

# 10 Tips for Talking to Kids About Money

By Laurie Stolmaker

Below are some ideas about how to teach kids about money through your words and your actions. Adapt them to the age of your child, but remember, it takes practice to learn **and** young children can begin to have an awareness about commerce and spending. It is important to teach children alternatives to endless consumption. It is also normal to make mistakes as we learn. So be kind to yourself and them!

1. Talk to kids about your values and goals regarding money. Be a model with your actions. Describe what you are doing when you pay a bill or put money aside for a goal.
2. Share your financial goals with kids. "*We are committed to saving \$ for unplanned expenses this year*" tells kids you are wise and think ahead vs. "*We can't afford it*" which sends a message of not having enough.
3. Start kids early on a small allowance. This eliminates the nagging and whining at the grocery store. Tell them it is theirs to spend as they wish. Increase it as their needs change and in line with your budget.
4. Give older kids a monthly allowance based on their "expenses" for snacks, activities at school and things they buy or collect. Let them decide if they would like it weekly or monthly and help them make a spending plan for making it last.
5. Offer to match kids' savings deposits in an account that is for a specific purchase. Talk about how long it will take to save up and what enjoyment they expect to get from the item purchased.
6. Let kids know if you have a plan to help them with college. Show them how to begin research on grants and loans. Ask them to research the full cost of the kind of college or training program they are interested in pursuing and to share with you what they learn.
7. Help kids to be savvy shoppers by discussing advertising and misleading packaging. When they are disappointed with their purchase help them to see it as a learning experience for next time. Share about that great buy on a sweater you bought and never wore.
8. Give kids a seasonal clothing budget and let them choose what to spend it on. Designer shoes become less important when they reduce how many jeans I can buy. Some things are important enough that they may decide to skimp on others. If YOU request certain styles of dress for family gatherings, offer to exclude those from the budget.
9. Rediscover thrift stores and consignment shops as ways to save money and the earth by reusing. When you drop off your donations, go inside to see if there's something you could use. You may find something you had been looking for in great condition.
10. Save requests for donations and decide as a family how much to donate and which causes you would like to support.

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