

For your child during early childhood

The skills and abilities children learn in early childhood shape how they develop into adulthood.

Teaching them skills such as planning ahead, waiting for things they want, and finishing what they start will help them in many areas of their life, including achieving financial well-being in adulthood.

These skills, known as executive function skills, help children and adults stay focused, plan, and adjust to changes. They also support positive financial behaviors such as goal setting, planning, saving for the future, and sticking to a budget.

Building foundational skills

You can help your young children build their executive function skills and learn basic money skills by helping them:

- Focus their attention on tasks and activities for longer periods of time
- Follow rules, stated expectations, and directions
- Remember new information they learn, and apply it to different situations
- Learn to stop and think before they act
- Wait for things they want
- Reason and solve problems



- Be flexible in their thinking when adjusting to changes, switching to new tasks, or solving problems
- Identify and learn the value of coins and bills

Supporting activities

Activities you can use to help your children develop executive function and basic money skills include:

Pretend play

Encourage children to pretend or pretend with them that they are going to work, getting paid, depositing and withdrawing money from the bank, shopping, and saving money.

Reading

Read to or with your children, ask them questions about the stories, and talk about how the messages might relate to their life. Books don't have to be explicitly about money to teach executive function, but it may be helpful to include books that talk about money concepts such as earning, saving, and spending. Some books may even include suggested activities that you can do together.

Games

Play games with your children and help them learn to wait for their turn and play by the rules. You might also create games or activities with coins in which they match, sort, and count coins.

Everyday planning and decision-making activities

Provide opportunities for your children to plan and make decisions such as choosing their clothes, planning play activities, or deciding between two activities or items. You might also engage your children in grocery shopping by:

- Telling them before going to the store what you're going to buy and not going to buy (candy, toys, etc.), and share any behavior rules or expectations you have for them.
- Asking them to recall and repeat back what you're going to buy and the rules or expectations you have for them.
- Think out loud as you make a grocery list, to help keep children focused on the items you plan to buy and to switch between tasks when looking for the next items on the list.
- Having them count items, mark items off the list, identify numbers in the pricing or letters on the packaging, tell you the cost of items or which price is higher or lower, compare prices and find the better deal, or select items and place them in the cart and on the checkout counter.

Resources

For additional information and activities, visit: consumerfinance.gov/money-as-you-grow/early-childhood/. It has links to:

Money Smart Guide for Parents

An easy-to-use guides for parents and caregivers that accompany Money Smart for Youth, a series of lessons and activities developed by the FDIC with consultation from the CFPB.

Ask CFPB

If you don't have the answers to your kids' questions about money, we can help. Look over common questions and answers.

Contact us



Online

consumerfinance.gov/askcfpb



By phone

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