

DEVELOPING FINANCIAL CAPABILITY

Financial capability is defined as a person's financial knowledge, behaviors, attitudes and plans. The good news is that it's never too early or late to begin improving your financial capability. We've outlined how children think and learn about money management throughout their development. Each life stage is paired with a practical tip and the national impact on advancing the financial knowledge students need.

Understanding Money (Grades 4-6)

Kids start to develop financial habits and norms in elementary school, including frugality vs materialism and the importance of planning ahead.



Elementary School

Tip:

Take your kids to the bank with you to teach them about depositing money and making basic transactions.



Program Impact

Topics Covered:

Credit & Borrowing, Income & Careers, Insurance & Safety, Making Plans with Money, Responsible Money Choices, and Savings & Investing

33% national increase in student knowledge

Students showed the most gain in Responsible Money Choices and Savings & Investing



Middle School

Tip:

Take your kids to the grocery store. Have them help you make the grocery list and make decisions about what to buy based on your budget.



Financial Socialization (Grades 6 - 8)

While most parents talk to their kids about money, the majority talk about broad concepts like the value of a dollar. Few discuss specific financial management skills.

9% of parents discuss credit with their kids

13% of parents discuss long-term savings with their kids



Program Impact

Topics Covered:

Smart Shopping, Ways to Pay, Investing in You, Growing a Business, and Your Financial Future

75% national increase in student knowledge

Students showed the most knowledge gain in Growing a Business and Smart Shopping.



Financial Literacy (Grades 9-12)

The financial choices teens make can help them build a positive financial future, or lay a rocky foundation.

Establishing routines and rules of thumb can build teens' financial self-confidence and their belief in their ability to make smart financial decisions.



High School

Tip:

Help your teenager create a budget when they start their first job so they start practicing smart planning habits early.



Program Impact

Topics Covered:

Banking, Credit Scores, Consumer Protection, Financing Higher Ed, Insurance & Taxes, Investing, Payment Types, Renting vs Owning, and Savings

75% national increase in student knowledge

Students showed the most knowledge gain in Financing Higher Education and Investing.

