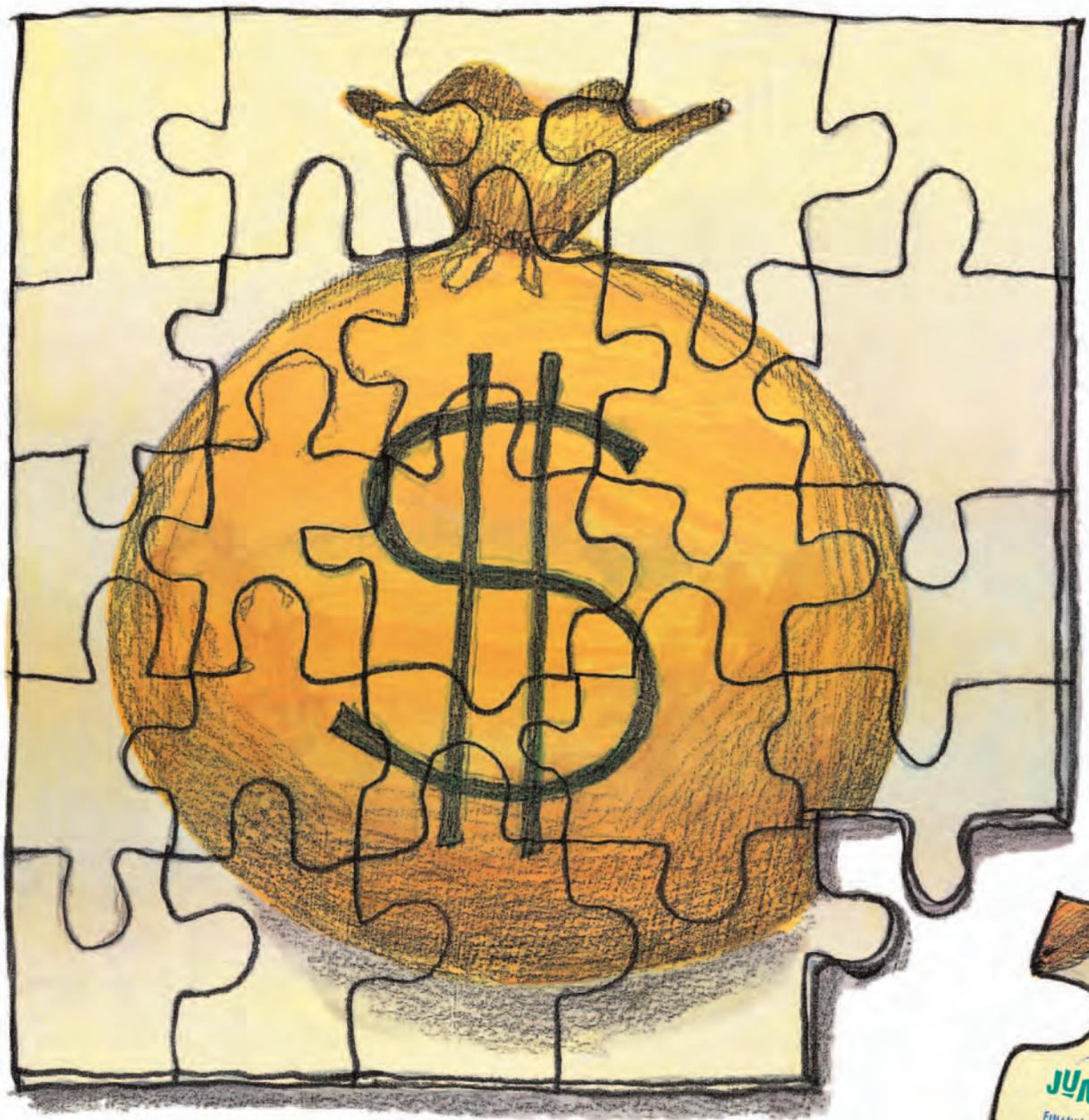


How to Raise a
MoneySmart
Child
A Parent's Guide



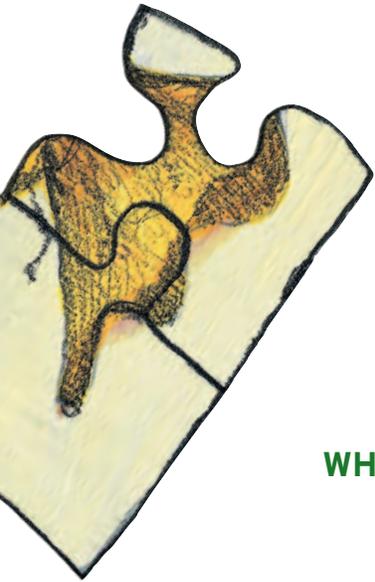
This booklet made possible by



California Certified Public
Society Accountants

How to Raise a Money

A Parent's Guide



WHAT YOU CAN DO

EXAMINE your own attitudes
about money

BECOME financially literate yourself

INVOLVE your child in family
financial planning

GIVE your child an allowance and
let him or her be in charge
of spending it

PROVIDE opportunities for your
child to earn money

TEACH your child to save toward
long-term goals

SHOW your child how to be a wise
consumer

SET a good example with responsible
credit use

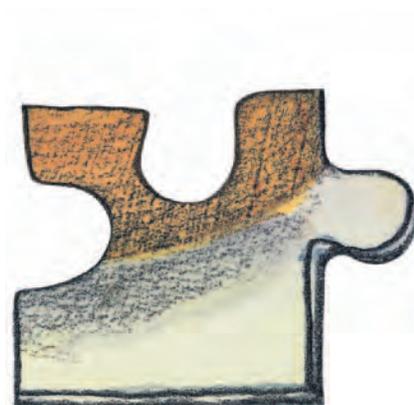
ENCOURAGE your child to take
personal finance classes

ENCOURAGE your school system
to add personal finance classes
if they don't already have them

Smart Child

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Allowances... or Work... or Both?

The question of allowances is often raised by parents and children alike. While it is a personal decision, the concept of giving an allowance and having work income seems to work best. Start by establishing a base allowance for each child. Then if the child wants more money, create a list of jobs and other duties that the child can perform at will if he or she wants to earn additional money. For each item on the list, there should be a set amount of compensation and a complete description of the work to be done so there is no question about what was to be done, or how to determine when the task was properly completed. Help children form good work habits and job skills by keeping weekly and monthly records. List the dates jobs are assigned and completed as well as extra jobs available to increase earnings and savings. Also keep track of progress toward reaching your child's savings goal.

Parental goals when paying an allowance should be to

- 1) shift some spending decisions to the child,
- 2) eliminate or dramatically reduce the need for the child to have to ask for money, and
- 3) provide a method, under proper supervision, for learning about accumulating money coupled with proper spending techniques.



Ages 2 to 8

\$ Assign basic household chores. Even a four-year-old can make his or her bed and pick up playthings. Have a list of "little jobs" that small hands can do to earn a dime or a quarter. Provide a piggy bank for savings and little sheets for easy recordkeeping.

\$ Don't buy toys on demand. Help your child to look forward to birthdays and holidays for special items.

\$ Let your child learn about actions and consequences. Having possessions brings responsibilities, such as putting away a game to avoid losing pieces.

Ages 9 to 12

\$ Allow your child to begin making more decisions on his or her own. For example, encourage comparison shopping.

\$ Give a specific allowance and stick to it — or give none at all. That's right! Some parents have found the best way to teach children to value money is to have them earn it.

\$ Don't pay youngsters for doing regular chores. If you do, there may come a time when he or she might refuse you because money isn't needed.

Ages 13 to 18

\$ Be consistent. Continue to have daily household chores. No child should be too busy to pick up after himself or herself and also to help out around the house.

\$ Help your child to think about others. A great family activity is donating time and/or funds to a worthy cause.

By the Institute of Consumer Financial Education

Family Activity Idea

Set up a family change jar to save for a family treat.

Decide with the family how the money is to be spent and set a goal — like a popcorn popper or a VCR. Use a clear jar so everyone can see the amount grow. Be sure all family members contribute either by putting in a percentage of their earnings, by giving a weekly amount per year of age, or by some other way on which everyone agrees. Remember, the family that saves together (and learns to share ideas and make decisions) can buy neat stuff together!

For free, detailed information about learning resources, go to www.financial-education-icfe.org.

Helping Kids Understand: Needs and Wants

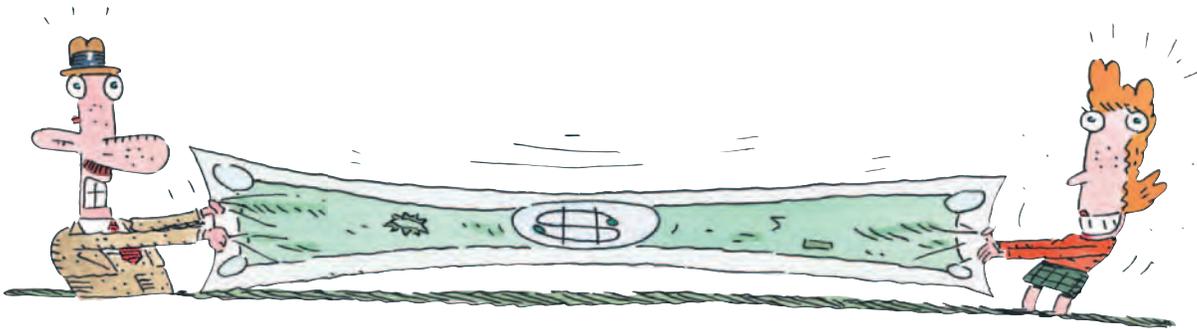
Understanding personal finance and how money works for you can make a tremendous difference to you and your family. It can heighten your financial well-being, increase your sense of control, and give you a more positive outlook on life in general. Learning good habits early in life can make managing money easier over the long run.

Long before they understand the concepts of saving, investing, or borrowing, kids sense the power of spending money. They see grownups show off their latest purchases, hear them talk about a relative's new car, or watch while they give thanks for presents.

One lesson about money and finance involves differentiating between wants and needs. This distinction is essential for developing good money management skills. Without this foundation, kids may have trouble controlling their spending as adults, never appreciating the difference between a luxury and a necessity.

For more information on a publication that addresses this topic ("Kids, Cash, Plastic, and You"), visit the Jump\$tart Coalition's Clearinghouse at www.jumpstartclearinghouse.org.

By MasterCard



Family Activity Idea

Make a basic necessities list.

This is a great rainy day game. Get a piece of paper and make a list of everything the family can't live without. You may have some lively debates about what is and what is not a necessity! But this game will give your children a good idea about what the family must spend their income on first and will help them see what is essential and what is extra in their own lives.*

* All "Family Activity Ideas" in the brochure are printed with permission of Cash University. © www.cashuniversity.com
1-800-209-4800

Piggy Banks to Real Banks

Teaching your children money management skills is a critical part of their future. Good habits start early in life and the savings habit brings lifelong benefits. Here are some simple suggestions to teach your kids the value of money.

- 💰 Teach your children the importance of saving money. To make their savings visible and real, have them build up savings in a piggy bank.
- 💰 Visit the bank with your children to let them see how the bank works. Let them ask questions of the tellers. Call in advance, and a bank employee may arrange a tour for your children.
- 💰 Help them open up their own bank savings accounts and make deposits regularly. Many banks offer no-fee and no-minimum balance accounts for children. If your bank does not have children's accounts, ask if special arrangements can be made.
- 💰 Make going to the bank to make a deposit a fun activity. Some banks have kids' clubs where members get newsletters in the mail or receive balloons or stickers when they make a deposit. If your bank doesn't offer this, use another positive reward that your children might enjoy such as an ice cream cone or a trip to the park.
- 💰 Kids love to get mail, so keep an eye out for their monthly statements. This will help them see the gradual effect of time and interest on their balances.
- 💰 Show your children the importance of budgeting. Talk to them about the family budget. Include a discussion on wants and needs. Reinforce the learning process by budgeting for a family outing or purchase.
- 💰 Involve children in spending decisions by holding family meetings to talk about savings. This gives them practical experience and allows them to be active participants in the buying and saving process.
- 💰 While many children know that money doesn't grow on trees, they may think it comes out of a wall. Show them how an automated teller machine (ATM) works and help them understand that to take money out of the bank you must put it in first.
- 💰 Give your kids positive feedback and encourage them in the savings process. As they get older and their allowance increases, give them responsibility over how they spend their money. Who knows — even you might learn a trick or two!

By American Bankers Association Education Foundation



Family Activity Idea

Hold a family meeting to talk about the family's savings.

Talk about how Mom and Dad save, how they decide how much to save, and the different kinds of things they are saving for (like retirement, college education, new boat, etc.). This would also be a good time to identify an item your child wants to start saving for, like a new bike.

For further information, go to www.aba.com and click on "Consumer Connection"

How to Create a Budget

Do your children ever tell you that their money seems to disappear? Putting together a budget will help them figure out where their money goes.

Simply stated, a budget is a plan for coordinating income and expenses. There is no average budget to follow. The type of budget that will work depends upon the saving and spending priorities set in accordance with personal needs, wants, and lifestyle.

Have your child take time and analyze his or her present spending habits by creating a budget. Parents can help by asking the child some questions: Are you surprised at the amount you are spending in some categories? Are you saving for the things you want? Can you start cutting back on some items? Are you spending your money on the items you truly need, or are you frittering away your earnings on unnecessary expenses? Below is a model budget for a young adult.

By The National Endowment for Financial Education® (NEFE®)

PERSONAL SPENDING/SAVING PLAN			
For: _____			
Month: _____ Year: _____			
	PLANNED AMOUNT	ACTUAL AMOUNT	DIFFERENCE
INCOME (after taxes)			
Job	\$	\$	\$
Allowance			
Other			
(A) TOTAL INCOME	\$	\$	\$
EXPENSES			
SAVINGS			
Emergency/Opportunity	\$	\$	\$
Saving for			
Saving for			
(B) TOTAL SAVINGS	\$	\$	\$
FIXED EXPENSES			
Car Payment	\$	\$	\$
Insurance/car			
Other			
Other			
(C) TOTAL FIXED EXPENSES	\$	\$	\$
FLEXIBLE EXPENSES			
Food (lunch/snacks/etc.)	\$	\$	\$
Clothing and Accessories			
Entertainment (movies/dates)			
Other			
Other			
Transportation (gas/repairs)			
Other			
School Supplies/Fees			
Other			
Other			
(D) TOTAL FLEXIBLE EXPENSES	\$	\$	\$
(E) SAVINGS PLUS EXPENSES (B+C+D)	\$	\$	\$



Family Activity Idea

Have a family meeting about the family budget.

Show your children the family budget – or a sample list of everything the family must pay for each month. Talk about each item on the budget, why it's there, and how Mom and Dad determined how much to spend on it. Talk about the importance of staying within the budget and what a valuable tool a budget is for spending money wisely. Encourage your children to make their own budgets by using the model on this page.

What is a Mutual Fund?

When you invest in a mutual fund, you're buying a collection of the stocks and bonds of many companies from all over the world. A fund manager (also called a portfolio manager) is the person who makes the decisions about which stocks and bonds will be included in the fund.

The best way to figure out how a mutual fund works is to understand stocks and bonds. When you buy a company's stock, you become a part owner of that company. If the company is successful, the stock may be worth more than what you paid for it. But you have to be careful about which stocks you want to buy, because if the company fails, the stock may be worth less, and you would lose money.

Buying a bond is like giving a company a loan. In exchange for the money that you lend, the company promises to repay the loan. The company also pays you an extra amount of money at a rate based on how long you have owned the bond, which is called interest. If the company makes good on its promise, you'll usually receive more than what you lent the company. But if the company can't afford to pay you back, you may end up losing money.

Anyone can buy a stock or a bond. The hard part is figuring out which companies to invest in — and which companies to avoid. That's why many people look to mutual funds.

When you invest in a mutual fund, you buy shares of the mutual fund, which owns stocks and bonds. The fund manager is working for you — trying to find the best investments with the best chances to making a potential profit. A fund manager is part bookworm and part private eye and, as a result, can usually dig up more information about a company than an average person. He or she uses this information when deciding whether or not to include a certain stock or bond in the fund.

Let's say a fund manager is considering buying shares of stock in Gap, for example. First, the manager would analyze its financial statements to determine, among other things, if the company is making a profit. Next, he or she would visit with company officials and ask them questions about their strategy for making the company successful. The manager would try to uncover important information such as how many new stores the company is planning to open and what the fall line of clothes will look like.

The next step would be to talk to rival companies, like Abercrombie & Fitch and J. Crew, so the manager could see for himself or herself how this company stacks up against its competitors. The manager would also study the buying habits of young people to figure out how much money they spend on clothes and which retail clothing stores have the most loyal customers.

Family Activity Idea

Make a game of "playing" the stock market.

Pull the stock section from a big city newspaper. Allow each member of the family to select the same dollar amount (say \$100) of stocks to "buy" from the list and write them down on a chart. Have your children track the ups and downs of the shares. At the end of the month, calculate how much each "portfolio" is worth. The person who made the best investments wins! Check out JumpStart's Clearinghouse for related resources, such as The Stock Market Game.

The manager's goal is to build a fund with stocks and bonds that have the best chances of rising in value. If Gap passes these tests and many others, the manager may decide to buy shares of the stock for the mutual fund.

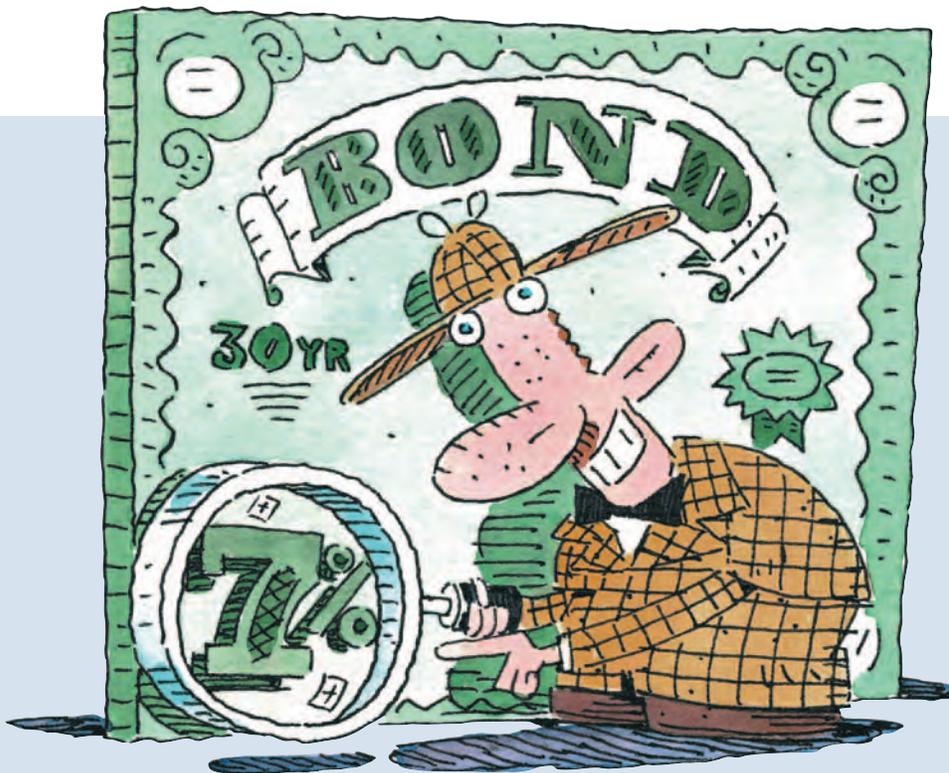
Gap, Abercrombie & Fitch, and J.Crew are examples of stocks in which a mutual fund could invest and may or may not be part of a mutual fund. If you are interested in seeing the names of companies that are in a mutual fund, you can ask the mutual fund company for a copy of the fund's recent annual or semiannual shareholder report. These reports include, among other things, a complete listing of the stocks and bonds in the fund.

In addition to hunting down the best stocks and bonds, the manager constantly monitors the stocks and bonds already in the fund to make sure they continue to offer strong prospects for growth. The manager must also decide when to sell certain stocks and bonds in the fund.

The manager will usually sell shares of a stock after he or she feels that its price has risen to a level that is significantly higher than the manager paid for it. In some cases, the manager will sell a stock if the stock becomes less attractive and he or she finds opportunities to invest in another stock with better prospects.

Investing in a mutual fund is sort of like hiring a private eye. The fund manager stays on the case, always on the prowl for stocks and bonds that he or she hopes will potentially increase the value of the mutual fund and help the investor reach his or her financial goals.

By MFS Investment Management®



How to Reconcile Your Checking Account

A parent recounted the story of an 18-year-old who said, "What do you mean there's no money in my account? I still have checks!"

Learning how to balance a checkbook is an essential skill to teach your children.

Reconciling doesn't take too long and will take less time as you get skilled at it. Collect your records. You'll need all deposit and withdrawal slips for the month, including any from ATM transactions.

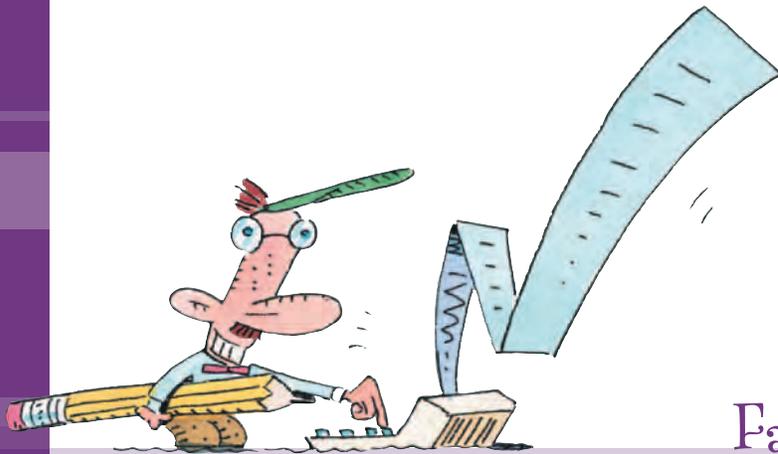
Sit down with your statement and verify deposits, both date and amount. Make a check mark on the statement for each one. Now use your statement and compare each check that has cleared against the entries in your register. Compare the amount in the register and the amount in the statement, checking each one until you've checked them all. Now verify all deposits and withdrawals made at an ATM or purchases made with a debit card.

HERE'S HOW TO CONFIRM YOUR BALANCE:

1. Start with the balance in your register.
2. Subtract any service charges that are on the statement.
3. Add any dividends or interest your account earned.
4. This is your new register balance.
5. Start with the end balance from the statement.
6. Add recent deposits that aren't on the statement.
7. Subtract the total of all drafts written but not cleared, and ATM/debit withdrawals since the statement.
8. Your new balance.

If your account is reconciled, lines 4 and 8 should now be the same. If they're not, keep at it until you spot the error. If you can't find the mistake, ask for help at your credit union or other banking institutions.

By Credit Union National Association



Family Activity Idea

Create a make-believe checkbook complete with simple register and checks.

Rather than giving all his or her weekly allowance in cash, put half of it into the checking account against which the child can write checks. During the week, if he or she is shopping with you and wants to buy, say, a candy bar for \$1, a check can be written that you – as the banker – deduct from the child's account.

Credit for the First-time Borrower

One day your child will grow up to be a self-supporting adult with a variety of personal finance needs. In all likelihood, access to credit will be one of them. A person without a credit history, who has never had credit, may have problems getting that first loan or credit card. Fortunately, there are options available.

- \$ Open a checking and savings account at a local financial institution. If you handle the checking account responsibly and prove to be a valued account holder, the institution may grant you a small loan or offer you a credit card.
- \$ Apply for a retailer's charge card. This can be the first step toward applying for a major credit card, once you have shown an excellent credit payment record.
- \$ Buy the appliances or home furnishings you need using the credit plan of a local retailer.
- \$ Take advantage of the credit cards that are often offered to college students or recent graduates. If possible, compare credit card offers from at least three issuers. Read all disclosures and documentation before applying for a card.
- \$ Apply for a secured credit card. Designed for people who have no previous credit history, this card requires a minimum deposit that usually equals the amount of credit available on the credit card.
- \$ Apply for an auto loan with an automobile finance company. Dealers offer special programs tailored to first-time borrowers.
- \$ Obtain a student loan if college-bound. Remember, a student loan is a real loan and getting behind in payments can hurt your credibility.
- \$ Ask a close friend or relative to cosign for a loan. In doing this, the cosigner is guaranteeing that payments will be made on time and in full. If the credit applicant does not repay the loan, the cosigner will be legally responsible for doing so.

Remember, once credit is granted, manage it responsibly. This is the beginning of your credit record, which will form the basis for future credit.

Parents, before you agree to be a cosigner, you need to be aware of the obligation you'll be taking on. You're agreeing to pay the loan if the borrower defaults.

*By American Financial Services Association
Education Foundation*

Family Activity Idea

Work as a family to purchase a big-ticket item.

Decide with the family on a larger item the family needs to purchase now or would like to purchase in the future. You might choose a stereo, a refrigerator, or even a new car. Decide which features the item should have. Do some research on the item by looking through catalogs and visiting several stores to compare prices. Then as a family compare all the options and choose the best value for the money.



Create a Positive Credit History

WHAT IS A CONSUMER CREDIT REPORT?

A consumer credit report is a factual record of an individual's credit payment history. It is provided for a purpose permitted by law, primarily to credit grantors. Its main purpose is to help a lender quickly and objectively decide whether to grant you credit. Examples of credit include car loans, credit cards, and home mortgages.

WHAT CAN YOU DO TO CREATE A POSITIVE CREDIT HISTORY?

Pay your bills on time, regardless. Most lenders look at the most recent information on a report. So if you've paid your accounts on time for the last two to three years, the lender may ignore a series of late payments from five years ago. Review your credit report 60 to 90 days before making a major purchase (such as a home or car). Call Experian at 1-888-397-3742 for details about how to obtain a copy. Let us know if any items on the report are inaccurate. Without charge, Experian will investigate any information you question as inaccurate and send you the results within 30 days.

WHAT SHOULD YOU DO IF YOU BEGIN TO FALL BEHIND IN YOUR PAYMENTS?

If you begin to fall behind, contact your lenders. Ignoring the situation will only add to your problems. Many lenders will work with you to set up a different payment schedule or interest rate. It never hurts to ask.

Pay your bills when they're due. If you have an overdue bill, unpaid debt, tax lien, or judgment, pay it off. Most importantly, stop using credit until your finances are under control.

Look to professionals if you need assistance or if you don't have time to develop your own plan. Nonprofit credit counseling organizations help consumers understand credit reports, contact creditors, manage debt, and set up budgets. For the office nearest you, check your yellow pages.

HOW LONG DOES NEGATIVE INFORMATION STAY ON YOUR CREDIT REPORT?

To prevent past errors from haunting you forever, most negative information must be erased after seven years, according to federal law. This includes late payments, accounts that the credit grantor turned over to a collection agency, and judgments filed against you in court – even if you later paid the account in full.

The length of time a bankruptcy remains on your credit report depends upon which type you file. Chapters 7, 11, and 12 remain for 10 years. Chapter 13 remains for seven years.

Credit reporting agencies use the date of original delinquency or, in the case of public records, the date of filing, to determine which negative information is deleted. Positive information remains on your report indefinitely.

WHO CAN REMOVE ACCURATE NEGATIVE INFORMATION FROM YOUR CREDIT REPORT?

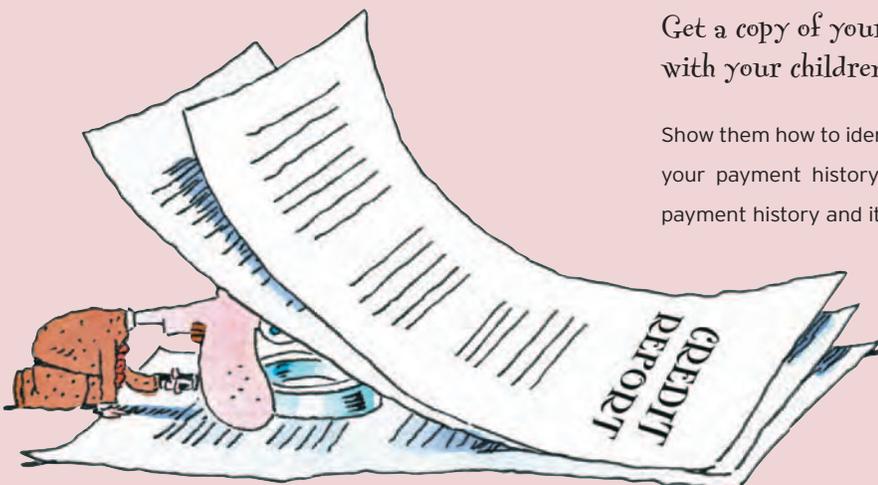
Negative information remains on a consumer's credit report for the allowed period of time as long as it can be verified by the company that reported it. Usually only time can erase bad credit.

By Experian

Family Activity Idea

Get a copy of your credit report and go over it with your children.

Show them how to identify the different accounts and review your payment history. Emphasize the importance of your payment history and its effect on obtaining future credit.



Next Generation: Insuring Your Future

Today, young people are assuming more responsibility for managing their personal finances than ever before. However, a recent survey by the Jump\$tart Coalition found that there is an appalling lack of knowledge in personal finance by today's young adults. In addition to the Jump\$tart survey, a recent study conducted by *Careers & Colleges Magazine* indicated that most high school students and teachers rate students' knowledge of insurance as inadequate.

As a parent, you know that insurance is one of the cornerstones of financial planning. Insurance provides us with financial protection against the multitude of risks we face every day. Whether it's the risk of getting into a car accident, suffering an illness, or dying too soon, we purchase insurance to make sure that the financial plans we have for our families and ourselves will not be derailed.

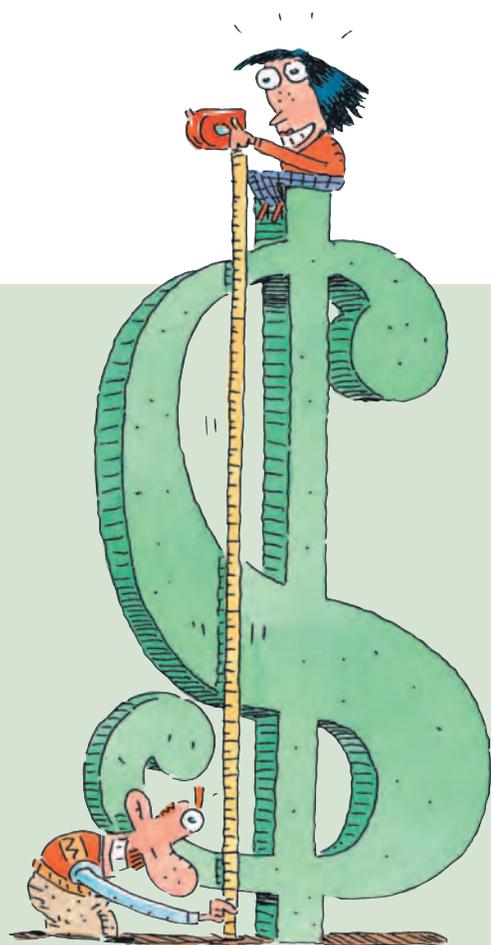
Most children have no idea how devastating it can be when a family is inadequately insured. For example, your children might be surprised to learn how often sports

injuries occur and how expensive treatment for these injuries can be. Consider in one year, 593,278 athletes between the ages of 15 and 24 will require emergency room treatment for injuries resulting from playing basketball, football, or baseball. To give your children an idea of how expensive medical treatment can be: stitches for a facial wound average \$334; treatment for a leg fracture can cost \$587; or arthroscopic knee surgery is approximately \$7,820. Without health insurance parents will be forced to dip into their own finances to pay the bills.

Considering the essential role that insurance plays in a financial plan, it is important that our children have the knowledge needed to adequately prepare themselves for the financial decision they will face as they leave school.

The Life and Health Insurance Foundation for Education (LIFE) has developed a program called Next Generation: Insuring Your Future. To request a brochure, please call (202) 464-5000.

By Life and Health Insurance Foundation for Education



Family Activity Idea

Have your children make a list of all their major possessions (bicycle, stereo, rollerblades, etc.) and establish a value.

Then have them pay a small amount each month to you to "insure" each item on the list. If an item on the list is lost or destroyed, "cover" that item under the insurance. Make it clear from the start, however, that the consequences will be "higher premiums" the next time around!

Eight Ways to Help Finance College

One of the myths College Parents of America (CPA) hears repeatedly is the commonly held notion that a lack of money can prevent a student from getting a good college education. Granted, not every student can afford to attend an Ivy League school. But opportunities exist for students to get a good education no matter what their parents' finances might be. Taking advantage of those opportunities, however, requires proper planning, a little creativity, being smart about leveraging finances, and extensive homework. College Parents of America, the only national membership association dedicated to helping parents prepare for and put their children through college, offers the following eight suggestions to help pay for college:

1 | Start early with saving plans.

Even if parents start by putting aside \$50 per month, the earlier you start, the more significant your savings will be. In addition to the traditional saving and investment options available through your local bank and Wall Street, you may wish to evaluate education IRAs and your state's prepaid college tuition program or savings trusts plan to determine if you wish to add them to your overall college savings strategy.

2 | Comparison shop.

Some schools are more affordable than others. Education is costly, but there are good schools in each state that are actually competing for students. Once your student narrows the selection down to one or two schools that most closely meet academic desires, interest, and specific cost parameters, don't hesitate to recontact the school(s) on the question of getting the best financial aid package to reduce costs.

3 | Attend a more affordable school for the first two years.

Students can reduce costs significantly by attending a community college or junior college for two years and then transferring to a four-year institution. With proper planning, most, if not all, of the course credits will transfer, enabling students to complete their degrees in the same amount of time while saving significantly on tuition.

If your sights are on that more elite or costly university, financial resources can also be leveraged by attending a less expensive four-year institution for two years and later transferring. Again, regular consultation with both schools is required to ensure that all credits will transfer and that savings are not reduced by the need to attend an additional semester to graduate.

4 | Consider letting Uncle Sam pay the bills.

Military service makes education affordable. A full tour of active duty prior to attending school can be worth as much as \$65,000 in education benefits. However, joining ROTC (1-800-USA-ROTC), an Armed Forces reserve or the National Guard (1-800-GO-GUARD) can pay for college costs as well without interrupting studies.

Another option is to seek an appointment to any of the five federal service academies (the U.S. Air Force, Coast Guard, Merchant Marine, Military, and Naval academies). All offer outstanding educational programs at almost no cost in exchange for military service upon graduation, often in a reserve capacity. Check with your local congressional representative's office (www.house.gov) for specifics.

Family Activity Idea

The more education one has, the more his or her average income goes up.

To get an idea of the income needed to sustain the standard of living your child desires, have them play the "reality check" game found at www.jumpstart.org.

5 | Seek out work/study programs.

Identify those colleges that have collaborated with businesses and government in providing paid internships or programs in which students can alternate working a semester in their field of study for a paycheck and college credit, and then attend classes the following semester. Some schools also provide free or reduced tuition in exchange for working part time on campus.

CPA recommends starting college, grant, and scholarship research in the sophomore year of high school or earlier. An advance knowledge of the various eligibility criteria allows the student to conduct civic work, explore areas of study or interests, establish academic goals, or take other steps required to qualify for specialized grants and scholarships.

6 | Pursue scholarships from multiple sources.

Although colleges, themselves, are the primary sources of scholarships and aid, there are also many national as well as local grants available through civic and service clubs, businesses, organizations, and foundations. Among the groups you should contact to identify these financial resources are your local Rotary, Kiwanis, Lions, Knights of Columbus, Chamber of Commerce, Junior League, Jaycees, places of worship, and parents' places of work, as well as your school's guidance counselor and the local library.

CPA's Web site (www.collegeparents.org) provides links to information on thousands of scholarships. However, if considering scholarship search services, consult your student's guidance counselor and CPA's Web site to learn the signs of those that can waste your money.

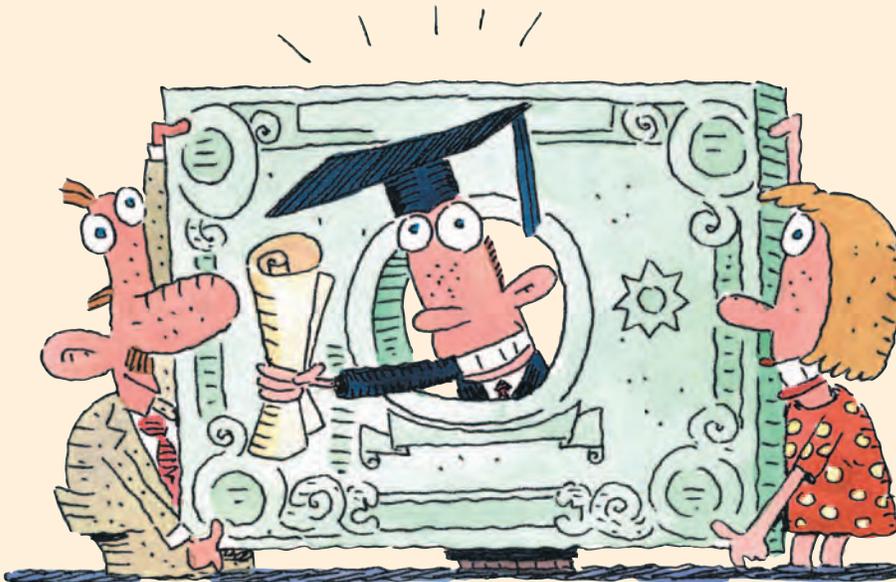
7 | Leverage scholarship dollars.

Numerous colleges and universities reduce an individual's financial aid by the amount of outside grants and scholarships. Visit College Parents of America's Web site, www.collegeparents.org, and look under "More Resources" to identify Dollars for Scholars' collegiate partners that will maximize private sector aid, many by actually matching private sector scholarships and grants.

8 | Borrowing for college.

Low-interest federal loans can offer further leverage in financing college. But families should avoid overextending. It was suggested at a recent conference sponsored by the Institute for Higher Education Policy and the Education Resources Institute that cumulative borrowing not exceed the student's anticipated starting annual salary following college.

By College Parents of America



Personal Finance Clearinghouse

The Jump\$tart Coalition has established a Web-based Personal Finance Clearinghouse that contains information about educational resources and activities that seek to ensure personal financial literacy of young people in grades K-12. The Clearinghouse is accessible via the Internet at www.jumpstartclearinghouse.org. If interested parties do not have access to the Internet, they can call Jump\$tart at (202) 466-8604.

The Clearinghouse lists resources representing a wide range of formats, including catalogs/resource handbooks, computer software, teaching guides, and videotapes. More resources are being added to the Clearinghouse each week.

Topics covered by the Clearinghouse resources relate to at least one of four broad areas of personal finance identified by Jump\$tart as essential for young people to understand. The four areas are income, money management, saving

and investing, and spending. Among the many specific topics addressed by the materials are responsible credit use, setting up a budget, how the stock market works, and the role of insurance.

An ongoing task of the Clearinghouse is to locate existing personal finance education materials. You may submit materials for possible inclusion in our Clearinghouse.

To obtain a submission form, locate it on the Clearinghouse Web site or call (202) 466-8604. Criteria for evaluating materials will be identified and made available to educational information providers. The evaluation process is ongoing, and the final decisions of which materials to include are at the discretion of the Education Committee of the Jump\$tart Coalition.



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