

The **ULTIMATE**
Online Financial Literacy Resource for Teaching
Kids about Money www.lifeandabudget.com



Why Do I Need This Resource?

Parents,

Let me ask you a question? If you could make a list of the top three things you wish your parents would have taught you before sending you off into adulthood — what would those things be? For many of you, I wouldn't be afraid to guess that finances would be included on this list. Am I wrong?

You've graduated from college and into a butt load of debt. Your significant other followed a similar path and now you two have joined and had a few kiddos of your own. The budget seems like it's never right and your debt seems to be compounding with no savings to speak of. So of course, a lesson in money management would have been nice. I'm sure this scenario resonates with many of you, although some of you might have managed to payoff this debt by now. If that's the case, cheers to you!

However, the rest of us are still trying to catch up! *Please bare with us.*

Caught up or not — our kids are not waiting on us to become perfect with our money. They are growing fast as weeds and learning everything more quickly and efficiently than we ever did at their age. We see what the outcome from a lack of financial literacy did for us and we want to help prevent them from traveling a similar path. That is exactly why you're here, isn't it?

Well, it's the reason I've journeyed to this point — the reason I'm writing to you. I've got the Bachelor's degree, the MBA, and a \$79,000 student loan bill due with Navient. Along with that I have the mortgage, car payment, miserly 401k, and insufficient emergency savings fund.

I'm right there in the throes of it all with you, but I'm not going to let my circumstances stop me teaching my children. My daughter is turning 6 this year and my 7-month-old son is lying asleep beside me. They aren't slowing down and I don't want their outcome to be the same as mine. That's why I'm learning as much as I can now so I can give them all the knowledge and wisdom I've gathered on my own tumultuous financial journey.

I'm hell bent on doing everything I can to prevent them from making the same financial slip ups I've made. On my quest to see to it that I'm providing them with the correct knowledge — I discovered that resources for teaching kids about money is scattered all over the place. There would be a great article on the first page of a google search and then nothing for the next 10 or so pages. That didn't deter me — I kept looking and I've found some helpful advice and tools that are available for parents like you and me to use.

After I began gathering the information, I wanted to save it so I could refer to it as my children grew. Since I'm not the only millennial parent out there struggling to find this information, I thought I'd compile it into a downloadable format to share with others.

According to the [2015 Junior Achievement Teen and Personal Finance Survey](#), "Millennial parents, ages 18-34, are the least likely to be confident about explaining money management to their kids: 60% report feeling confident, while 76% of parents ages 35-44 and 79% of parents ages 45-54 report feeling the same."

This resource was created to help boost your confidence as you make the decision to better prepare your children for financial success. You don't need to fear talking about money with your kids because you didn't receive sound financial wisdom from your parents. All it takes is a willingness to learn more and the comprehension needed to see the bigger picture — a future of financial success for your children.

Now it's time to get to work. Save this guide to your phone, tablet, or computer. Grab a notebook and label it whatever you like. I call mine the Kid's Money Bootcamp. Both of my kids will have to endure this bootcamp, but I'm going to make sure it's as fun as possible so they will grow to love the topic of personal finance.

In this guide, you'll find some tips/advice, two exercises, and a thorough list of resources I've found online that will assist you in teaching your children about money. Once you've reviewed all of this information and the resources I've found, you will basically have everything you need to map out your own money boot camp for your kids.

So, no more excuses! You don't need to know everything about money and your finances don't have to be perfect. Matter of fact, this makes you even more qualified to teach your kids about finances because you have skin in the game. You have real life experience on the things not to do and the things you should have done. This is valuable teaching material for your kids financial literacy. Stop beating yourself up and put all of that experience to work for you. Let's take charge of our own financial future and help our kids while we're at it.

Money Values

Before we get into the things we should teach our kids about money, I like to focus on the values I want my kids to have about money. These are essentially things they should know before piling information down their throats about credit cards, interest rates, stocks, etc. Even with knowledge of financial principles, if we lack values regarding money, it can be very destructive.

[6 Things I Want My Kids to Know About Money](#)

Here are the 6 values I want to instill in my children (you can check out the entire post by clicking the link above):

- 1) No one is entitled to money.
- 2) Money doesn't grow on trees.
- 3) Focus more on earning, not borrowing.
- 4) Save as much (or more) than you spend.
- 5) Don't worship money.
- 6) Live below your means, regardless of your income.

I believe these 6 basic values are a great foundation to build on when teaching young children about money. You and I have seen the repercussions of individuals who fail to realize one or all of the values listed above, and it ain't pretty. If we're going to set our kids up for success — let's make this money boot camp a well rounded one.

★ **Exercise:** Write down your own personal list of money values you want your kids to learn.

General Timeline of Things Your Kid Should Know by Age Group

Ages 2 and 3

Aren't they so cute at this age? Yeah, well cute or not — they are ready to begin money bootcamp. They've already seen you spend money at the store and they are curious. Grab some coins and teach them coin identification. Now you can focus on their cuteness again and laugh at how they pronounce the coins.

Now is also an ideal time to teach them about wants and need. Keep it simple by reinforcing simple things like shoes being a necessity. However, a pair of Frozen or Ninja Turtle shoes are wants. Continue to reinforce ideas like these as they grow and they will eventually grasp that just because they have a need for shoes doesn't mean they need the most expensive pair or ones with cartoon characters they like.

Ages 4

If you started coin identification early as suggested (unlike me), then you're ready to show them how those coins work together. Keep it simple. Give them examples of things they could purchase. I like to work with things I know my daughter likes and ask, "If the lady in the store asked for \$.50 for a piece of candy, what would you give her?" Then I show her variations of how to come up with \$.50. The easiest one for her to remember right now is two quarters, but it's good for them to see they can use nickels and dimes to come up with the same amount.

Once they have an idea of how currency works together to make different purchases, they are ready to head off to the store and make their own purchases. Give them a wallet or purse and allow them to be in charge. Let them pick what they want to purchase and help them determine if they have enough money for it. If they find something they can afford, they get to be big boys and girls and pay the clerk at checkout.

Age 5

At this age, it's good to add another element to the mix — savings. Introduce the concept to them by explaining how you save up for a larger purchase. Perhaps your child wants a dollhouse, roller skates, or something along that nature. These are pricier toys and something you might not want to pay out of pocket for unless it's the holidays or their birthday. This is an opportunity to teach them how to save for these types of purchases.

To introduce this concept they would need some money. I separated ages 4 and 5 because I feel like age 5 is a great time to start giving them an allowance. This will help reinforce some of the lessons in savings and give them an opportunity to begin making mistakes on their own. For example, if Jill wants that dollhouse, she's going to have to save for it. It will take her a while to

save up for it, but it will take even longer if she decides to spend her allowance on things other than her savings goal. It may be a hard lesson for a 5-year-old, but it's practical.

Ages 6 to 8

These are perfect ages for taking your child to the bank to make deposits into their savings account. If you're anything like me, your kid might have had one before they were able to walk. However, having one and not knowing about it is doing them a disservice. So take them to the bank and let them know they have a place to stash their allowance money.

Also, this is a great time to teach them about those bills that come in the mail like clockwork. What do kids think we do with our money anyway — spend it all on them? While that may be true to an extent, kids need to know we pay for the house they live in, the lights they use, and the water they drink. If they don't know this they will think that mommy and daddy are their own personal ATM's. We don't want that now, do we? Don't overwhelm them, just show them a few small bills and have them add it up. Give them the opportunity to see you pay the bills and explain it in a way that's easy for them to understand.

Ages 9 to 12

There are several things you can teach this age group. The first thing is to teach them how to compare things when they are shopping. Give them a simple task of picking out the spaghetti sauce for dinner. Show them the price per unit and the price of the item. Encourage them to look high and low on the shelves for the better priced products. Allow them to make an informed decision based on the information available.

Next, teach them about credit and debit cards. Explain to them how using a debit card is withdrawing money from an account each time it is used. If there is no money in the account, it can't be used. Explain the consequences of not responsibly managing the balance in the account. For credit cards, explain that this is borrowed money. It cost money to borrow money because you are charged interest. Explain the consequences of not paying credit card bills on time or spending more than you're allowed to borrow.

Ages 13 to 15

This is where things start getting interesting. At this age, your kids are influenced by many more people than you and if you're lucky — they've ingested a lot of your wisdom about money up until this point. This is a time to reinforce everything they've learned by helping them set up a budget. A budget for what, you may ask? Give them free rein when it comes to purchasing their toiletries, paying for school dances, gifts for friends, weekend movies, etc. Give them a certain amount of money to cover these things each month and help them create a budget to help them meet their saving and spending goals.

During this timeframe, it may be beneficial (depending on each individual child) for your child to pick up extra income during the summer or on the weekends to help them save or buy things that are not considered a need.

Ages 16 to 18

Now is the perfect time to introduce investing. Teach them about stocks, bonds, and mutual funds. They are preparing to head off to college and they need to start considering the long-term. Just imagine if we'd taken a portion of our paycheck and invested in an IRA at age 16? This is a great time for your child to begin making important decisions about savings and investing — especially if they have their own jobs or businesses.

Teach them how compound interest works in the favor of younger investors. Ask them questions about where they see themselves after college. Woo them with the scenario of how being financially prepared after graduating college could mean pursuing their dream instead of settling for a meager entry-level job to back student loans. By preparing ahead, they could avoid debt, create passive income through investing, and wait for an opportunity to pursue something they are really passionate about.

★ **Exercise:** Create your own kids money boot camp outline. Here are a few guiding points to help you create your outline:

- 1) Consider the age of your child and focus your efforts on learning experiences that will enhance what they already know about money.
- 2) Think of teachable moments in your everyday life where you can teach your child a money concept. (Grocery shopping, bill payments, laundry, car maintenance, bank errands, etc.)
- 3) What will you need to enhance your learning and teaching experience during your child's money bootcamp? Consider the things you don't know about money and would like to learn. What tools will you need to carry through with your money bootcamp? Do you need to consider seeking wisdom from someone who is more financially sound than you?

Now that you have an idea of the principles to introduce, the ages most appropriate to introduce them, and an outline of your money bootcamp — it's time to get to the meat of this resource guide.

In the next section, you will find all the BEST resources I've found that will help you during each stage of preparing your kids for financial success. I've found a plethora of articles, websites, games, apps, and books that are ready to be explored by you. While going through this section,

refer to part 3 of the last exercise where you focused on the items and resources you will need to help you when teaching your kids about money.

Don't just let this guide collect dust in your computer files. Save this on your desktop and refer to it when you need the particular resource that is most appropriate for whatever stage you're in. If your kid is 5 years-old you may be looking for easy games to teach money concepts, books to read that teaches values, etc. All of this you can find using the resources I found in following section. I hope this resource guide will be an invaluable tool for you as you set out to teach your young one about money. Have bunches of fun!

Resources

Websites

I've tried to include some of the best websites out there that will help assist you with any further questions that may arise during each stage of your child's financial literacy journey.

[Money Masters Kids Club](#) (awesome resource!)

[Money as You Grow](#)

[The Mint](#)

[Doughmain](#)

[Our Kids and Money](#)

[Kidz Count](#)

[Allowance Academy](#)

[Next Generation](#)

Articles

This section includes some of my favorite articles (shameless plug: a few written by me) that I've found useful. If any of these are helpful, please be dears and share on your social networks. You never know who is in need of a little help when it comes to teaching kids about money.

General Topics:

[Teaching Our Kids To Spend Save & Give](#) - Life and A Budget

[5 Ways to Teach Kids About Money](#) - Disease Called Debt

[Your Guide to Raising Financially Confident Children](#) - The Heavy Purse

[The Smart Way To Teach Kids About Money](#) - WSJ

[7 Smart Things To Teach Kids About Money](#) - Living Well, Spending Less

[Kids, Advertising, and Your Budget](#) - Life and A Budget

For more research on kids and advertising, I highly suggest you read [Sneaky Ways Advertisers Target Kids](#) - Common Sense Media

Allowances and Earning Money:

[Organization Tips: Make an Accountability Binder](#) - Thirty Handmade Days
[Kid's Responsibility and Money Management Kit](#) - MKMP
[Allowance 101: How Much To Pay, Why, & How To Make It Work For Everyone](#) (A must read!)
- Fun, Cheap, or Free Queen

Children and Budgets:

[How To Teach Young Kids Budgeting Habits Early On](#) - Lifehacker
[Managing Money: Creating a Budget](#) - PBS Kids
[Learning Money Management With Kidbudget](#) - Life as Mom
[Painless Ways To Introduce Your Kids to Budgeting](#) - Daily Finances
[Fun Ways To Teach Your Kids Budgeting](#) - MSN
[Budgeting Game For Teens](#) - Design Mom (A very practical way to teach teens about budgeting)

Children and Savings:

[Help Your Kids Save Almost \\$5,000 in 10 Years](#)
[1 Year Savings Printables](#) - Thirty Handmade Day
[An Easy Way to Save \\$7,976 For Your Child](#) - Single Mom's Income

Children and Debt:

[How To Teach Your Kids To Think About Debt](#) - The Heavy Purse
[Talking To Kids About Debt](#) - Life and A Budget

Children and Giving:

[The Charity Allowance](#)

Kids Money Management Software/Apps/Games

This section includes some games, software, and apps that are available to help reinforce some of the principles you may introduce your children about money. Don't use these as a crutch though. They are not a substitute for you! These are simply a supplement — you still have to teach the babies.

[Financial Peace Jr.](#)
[Rich Kid, Smart Kid](#)

[PBS Kids Org](#)
[Save Perry's Pennies](#)
[Money Memory](#)
[H.I.P Pocket Change](#)
[Practical Money Skills for Life Games](#)
[A Budgeting Game For Teens](#) - Design Mom
[Monopoly Junior](#)
[Doughmain](#)
[Money Match Me Cards](#)
[Money Bags - Board Game](#)
[Allowance - Board Game](#)
[Pay Day - Board Game](#)
[Money Wise](#)
[Exact Change](#)
[Loose Change](#)

Books

Now this is my favorite part. I love reading and I've made it a goal for 2016 to read one personal finance book a month in addition to whatever else I may be reading. I plan to scatter a few personal finance books about kids and money into this year's reading plan and I highly encourage you to do the same.

Here are some of the best-selling books I could find on Amazon about kids and money (these contain affiliate links, but I assure you I will not get rich):

Books for Parents

[Raising Financially Confident Kids](#)- Mary Hunt (read my thoughts here at [Raising Financially Confident Kids - A Review](#))

[Smart Money, Smart Kids: Raising The Next Generation to Win With Money](#)- Dave Ramsey

[Debt Proof Your Kids](#) - Mary Hunt

[The Everything Kids' Money Book: Earn It, Save It, Watch It Grow](#) - Brette Sember

[The Money Smart Financial System: Teaching Financial Independence to Children of Every Age](#) - Steve Economides

[Raising Financially Fit Kids](#) - Joline Godfrey

[The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, and Responsible Children](#) - Eileen Gallo, John Gallo

[Money Doesn't Grow on Tree's: A Parent's Guide to Raising Financially Responsible Children](#) - Neale S Godfrey, Carolina Edwards, Tad Richards

[Why Didn't They Teach Me This in School?](#) - Cary Siegel

Books for Kids

[The Berenstain Bears: Trouble With Money](#) - Stan & Jan Berenstain

[Do I Need It or Do I Want It?](#) by Jennifer Larson

[Lily Learns About Wants and Needs](#) by Lisa Bullard

[The Kids Money Book](#) by Jamie Kyle McGillian

[Shanti Saves Her Money](#) by Lisa Bullard

[Alexander, Who Used To Be Rich Last Sunday](#) - by Judith Viorst

[One Cent, Two Cents, Old Cent, New Cent](#) - Bonnie Worth

[Kiddie Coin Kids](#)

Yay, you're done! I'm super excited you took the time to read this and go through this monster list of resources. If there is anything I can do for you or if you just want to say hi, email me at latoya@lifeandabudget.com. I'll be excited to hear from you.

Be sure to sign up for the [Life and A Budget Newsletter](#) for monthly updates.

I can also be found on [Twitter](#), [Facebook](#), and [Pinterest](#).