



## **Pentegra Retirement Services Encourages Parents to Talk About Retirement with Their Children**

White Plains, NY, June 13, 2016 -- A recent survey about retirement advice and regrets commissioned by Pentegra Retirement Services (Pentegra), conducted online by Harris Poll, reported that 63% of retired U.S. adults recommend those younger than them start saving earlier in their career and 57% suggest saving more throughout their career. The survey also revealed that, when looking back on their savings regrets, these retirees said not "saving earlier in my work life" was their top misgiving\*. In an earlier Pentegra survey of U.S. adults, only 28% of those who had planned for retirement were helped in their preparation by their parents\*\*.

Retirement savings expert Rich Rausser, Senior Vice President at Pentegra, believes that this data is further proof that parents should consider getting involved in their children's financial lives as early as possible. "It is never too early to introduce kids to the world of finance. Even very young children can learn basic money skills. It starts with a piggy bank and constructive, fun conversation, and can end with proper investments and adequate savings so that these future adults are set on the right course for retirement success."

Rausser offers these tips for parents:

**This Little Piggy.** Before kids tackle the topic of investing, they should first learn the importance of saving money. One of the simplest ways to teach this is by opening savings accounts for your children. Explain to them that the money they put in the bank earns more money just by leaving it in the account. Your child's school may even have an arrangement with a local bank that allows kids to open a savings account and deposit money at school every week on "banking day."

**Talk About Goals.** Suggest that your children save at least part of the money they may get for birthdays and holidays or earn doing chores. Having a specific goal, such as buying a video game or a bike, can make saving easier for kids and encourage them to put money away for the things they want. When children are old enough to learn about investing, not only will they understand the value of saving, but any extra money they saved along the way could even be used to buy their first investments.

**Fun with Stocks.** As your kids get older, consider introducing them to some simple investing concepts. Tell them that owning a stock essentially means owning a small piece of a company. If your newspaper has financial pages devoted to investment news, show your child how to read the stock prices. Discuss how a ticker symbol identifies a company listed on a stock exchange and point out a few of the clever ones, such as CAKE (The Cheesecake Factory) and DNA (Genentech), among others.

**Got Game?** Most kids like games, so using them to help your child understand the stock market can be fun and instructive. You can find a number of board games at toy and department stores that show how the market works. If you have a computer at home, consider searching the Internet for investing games that kids can play online. And don't forget about books! A visit to the library may turn up books on investing written specifically for children in a variety of age groups.

**Practice Makes Perfect.** Kids can get some investing practice by tracking the stock prices of a handful of companies. Choosing companies that are familiar to them, such as The Walt Disney Company, Chuck E. Cheese's (CEC Entertainment), and The Coca-Cola Company, may make the exercise more interesting and personal. Let them decide how frequently they will check the stock prices — once a day, once a week, etc. Then show them how to keep a log of the price changes to see how their selections have performed.

**Hands-on Experience.** Once your kids have some "experience" under their belts, consider allowing them to try their hands at the real thing by investing a small sum of money. Consider setting up a custodial account and having your child contribute part of his or her savings. You may want to offer to match any contributions your child makes. Some companies allow investors to purchase additional shares or fractional shares of stock by reinvesting their cash dividends through Dividend Reinvestment Plans, or DRIPs. DRIPs can be a good way for young investors to buy more stock.

Rausser adds, "The most important lesson of all is to make learning about investing fun for your kids. And, you never know, maybe you will have the makings of the next Warren Buffet in your family. But, at the very least, you will instill in your children the importance of saving."

Pentegra Retirement Services is a leading provider of retirement plan and fiduciary outsourcing solutions to organizations nationwide. Founded by the Federal Home Loan Bank System in 1943, Pentegra offers a broad array of qualified and non-qualified retirement plan solutions, third party administration (TPA) services and benefits financing solutions using bank owned life insurance (BOLI). In addition, Pentegra, through Pentegra Investors, Inc., also serves the needs of institutional investors, offering partial or complete investment outsourcing capabilities. For more information, go to [www.pentegra.com](http://www.pentegra.com). Visit Pentegra on Facebook at [www.facebook.com/PentegraRetirementServices](http://www.facebook.com/PentegraRetirementServices).

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*\* This survey was conducted online within the United States by Harris Poll on behalf of Pentegra from February 25-March 2, 2016 among 4,180 adults ages 18 and older, 443 of whom are retired individuals who do not have a pension. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.*

*\*\*This survey was conducted online within the United States by Harris Interactive on behalf of Pentegra from September 24-26, 2012 among 2,397 U.S. adults ages 18 and older, among whom 1,927 are not already retired. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.*