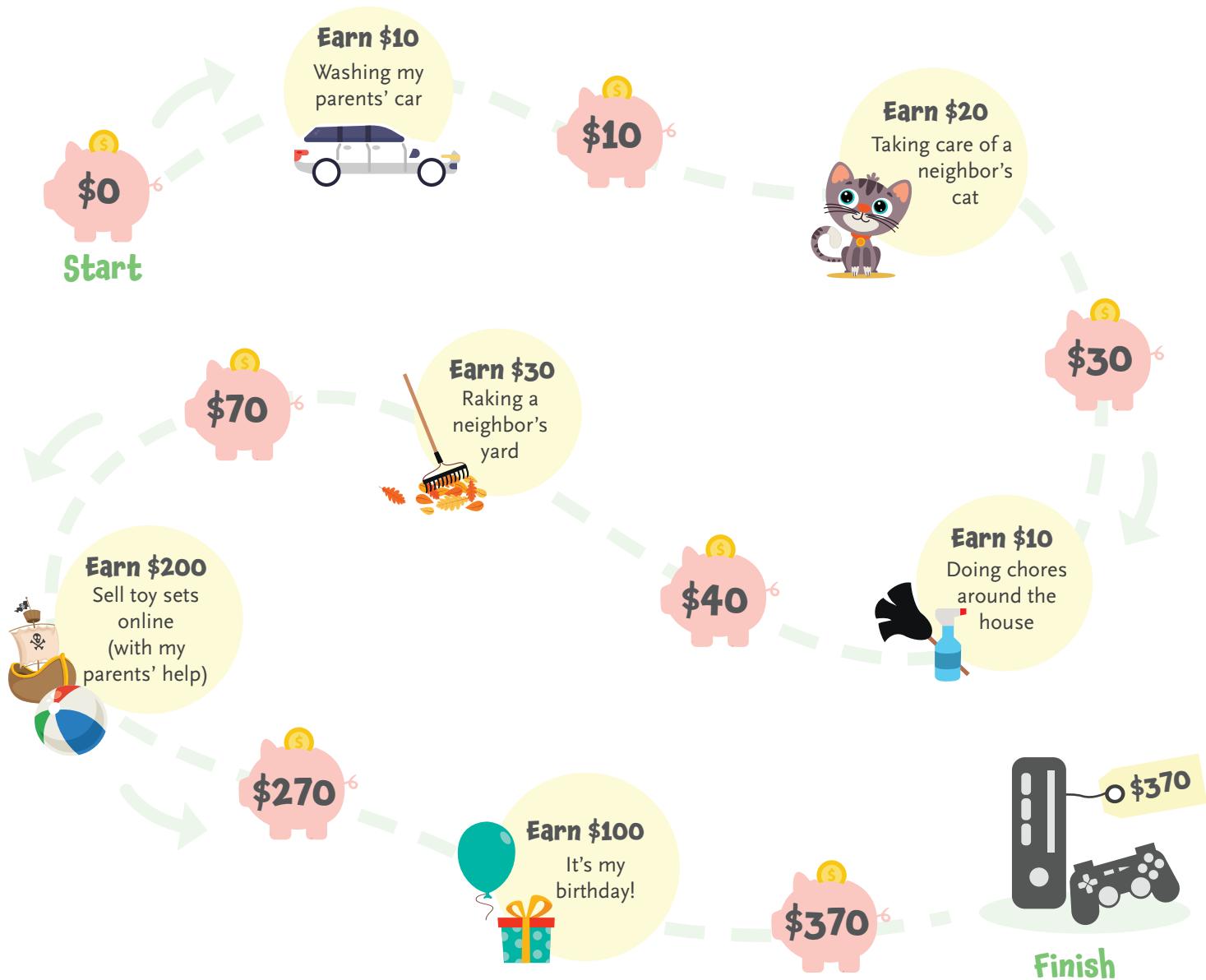
New bike



See page 19 for answers.

How do I save money?

Saving money can really be difficult because there are so many items you might want to buy! Let's look at this example of how to save enough money to buy a new game system:



People save money when they get paid. In our example of buying a new game system, would it be difficult or easy for you to save 5 or 6 times in a row to buy a new game system?

Savings Challenge

Saving your money is important but it can also be fun! Try out these **3 savings challenges** below:



Save \$10



\$1 Savings Challenge

Every time you have \$1, deposit it into your savings account. Then color in one of the circles to track your progress.

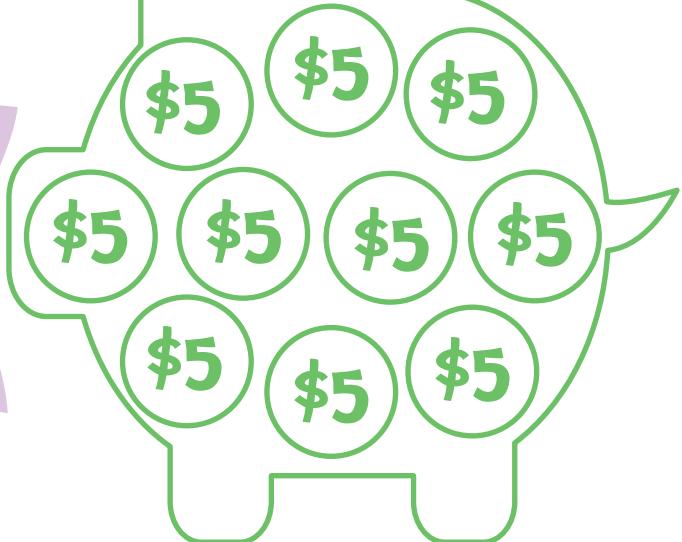
Example: Deposit \$4 and color in 4 circles

\$5 Savings Challenge

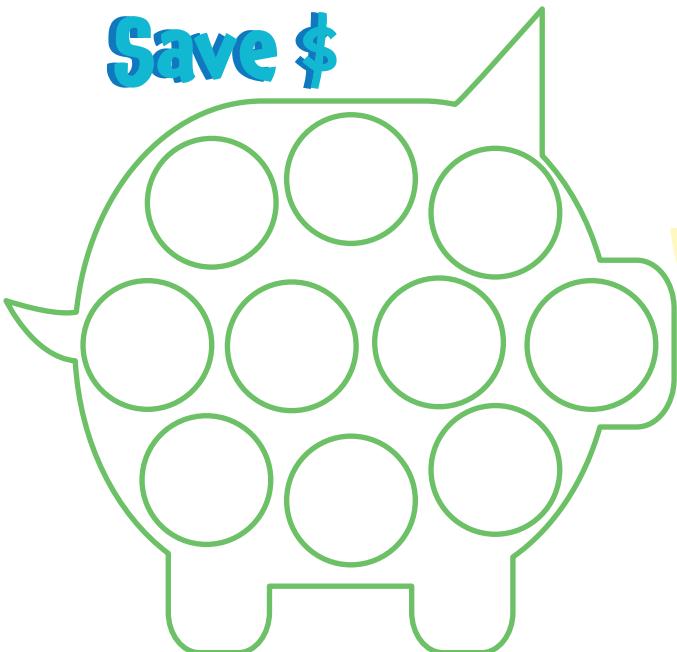
Every time you have \$5, deposit it into your savings account. Then color in one of the circles to track your progress.

Example: Deposit \$15 and color in 3 circles

Save \$50



Save \$



Create Your Savings Challenge

Choose how much you want to save & put that above the Piggy Bank!

Divide the total number you want to save by **10** to get how much you need to save at a time. Fill in each circle when you save that amount.



Part 2: **EARNING**

How do you earn money?

When you work, you earn money (in the form of a paycheck). The number of paychecks you receive depends on how a company has their payroll set up, but each week you work, your time is added up and when it's payday, you get a paycheck! Do you think you would save or spend your first paycheck?

Kids earn money almost the same way. When kids are younger, they might receive an allowance or are paid to do chores around the house. Chores can be jobs like taking out the garbage, doing the dishes, unloading the dishwasher, vacuuming, or washing the car.

Do you receive an allowance or are you paid to do chores—or both?



Some kids set up a lemonade stand and earn money when they sell a glass of delicious lemonade (you can charge extra when it's a hot and sunny summer day). You can also mow lawns or sell some of your toys or items you don't use anymore online or at a yard sale.

If you want to try selling some items online, you must make sure your parents approve and help you. If you're still looking for ways to earn money, you could ask your neighbors if they have any jobs you could do. Some neighbors pay kids to rake leaves or stack wood.



Have you earned money from any of these kinds of jobs?



Taking out trash



Vacuuming at home



Raking leaves

When kids get older, they usually earn money with a part-time job, like working as a cashier at the grocery store or selling coffee at a coffee shop.

Earning money can be fun because you get to meet and work with new people.

How much money do you think you'll make?

There are many different jobs, and each type of job makes a different salary, which is a fancy word for money or income. Usually, the jobs that require more education (like doctors) make more money. The higher the salary, the more income you earn which means your paycheck is larger.

Matching Jobs and Salaries

Draw a line connecting each job with its average estimated yearly salary.



Police Officer



Doctor



Childcare Worker



Grocery Cashier



See page 19 for answers.

Sometimes people don't get their "dream job" when they graduate from high school or college. A person who graduates from college may not have experience in their new job or career field, which means they start at entry level jobs to gain experience. Once they work in their jobs for a couple of years, they get more experience and knowledge and then they are promoted. This is called professional development. The more professional development you gain, the better because that means more responsibility at your work, and a higher salary as an employee.

There are plenty of people who like to start their own businesses too. These people are called entrepreneurs. Very rarely do new businesses earn a lot of money the first year they are in business, but if they are good at their job and people like to buy their goods or services, they will make more money.

Do you know anyone who started their own business?

It's not always about making more money, but it's good to prepare yourself for a good job so you can buy the items you want—like a house or a car.

These are some examples of businesses people start

Home Improvement Services
Cleaning Services
Landscaper
Freelance Developer
Freelance Graphic Designer
Handyman
Photographer

Videographer
Life/Career Coach
Food Truck Owner
Cafés and Restaurants
Restoration and Refurbishing
Auto Care Services
Contracting or Construction

What kind of job do you want?

Now you know a lot about the different kinds of jobs. What kind of job do you want when you get older and why?

If you don't know the answer to this question, you're not alone. Even grown-ups have a hard time answering this question. Sometimes even college graduates don't know what they want to do after they study and graduate!

As a teenager, it's a good time to start thinking about what you want to do when you get older. If you really don't have any ideas, you can talk to your guidance counselor at school.

Guidance counselors can give you a career test to figure out which job is best suited for you. This kind of test isn't hard at all; in fact, it's easy and fun! The questions are more about the kinds of activities and interests you enjoy most.

What kinds of activities and interests do you enjoy most?

For example, some of the questions ask if you would like to spend time on a computer, or do you like to be outdoors.

Once you complete your career test or career assessment, you will receive a list of jobs that are best suited for you. With that list, you can start to do some research about what kind of education or degree is needed and which colleges or universities offer the best education for the job that you want.



What kinds of interests do you have?

Below are interest categories and some job descriptions to go with them.



art and design

Graphic Designer
Animator
Cartoonist
Video Editor



sports

Coach
Athletic Trainer
Sports Photographer
Kinesiologist
Sports Writer



science

Doctor
Lab Technician
Chemist
Pharmacist
Psychologist



animals

Veterinarian
Vet Tech
Pet Groomer



computers

Computer Scientist
Software Engineer
Accountant



outdoors

Park Ranger
Landscaper
Outdoor Photographer
Travel Blogger



fixing/building

Mechanic
Plumber
Machinist
Electrician



serving & care

Nurse
Home Health Aid
Teacher
Customer Service Rep



solving puzzles

Cryptographer
Archaeologist
Ethical Hacker
Crime Scene Investigator

Earning Sheet

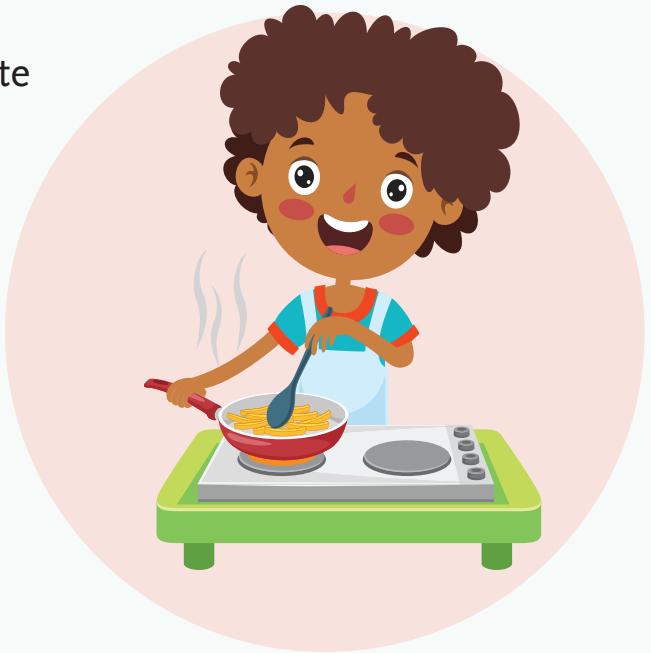


Below are **6 jobs** you can do to earn money during the week.

Choose **3 jobs** that you would do, then write them down in your table and add them up

Help With Dinner: \$5

Help your parent with dinner one night during the week. Help them wash veggies, set the table or clean up after dinner.



Sell Some Toys: \$15

A yard sale is a great way to get rid of toys you don't play with but also earn some money.



Take Out The Trash: \$3

Help your family gather up trash and recycling during the week, then take the trash and recycling outside for trash day.





Clean The Sinks: \$2

The sinks in our homes get very dirty during the week. You can help your parents by wiping them down and cleaning them.



\$ yard Work: \$5

If it's fall, you can rake the leaves. If it is winter, you can help shovel snow. You can even help with gardening in the spring.

Clean The Living Room: \$5

Help clean up your living room by putting away toys you left out, sweeping the floor or folding blankets on the couch.



Fill in the table below!

Example: Under "Jobs" you would put "Help with Dinner" and under "Amount" you would put "\$5".

Jobs	Amount
TOTAL (A)	



What is budgeting?

Budgeting can be fun. When you budget, you're creating a plan to save or spend your money. The plan is called a budget. Creating this plan will let you know if you have enough money to do the things you need to do or would like to do.

You can budget monthly, which is what most people do. The budget that we encourage people to use is a zero-based budget, which means you assign every dollar you earn each month to an area in your budget so at the end of the month you don't have any money dangling or hanging around. Every dollar has an assignment. If you're young, you probably don't have many expenses so your budget may only have a few line items, such as savings, giving, and spending. So, if you made \$20 for the month, you could assign your money like this:

Saving	\$10
Giving	\$5
Spending	\$5
Total	\$20

Why is budgeting important?

Having a budget keeps your spending in check and makes sure that your savings are on track for the future. Budgeting can help you set long-term financial goals, keep you from overspending, helps shut down risky spending habits, and more.

Budgeting gives you information about your financial wellness and helps you discover if you're making enough money to cover your expenses, which are things you spend your money on each month.

If you go over budget, you either have to make more money or reduce your spending.

What happens if you don't make enough money to cover your expenses?

How do I budget?

Making a budget is very easy—just write any expenses you have for the month. When you're young you don't have a lot of expenses so it might be easier to do a weekly budget.

Step 1: What is your total income for the month (how much will you make or earn)? Write down all your income (part time jobs, allowance—any ways you are going to make money).

Step 2: Add up all your income.

Step 3: What expenses do you have to pay for this month? Write down all expenses.

Step 4: Add all your expenses.

Step 5: Subtract your total expenses from your total income.

If you have more money left over, after paying your expenses, you are “in budget.” Any money left over can be used to apply to any of the other expense items.

If you overspend for the month and don't have any money left over, you went over budget, which means you may have to dip into your savings account to pay for your extra spending or borrow money from your parents to cover your expenses. Both of these are really bad news for you and your budget.

Here is an example of some decisions Henry made to stay "in budget" and Sam "went over budget":

What Henry made: \$500

What Sam made: \$500

Expenses:

Savings \$50

Savings \$50

Car Payment \$150

Car Payment \$150

Car Insurance \$100

Car Insurance \$100

Gas \$100

Gas \$150

Birthday Present \$25

Birthday Present \$150

Eating Out (Coffee) \$25

Eating Out (Coffee) \$50

Total Expenses \$450

Total Expenses \$650

\$\$ Left Over \$50

\$\$ Went Over -\$150

How do you think Henry feels about his budget and spending for the month?

How do you think Sam feels and what could she have done differently to be on budget?

Budget Sheet

When you earn money, put it down under the “Jobs” section of your budget sheet.

EX: You earned \$5 for yard work

Jobs	Amount
TOTAL (A)	

List all expenses -- what you plan to spend your money on.

EX: You have \$30 in income: you plan on donating \$5 and spending \$10.

Expenses	Amount
Spending	
Giving	
TOTAL (B)	



Write down what you are saving for & how much you are saving.

EX: You are saving up for a gaming console and plan to save \$20 at a time.

Savings	Amount
TOTAL (C)	

Take the total amount from each section. Subtract the expenses and savings from your income and get your remaining balance.

Summary	Amount
TOTAL (A)	
- TOTAL (B)	
- TOTAL (C)	
LEFT OVER	

Notes:

Drawings and Doodles:

What I learned in this program:

Answers:

Wants and needs (pg 2): candy bar, want; bottle of water, need; game system, want; hoverboard, want; shampoo, need; new bike, want.

Jobs and Salaries Matching* (pg 7): police officer, \$71,000; doctor, \$250,000; childcare worker, \$30,000; grocery cashier, \$28,000.

*Salaries come from the U.S. Bureau of Labor Statistics May 2022 Occupational Employment and Wage Estimates. www.bls.gov.



Learn important financial skills like saving, earning and budgeting.

Finance can be fun! The lessons and exercises in this book teach basic money skills you'll be able to build on as you grow up.