

MONEY SMART FOR A HEAD START

Planning and Money

One important part of learning about money is planning. When we talk about planning, there are four main things to think about:

- **Setting goals:** A goal is something you want to do or to have. When you set a goal, you make a plan to reach your goal by a certain time and follow the plan until you succeed. Reaching a goal feels good. It's good to celebrate your success and the successes of others.
- **Prioritizing:** Sometimes we need to make choices about what we want or do. These choices can change from day to day. Prioritizing is arranging things in order of their importance to us.
- **Solving problems:** When problems come up, we try to deal with them. Solving problems means finding what works best for us and taking action to make things better.
- **Making decisions:** Many times there are different ways to use money. Taking the time to ask questions, learn about different choices, and compare what's good and bad about each one helps you reach good decisions.



What Children Can Do

- **Setting goals:** Can follow a multi-step plan to reach a goal (with a little help and encouragement).
- **Prioritizing:** Can prioritize choices when they want two or more things at the same time.
- **Solving problems:** Can describe problems and come up with a few ideas to make things better.
- **Making decisions:** Can look at a few choices and select one that will bring the best results.

Recommended Children's Books

Below are just a few of the children's books that have a financial lesson. Some libraries may even have a parent guide that will be given to you when you check out the book.

- **Setting goals:** My Rows and Piles of Coins, Jenny Found a Penny, Just Saving My Money, Ella Earns Her Own Money, Deena's Lucky Penny
- **Prioritizing:** Those Shoes, How Much is That Doggie in the Window
- **Solving problems:** Lemonade in Winter, Count on Pablo
- **Making decisions:** You Can't Buy a Dinosaur with a Dime, Curious George Saves His Pennies, But I've Used all of My Pocket Change

Fun Money Activities

Having discussions and doing activities together is a great way to learn about each of the key ideas when learning about financial concepts. Below are some ideas you can use to teach your child about each concept:

- **Setting goals:**

- Have a discussion. What's something your child learned how to do this past year? What led to your child's success? What's something they'd like to do next year to build on their accomplishment?

- **Prioritizing:**

- (Ages 6+) The next time you are shopping for groceries or household items, have your child help you compare prices of 2-3 of the same items. Talk about the price, the size, how much your family likes each item, etc. What's most important to your decision?

- **Solving problems:**

- Opportunity to practice solving problem (and sharing): (Ages 3+) You can use a food item, such as an apple or a cookie, or a favorite toy. The problem is you have one item and 2 or 3 people would like to share it. Come up with ideas to solve this problem.

- **Making decisions:**

- Parents can model making a choice. Talk out loud about your thinking when deciding between 2 items at home or the store.
- (Ages 7+) Let your child help pick the menu for a family meal. Make a grocery list and set a budget for the meal. Shop together for any needed items. Were you and your child able to stay within your budget?



To \$um it up

- Preschoolers can learn skills that will help them handle their money well as adults
- Family activities can spark talks about earning, saving, and planning
- Reading books with stories about money is a fun way to talk about spending and goals.
- Talk about spending decisions at the store to make the most of those everyday money moments

Want to Learn More?

- Visit our website for more financial education resources. <https://finances.extension.wisc.edu>
- Contact your local Extension Educator: <https://counties.extension.wisc.edu>
- For help with balancing your monthly spending plan, contact the nonprofit National Foundation for Credit Counseling (NFCC) at <https://www.nfcc.org> or 800.388.2227.