

Kids' Financial Literacy Quiz

1. What's the main benefit of having a budget?

- A. It limits your fun
- B. It helps you track income and spending
- C. It increases your taxes
- D. It makes you earn more money

2. Which savings tool typically has the highest interest rate?

- A. Checking account
- B. Savings account
- C. Certificate of Deposit (CD)
- D. Cash under your mattress

3. What is interest?

- A. A fee for watching videos online
- B. The extra money you earn or pay over time
- C. The total price of something
- D. A discount on things you buy

4. Your debit card is connected to your _____

- A. Credit score
- B. Checking account
- C. Student ID
- D. Internet service

5. Which of the following hurts your credit score?

- A. Paying bills on time
- B. Keeping credit card balances low
- C. Missing payments
- D. Having a job

6. If you invest money, what are you doing?

- A. Spending money on clothes
- B. Putting money into something that can grow over time
- C. Guaranteeing your money will double
- D. Paying monthly bills

7. What does "pay yourself first" mean?

- A. Buy treats before paying bills
- B. Save a portion of your income before spending
- C. Pay your friends back first
- D. Pay cashiers with exact change

8. Which of these is a want, not a need?

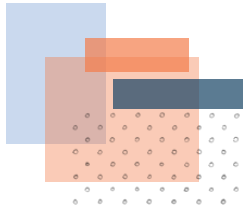
- A. Groceries
- B. Medicine
- C. School supplies
- D. New sneakers you don't really need

9. What is an emergency fund for?

- A. Buying the newest phone
- B. Unexpected expenses
- C. Shopping during sales
- D. Taking vacations

10. What is the best reason to start saving early?

- A. Your parents make you
- B. Compounding helps your money grow over time
- C. Banks require it
- D. It stops you from spending anything



10 Things to Know About Money

1. Money is a tool, not the goal.

It's not about being "rich." It's about being able to make choices: where you live, what job you take, how stressed or free you feel. Money gives you options.

2. Pay yourself first.

When you earn money from your job, save a portion before spending the rest. Even 10% gets you into the habit.

3. Wants feel urgent—but they're not.

You don't need to have everything your friends have. Peer pressure is expensive. Being confident in your own choices saves money and stress. New sneakers, subscriptions, gadgets, snacks... it adds up fast. When you have a 'want' ask yourself: "Will I still want this next week?" Often, the answer is "no."

4. Compound interest is powerful

It is interest that you earn on your original money and on the interest that money has already earned. Think of it like interest that grows on top of interest, like a snowball rolling downhill getting bigger and bigger over time.

5. Learn the difference between debit and credit.

Debit = your money now (money you deposited in your bank account from your job). Credit = borrowed money you must pay back (examples: credit cards, mortgages). Missing payments or overspending on credit can hurt future goals like renting an apartment or buying a car.

6. Credit is powerful—use it responsibly.

Keys to good credit: pay on time; keep balances low; don't open tons of credit cards or loans; understand interest before using credit. A good credit score saves thousands in adulthood because you can get lower interest rates when borrowing to buy things like cars or homes.

7. Build an Emergency Fund (especially before you move out!)

Life happens, flat tires, broken phones, surprise fees, job hours cut. An emergency fund (usually 3-6 months of expenses in your savings account) can help avoid the need to use credit cards or loans when an emergency arises.

8. Earning your own money builds...

Responsibility. Time management. Understanding of the real value of money. Confidence.

9. Compare prices. Always.

Being smart with money doesn't make you "cheap" it allows you to buy something that fits within your budget. Sales, secondhand, price-checking, and coupons save money without lowering quality of life.

10. Once you start working, consider saving in your employer's workplace retirement plan!

Save in a (401(k), 403(b), or SIMPLE IRA) – you'll thank yourself later. You won't notice the small amount withdrawn from your paycheck each week, it'll add up, and be worth a lot more at retirement, thanks to compound interest!