

Selecting a Bank Account for your Child

As a Credit Union, we have made a commitment to provide our Members with products and services that benefit and help them reach financial goals. We also work very hard acknowledging the needs of our young Members and recognize that they not only need products and services that help them save, but they need to be taught how to become financially responsible adults. One of the best ways to teach a child good money habits is setting up a bank account. Here are some factors to look at:

Local Branches

One major way a child learns how to save is to be able to walk into a physical branch location, deposit money and see the money in their account grow. A child might not understand why mom or dad are taking away their birthday money. However, if they are able to bring it to the branch themselves, they will be more inclined to save in the future.

Account Fees

While part of financial education is teaching children the costs of different services, it is best to find Youth Accounts with little or no fees for account maintenance. We are trying to teach kids how to save, not discourage them by having their accounts diminish because of fees.

Interest Earning Accounts

Finding interest earning accounts for your child should not be the only factor you consider, but it should be a priority. Earning a little interest on birthday money might not seem like much, but over time it adds up.

Encouraging Saving

Getting a kid to save their money is a hard task. First, we need to make sure kids understand they are doing something good when they save and that the money is still there for them to use if and when they need it. If they still need more encouragement, give them something in return. For example, offer them a special reward after making a set number of deposits. Parents can also help kids get excited by setting specific savings goals for a special toy or fun event. By paying for it themselves, they will appreciate the purchase even more.

Establishing Good Financial Practices

As children get older, the lessons they learn about money need to evolve. As tweens and teens, they should have the art of saving under control and start learning about real life expenses and simple investments. Children will learn a lot of this by watching their parents.

If you have any questions about our Youth Products and Services, call Align at **800-942-9575**.