



PARENT ACTIVITY GUIDE

A supplement to *Junior Scholastic*

MONEY CONFIDENT Kids[®]

presented by T.RowePriceSM

DEAR PARENT,

Talking about family finances with your child may feel daunting, but the good news is that every day brings new opportunities to teach your child about both the mechanics of money and the values that guide your choices. You just have to take advantage of them! Your kids learn each time they see you buy groceries, open a bill, or pick up some takeout for dinner after a tiring day.

Of course, kids are ready for different types of information at different times, and this guide has been designed for families with middle school-aged children.

Here's how this activity guide works:

1. Read this activity guide and take a look at the *Money Confident Kids* magazine available at www.scholastic.com/MCK.
2. Choose the topic(s) you're most interested in discussing with your child.
3. Do the activity (or activities) together and don't be afraid to share stories about financial mistakes that you've made. Your child can learn just as much from your missteps as your successes.

Plus, if you're looking for information on saving for college, go to www.scholastic.com/MCK and download the T. Rowe Price College Savings Guide.

Additional Online Resources

www.scholastic.com/MCK

DOWNLOADABLE PDFs

- *Money Confident Kids* magazine
- Language of Money glossary
- Costly Crossword puzzle
- Amazing Money Maze activity
- Spending Tracker tool

STAR BANKS ADVENTURE

Engage your child in this exciting game that teaches positive financial behaviors.

RESOURCES

- College Savings Guide
- 30 Days of Financial Fitness family activity

- "Basic Concepts Children Should Know" article

VIDEOS

- "What Kids Say About Money" videos

This Parent Activity Guide and the *Money Confident Kids* magazine are also available online.

Topic A:

SAVING AND SPENDING

ARTICLES:

- “WHAT’S YOUR FINANCIAL PATH?” page 2
- “SPENDING NOW” page 2
- “SPENDING LATER” page 3

GOAL: Help your child understand that “saving” is really just planning to spend later.

MATERIALS: *Money Confident Kids* magazine, two bowls, small slips of paper

TIME FRAME: Approximately 30 minutes

GET READY

Preview the [magazine](#) and think about interesting examples that you can share to support the conversation about saving, spending, and statistics.

Print out a copy of the *Money Confident Kids* magazine for your child or look at it online.

ACTIVITY

1. Ask your child whether he or she thinks saving or spending is more important. Ask whether thinking about “spending later” (instead of “saving”) would make putting money aside easier and more fun.
2. Together read pages 2 and 3 of the *Money Confident Kids* magazine.

3. Draw attention to the sentence, “Every year, \$258 billion is spent on and by young people like you.” Talk with your child about your own experiences with spending now and spending later.

- Share the most challenging spending choice you’ve had to make.
- Ask your child to share his or her spending and saving challenges and concerns.
- Provide examples of how much you “spend now” versus “spend later” each month.

4. Engage your child in the following activity about spending now versus spending later:

- Put two bowls on the table. Label one NOW and one LATER. Explain that the NOW bowl will hold items that you want to buy this month. LATER is for anything that requires saving for more than a month.
- Demonstrate how this activity will work by taking a small slip of paper and writing down one spending goal and its estimated cost (i.e., new washing machine, \$450). Drop the paper into the appropriate bowl.

- With your child, create more paper slips; try to include a blend of family needs, things your child wants to buy, and your own personal wants.
- Go through the contents of the bowls and add up the costs in each. Based on the totals, decide together whether any items should shift to the LATER bowl and make a plan for how you might reach your goals. If time allows, separate the LATER bowl into smaller sections—goals to reach within two years, within 2–15 years, and 15-plus years.

5. Ask your child whether his or her opinion about spending and saving has changed. Discuss whether or not he or she feels that the idea of spending now and spending later is more positive and proactive.

Topic B:

TEEN SPENDING

ARTICLES:

- “WHAT THE AVERAGE TEEN BUYS” page 3
- “SPENDING NOW” page 2

GOAL: Help your child analyze his or her own spending habits.

MATERIALS: *Money Confident Kids* magazine, “The Power of Advertising” worksheet

TIME FRAME: Approximately 30 minutes

GET READY

Preview the [magazine](#) and think about interesting examples that you can share to support the conversation about personal spending and impulse purchases.

Print out a copy of the *Money Confident Kids* magazine and “The Power of Advertising” worksheet on page 4 of this PDF for your child or open them on your computer or tablet.

ACTIVITY

1. Ask your child what he or she thinks the average teen spends his or her own money on. Make a list together, then rank them from “most popular” to “least popular.”

2. Open the *Money Confident Kids* magazine and look at the “What the Average Teen Buys” chart on page 3. Compare the percentages and items on the chart to your list. Discuss.

3. Read the “Spending Now” article on page 2 of the magazine together. Then open “The Power of Advertising” worksheet (on the back page of this guide) and explain that you are going to be doing some simple observational research together.

4. Take your child to a shopping area (grocery store, mall, etc.) and sit quietly together for 10 minutes. Observe the shoppers around you while completing the worksheet.

5. Back at home discuss your observations and whether those observations will have an impact on the way that you and your child will shop in the future.

ANOTHER IDEA

Use the T. Rowe Price game, *Star Banks Adventure*, to practice setting goals! Get started by visiting the iTunes or Google Play stores to download the game to your tablet or smartphone, or go to www.moneyconfidentkids.com to play it online.

Then ask your child to set a goal and play the first level of the game. At the end of level one, talk to your child about whether he or she did a “trade-off” and purchased a cheaper version of their goal (i.e., bought a used bike instead of a new one).

Can you and your child apply what he or she is learning in *Star Banks Adventure* to your personal spending goals?

Topic C:

PERSONAL GOALS

ARTICLE:

- “TWIN TALES OF SPENDING” page 3

GOAL: Help your child identify a goal and develop a financial plan.

MATERIALS: *Money Confident Kids* magazine

TIME FRAME: Approximately 30 minutes

GET READY

Preview the [magazine](#) and think about interesting examples that you can share to support the conversation about creating a financial plan.

Print out a copy of the *Money Confident Kids* magazine or open it on your tablet or computer.

ACTIVITY

1. Brainstorm a list of things that your child would like to be able to buy for himself or herself. Items should be a mixture of things that they can see themselves owning within two years (short-term), things they might want in 2–15 years (medium-term), and things that are 15-plus years on the horizon (long-term).

2. Read the “Twin Tales of Spending” story from the magazine together. Ask questions such as: “Who had more money at the end of 10 years?” (*Lauren*) “How much did each girl have to put in the bank over 10 years?” (*\$12,000*) “Why did Lauren have more than the \$12,000 she invested at the end of 10 years?” (*Both girls earned 7% each year in compound interest on the money they put in the bank.*) “Did both girls achieve their goals by the end of the 10 years?” (*Yes*)

3. Now discuss this additional information about Cassidy’s and Lauren’s choices:

- Lauren also wanted a gym membership as a teenager. She decided to join her school soccer team instead.

- Cassidy decided against a trip to Paris when she saw her sister’s new car. She bought a used car from her uncle instead.

Together discuss the choices and trade-offs both girls made. Would you or your child have made different choices? Apply this logic to examples of short- and long-term goals you discussed earlier.

ANOTHER IDEA

Review the “Getting to Your Goal” infographic on the back page of the magazine. Together, try to create a colorful infographic of your own using one goal of your child’s choice. Help your child think carefully about what he or she wants and what is needed to get there!

NAME: _____

THE POWER OF ADVERTISING

Retailers have lots of ways to try to get people to spend their money now instead of later. Spend 10 minutes observing carefully. Fill in this chart to help you remember what you saw.

| STORE ENVIRONMENT | |
|--|--|
| 1. Do you see signs that promote impulse purchases? Describe them. | |
| 2. Is the merchandise arranged in a way that promotes impulse purchases (such as small items near the cash register)? Describe it. | |

| CUSTOMERS | |
|--|--|
| 1. How many customers came into the store during your observation? | |
| 2. How many customers made a purchase? | |
| 3. Do you think customers were making impulse purchases? Why or why not? | |
| 4. Were you tempted to buy something at the stores? Did you? | |

Did anything surprise you? _____
