



Parents Teach Piggy-Bank Saving and Basic Budgeting to Their Children, but Stop Short of Important Lessons in Credit and Saving for the Future

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U.S. Bank leads national efforts to break the cycle and get students, parents talking about money

MINNEAPOLIS--(BUSINESS WIRE)--Jul. 26, 2016-- Students look to their parents for guidance on personal finance, however parents aren't comfortable teaching them about important topics such as credit and saving for the future, according to results of the inaugural [2016 U.S. Bank Parent Financial Education Survey](#). The survey examines the attitudes and philosophies around financial education among parents of 18- to 24-year-old college students.

"Everything kids know about money, they learn from their parents," said [Robyn Gilson, U.S. Bank Coach for Student Financial Education](#). "The problem is, many parents are not confident teaching beyond piggy bank saving and basic budgeting -- missing important topics like credit and saving for the future."

Most parents are comfortable teaching about saving in general (77 percent) and budgeting (66 percent). Roughly half are teaching about building and maintaining credit (54 percent) however far fewer teach about saving for retirement (32 percent) and investing money (30 percent). The gap in understanding of credit and saving for the future presents a problem as many students may face mounting student loan debt that they need to plan for and manage.

Many of the parents surveyed who are talking about credit may be misinformed themselves. More than half of the parents incorrectly believe their bank balance affects their credit score (51 percent) and that using checks/debit cards can help build credit (52 percent).

In the survey, parents said their biggest area of concern in how young people approach money is that there's too much reliance on mom and dad. They're also concerned that students don't have enough concern with long term goals, and don't understand the importance of saving for the future.

"The stakes are high once kids go to college," Gilson said. "Instead of managing a weekly allowance, they're managing scholarship money and student loans. They need to be confident about credit and planning for the future, otherwise the impact is costly. Worse yet, bad habits may be passed along to future generations, and that is exactly what U.S. Bank is working to prevent."

U.S. Bank is breaking through with relatable advice, tools and resources for students and parents on [Student Union](#). Geared to 18- through 24-years-olds who are finishing high school or are in college, U.S. Bank offers scholarship opportunities to students who complete online lessons about personal finance.

For parents, U.S. Bank offers this advice – have the conversation. Most parents (56 percent) say their student is "not very" or "not at all" involved in family finances, which is a great place to start.

"Being financially fit is vital to a healthy happy life," Gilson said. "Talking to teens about money should be as routine as brushing your teeth or grocery shopping. Look for everyday moments to have the conversation and know their friends at the bank are great coaches if the topics are more than parents want to tackle alone."

To help parents start these conversations, U.S. Bank asked a few of its banker-parents to find everyday moments to talk about money with the young adults in their lives. Conversations took place where parents with children at that age usually have the most meaningful dialogue -- in the car, the basketball court or over a meal. [See some of those conversations here](#).

About the Parent Financial Education Survey

The 2016 U.S. Bank Parent Financial Education Survey was an online, quantitative survey of 1,542 parents of undergraduate students (18- to 24-years-old), conducted in May 2016. Parents were between 36- and 70-years-old and reflected the U.S. parent population with regard to race and gender, in accordance with the 2014 American Community Survey (ACS). Half were men, half were women.

About U.S. Bank

Minneapolis-based U.S. Bancorp (NYSE: USB), with \$438 billion in assets as of June 30, 2016, is the parent company of U.S. Bank National Association, the fifth largest commercial bank in the United States. The Company operates 3,122 banking offices in 25 states and 4,923 ATMs and provides a comprehensive line of banking, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at www.usbank.com.

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