

Roads to Success is a new program designed to help middle and high school students prepare for their futures. This newsletter will keep you posted on what we're doing in school, and how families can follow through at home.

Did you know?

You can help your teen save money by opening a custodial savings account. The account is in your name and hers (or his). Either of you can put money into the account. But until she's (he's) an adult, only you can take money out. See your bank for details.

Managing Money

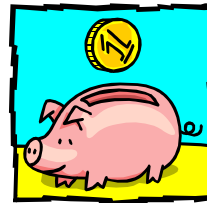
"My mom was magical when it came to money. She paid all the bills on the first of the month, never had credit card debt, and didn't spend more than we had. She didn't shy away from saying 'that's too expensive' or 'we can't afford that.' But she never told me how she knew."

Managing money shouldn't be a mystery to kids. It's a process you can teach—like doing laundry or buying groceries. Talking to your kids about everyday money matters now develops smart money habits in the future.

Here are some ideas to get the conversation started.

It's OK to say no. Sometimes parents try to shield kids from financial worry by giving in to requests for things they can't afford. Instead, explain why you're turning down a request and provide a choice.

"I'd love to buy you a \$60 ____, but that money is set aside for groceries. We can save \$20 a week, so if you still want it in three weeks, it's yours. Or maybe you can find a different brand that costs less."



Let your child know that credit costs. Make it clear that credit cards are a kind of loan. Although they're convenient and good for emergencies, you have to pay the bank for your purchases. If you don't pay in full each month, the bank charges you extra for the money you borrowed. You may be paying the credit card bill long after you've forgotten what you bought in the first place.

Explain your own good spending habits. Are you saving for emergencies? Putting money in the bank for your child's college education? Comparing prices and product features before you buy? Talk to your child about how, when, and why you make financial decisions.

For more about kids and money, check out:

www.consumerjungle.org
Includes quizzes and games about buying cars, signing up for cell phones, choosing credit cards, and more.

www.360financialliteracy.org
Everything from allowances to summer earnings.

senseanddollars.thinkport.org
How many hours of baby-sitting will it take to buy a leather jacket? "Makin' the Bacon" calculator tells all.

Grade by Grade: Money in the Classroom

It takes practice to manage money. In Grade 8, students stretch a sample budget to buy clothes, school lunches, bus passes, and more. Will they be prepared for emergencies? Staying

flexible is the key!

How long will it take to save for an iPod, a computer, a year of community college? A lesson on savings shows

the benefits of money in the bank, and explains how parents and teens can open a custodial account.

For more info, visit www.roadstosuccess.org.