

MyJobChart.com Advice For Parents: Throw Away The Piggy Bank!

National Teach A Child To Save Day Should Include A Trip To The Bank

National Teach a Child to Save Day is Friday, April 11 and MyJobChart.com Founder/CEO Gregg Murset has one piece of advice for parents really interested in teaching their kids about saving money – throw away the piggy bank and open a savings account at the bank. Banking is a pivotal part of the global society we live in, yet more American kids have tablets (49%) and computers (55%) than have bank accounts (45%), according to the recently announced study from T. Rowe Price.

While piggy banks come in many shapes and sizes, including thousands not shaped as a pig, the truth is they don't provide anything more than what's put into them. And, though they may look cute sitting on a shelf or dresser, there is at least one study that shows that a savings account at an early age possibly provides more motivation for attending college. The study, released in 2011 by the Center for Social Development at Washington University in St. Louis, suggests that college savings accounts containing as little as \$1 result in students being up to seven times more likely to attend college.

"Piggy banks are cute and effective as kids are learning about pennies, nickels and dimes, but once they understand the value of money, it's time to teach them important financial practices and introduce them to the banking system," noted Murset who is serving currently as the Arizona Chairman of Money Smart Week®. "If we really only have about 45% of our kids with a savings account, we (parents) must do a better job. This is the first step of getting our kids acclimated to the real world of banking, including understanding terms like savings, interest and loans. There are important lessons here that parents can help teach their kids."

On a day designated to encourage parents to teach children how to save, MyJobChart.com offers parents some suggestions on kids saving, managing money and being responsible.

Check out Different Banks and Credit Unions

Clearly not all banks and credit unions offer the same kind of accounts, interest rates or limitations. Do some research and figure out what makes the most sense for you and your child. Also make sure that the bank/credit union has the online capabilities you want, that you are able to move money into your child's account easily and that the account can grow as your child grows.

Don't Worry About Debit/Checking Account Until Teen Years

Some banks/credit unions may try to get you to open a debit card or checking account to take advantage of a special offer or higher interest rate. While you may be tempted, unless your child is making numerous purchases with his/her money, there is no need to get one of these accounts until 12-14 years of age. This will keep your kids away from added fees or a minimum balance requirement.

Don't Lean On Technology

While it's important to select a bank that can meet your online banking needs, don't rely on technology too heavily. Make plans to take your children to the bank at least once a month so they can see how a bank works and they can begin to build a relationship with people inside the bank.

Let Your Kids Earn It

Once your child has their account opened, let them start earning money to be deposited. Doing jobs around the house is a great way for them to learn the meaning of work ethic, responsibility and accountability. More so, they will really feel a sense of accomplishment as see their bank account increase.

Parents Learn It

The T. Rowe Price study also revealed that 87% of parents want personal finance to be taught to kids in school because they don't feel qualified to teach it or haven't done a good job handling their personal finances. Parents should go back to school, use online classes or special apps designed to help educate about financial topics, budgeting and making smart money decisions. The more parents know about personal finance, the better the example they can set for kids.

Prepare A Budget

According to a 2013 Gallup poll, two-thirds of American's don't use a budget to manage money, even though 30% of those did have a monthly plan. Showing your child how to create and live by a budget can go along way toward them meeting any financial goals in life. When budgeting, it's easy to focus on the bills and the spending, however don't forget the areas of savings and sharing. Even if your child was to put just 1% of their income into these areas each month, it really adds up.

Matching Success

As kids begin saving or sharing money as part of the budget they created, parents and grandparents should consider matching the deposit or donation as extra incentive. Not only will it provide additional motivation, but it will also increase the level of communication between parents or grandparents with the child. Many banks have begun matching programs for kids in order to motivate them to save more and increase interaction with the organization.

About MyJobChart.com

[MyJobChart.com](http://www.myjobchart.com), based in Scottsdale, Arizona, is a free, easy to use, online and mobile job chart and reward system designed to teach, organize and motivate kids to earn, save, share and spend responsibly. In a little more than three years, [MyJobChart.com](http://www.myjobchart.com) has accumulated more than 636,000 members, who have completed more than 21 million jobs, earned roughly \$3 million and donated to numerous charities including [The United Way](#), [Operation Smiles](#), [MANNA Worldwide](#), [Forever Young Foundation](#) and [Montreal Children's Hospital Foundation](#). MyJobChart.com can also be used through its [Apple](#) and Android mobile apps, allowing parents and kids the opportunity to save, share and spend from anywhere. For more information, visit <http://www.myjobchart.com>.