

Helping Children Save to Spend

Source: Credit Union National Association, 2004.

Young children need to practice waiting to become good at it. Savings charts are a tool you can use to help them learn how to wait to spend money. A savings chart shows how much money your child has saved and how much more money is needed to reach a goal. Charts encourage children to keep saving.

Making a Savings Chart

You will need:

- Plain paper
- Pencils, pens, crayons, or markers
- Scissors, glue

Tip: Read through the entire activity before you begin so you are able to explain to your child what to expect.

1. Explain to your child that you will make a savings chart that will help your child buy something at the store that costs more money than your child now has.

Some ideas to talk about are:

- It feels really good to have your own money to buy the things you want.
- If you don't have enough money to buy something, start saving for it.

- Saving is a way to get something you want instead of hoping that someone will give it to you.
- You can save to buy things for others, too. Remind your child of someone's birthday or a holiday that is coming up.

2. Pick a spending goal. Ask what your child might want to purchase. (You may already have a good idea what that "something" is.) Have your child think of a small money goal first. Starting small helps your child have success reaching a goal faster.



3. Plan the savings chart. Find out how much your child will need to save. Decide how many coins (or dollars) your child needs to save. Each part of the savings chart will stand for one coin (or dollar) needed.

4. Make the savings chart.
Choice A: Draw boxes on a plain sheet of paper with a pen or marker. Draw as many boxes as there are coins (or dollars) in your child's savings goal. For each coin (or dollar) saved. Let your child color in or put a sticker on one box.

GRACE'S SAVINGS CHART
GOAL - \$4.00

25¢	25¢	25¢	

Tips:

- Remember to add sales tax, if any, to the item's price.
- Most preschoolers find it easier to save coins than bills. Example: \$2.00 = eight quarters or 20 dimes.
- Use the same coin (or bill) for each part of the chart. Make sure that your child knows what coin (or bill) each part stands for.

Choice B: Help your child make a drawing. Objects in the drawing can stand for coins (or dollars) in your child's savings goal. For each coin (or dollar) saved, let your child color one object.

Here are some examples:

- Leaves on a tree
- Eggs in a basket
- Steps along a path
- Cars on a highway

5. Start the savings chart. At the top of the chart, write: "Child's Name" Savings Chart. If your child already has some money, record it on the chart. You will have to help your child figure out how many parts of the chart to use.

6. To assist your preschooler to keep money safe until reaching the savings goal, create a "money holder." A plastic butter tub is a perfect container. Help your child draw pictures of things your child might like to buy to put on the cover and sides of the container. Help your child find a safe place to keep the money holder.



7. Celebrate reaching the savings goal. Once your child reaches the savings goal, praise your child for the accomplishment. Say something such as, "You really saved your money. That took self-control and patience." You might want to make it a special outing to have your child make their purchase in person.

KELLEY'S SAVINGS CHART **GOAL - \$8.00**

Sources:

How can I teach my preschooler to wait to spend money? and How can I teach my preschooler not to lose money? retrieved April 27, 2006, from <http://www.creditunion.coop/>

This document can be made available in alternative formats, such as large print, Braille, or audio tape, by contacting your county Extension office. (TTY 1-800-947-3529)

Prepared by: Joan E. LeFebvre, Professor, Department of Family Development, University of Wisconsin-Extension
 Reviewer: Gayle Rose Martinez, Accredited Financial Counselor and Family Living Agent, Clark County UW-Extension
 Layout: Penny Otte, Program Assistant III, Family Living Area Office, Vilas County

For more information on Parenting and Child Development, contact: Joan E. LeFebvre, Area Family Living Agent, University of Wisconsin, Extension, 330 Court Street, Courthouse, Eagle River WI 54521-8362, 715-479-3653, FAX 715-479-3605, E-Mail joan.lefebvre@ces.uwex.edu
 September, 2006