

Helping Your Child Become A Good Money Manager

Researchers know that strong families feel “in control” of their finances. Some very rich families feel “out of control,” and some very poor families have this vital feeling of being “in control.” Help your children learn how to be “in control” of their spending.

Children learn about and use money continuously. How children use money will affect how they live and how they feel about life. It will affect how stable and secure they feel throughout their lives.

You are a role model for your child. It is important that your children see you managing your family income and keeping financial records.

Try to guide and supervise your children’s spending, rather than dictating to them how to spend their money.

Be clear about money and spending rules. What items are OK to buy and which are not?

Help them think through their choices.

Allow them to learn from small mistakes.

Praise them when they make good money decisions.

Do not use money as a reward or punishment — nor to pay for regular family chores.

It’s OK to talk to your kids about money. Many of us grew up in homes where money was not discussed. We did not know our family’s budgets, or even what our parents earned. We may have been taught that it is “not polite” to talk about money — or that desiring money is wrong. It is important to talk with your children about money, so that they can learn about the value of money and how to manage it well.

Children of different age groups learn in different ways.

Preschoolers can learn:

- To choose between two or three items.
- To shop with a parent and pay for one item.
- That family members work to pay for food, clothes, etc.
- To share money with a friend; contribute to church or other organizations.
- To do routine family chores without pay.

School-age children can do the above, plus:

- Manage an allowance, if one is given.
- Be taught to handle money (figuring out what change is due, etc.) when buying things.
- Learn to make good decisions about their spending.

Parents can help pre-teens by:

- Providing an allowance to meet actual needs, plus a little extra for personal use, to share, and to save.
- Involving them in decisions regarding their allowances.

Parents can encourage teens to:

- Earn and save for long-range goals important to them.
- Better understand how and why the family income is used in different amounts for spending, borrowing, saving, investing, and sharing.
- Learn about the purposes, services, and charges of banks, credit unions, loan companies, etc.

Being a parent means preparing our children to be a successful adult. Helping them learn to feel in control of their finances is essential for adult success.

For more information contact your Wildcat Extension District office in Crawford, Labette, or Montgomery counties or contact Chuckie Hessong at 620-724-8233 or by email at chuckiehessong@ksu.edu.

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