

SAVE USA

MIDDLE GRADES

Parent/Student Financial Literacy Feature



Currency Security

When people think about the United States Secret Service, they usually picture bodyguards with wrap-around sunglasses and ear buds, accompanying the president and first family everywhere they go. But, it has another important role. According to its website (www.secretservice.gov/know_your_money.shtml), the second mission of the Secret Service is to safeguard the nation's financial infrastructure and payment

systems, and to preserve the integrity of the economy.

Read the information below with your children, and explain that looking for counterfeit bills is one of the jobs of the Secret Service. If currency can be copied or counterfeited easily, it will have less value. To maintain the value of the nation's currency, it must be difficult to reproduce.

Dear Parent/Guardian:

Thank you for downloading this Financial Literacy Feature. We hope the information and activities offered will be helpful in strengthening your family's financial literacy skills.

Activity

One of the most important financial roles of the Secret Service is to prevent counterfeiters from passing phony bills. It is hard to believe, but each year about \$70 million in counterfeit currency is circulated. Fortunately, that's less than 0.01 percent of the total amount of currency in people's wallets, pockets, and purses.

Modern duplicating equipment is sophisticated, but the U.S. Treasury tries to keep one step ahead of crooks trying to get away with passing fake bills. That's why U.S. paper money is changed and updated about every seven years. (Continued on Page 2.)



Each new upgrade adds more intricate security measures that make it harder for dishonest people to copy bills, no matter how advanced their copy machines may be.

Even with all the security measures, counterfeit bills do manage to sneak into circulation. What should you look for to make sure a bill is real? If you have a new \$5 bill, take a look at it, and see if you can recognize the following:

- On the newest U.S. currency, notice that it has become much fancier, with a multi-colored background.
- There are watermarks that can be seen only if you hold the bill up to the light. For example, on the five-dollar bill, you'll see the number five three times in a column to the left of Abraham Lincoln's head.
- A thin security thread also is visible only when the bill is held up to a light. On the \$5 bill, the thread is about ½-inch to the right of Lincoln's portrait.
- There are examples of micro-printing concealed in the decorative designs along the edges of the bills. You might need a powerful magnifying glass to see them.

What should you do if you get a bill you suspect is a phony?

First, do not try to apprehend the person who passed the bill. Call the police immediately. If the bill passer is long gone, and you spot a suspicious bill in your wallet, contact your local police or a Secret Service office to report what you have found. You can find the phone number of your state's Secret Service office at www.secretservice.gov/field_offices.shtml.

Being a counterfeiter is not a good idea. It also is not smart to try to pass a phony bill on purpose. The penalty for copying U.S. currency or trying to pass it as real can result in a fine and/or 15 years in prison.

Look at the pairs of bills below, and choose the one you think is real. Then explain how you knew the other was a counterfeit.

a.

b.





This website has a great, interactive tool that allows you to see the security features of every new U.S. bill: www.newmoney.gov/currency/interactive.htm.



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Answers:
 1. a. Numeral 20 in lower right corner is green; should be red.
 b. Grant's portrait is in the center; should be to the left.
 2. a. Flag stripes are green; should be red.
 b. Does not have the number "100" printed over the seal to the right of Franklin's portrait.

About JA Worldwide® (Junior Achievement)

Junior Achievement is the world's largest organization dedicated to providing relevant and innovative programs that inspire and prepare young people to succeed in a global economy. Through a dedicated volunteer network, Junior Achievement provides in-school and after-school programs that focus on three key areas: work readiness, entrepreneurship, and financial literacy. Since its founding in 1919, Junior Achievement has contributed to the business and economic education of millions of young people around the world. For more information, visit www.ja.org.

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