

Better Money Habits®

Military Families Transitioning to Civilian Life

Teaching better money habits to kids

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Tips for teaching better money habits to kids

- Allowance can be a useful tool.
- Help them learn saving and budgeting skills.
- Teach them about credit cards.
- Look for teachable moments.

Be mindful of their age:
Don't treat a 10 year old like a 16 year old.

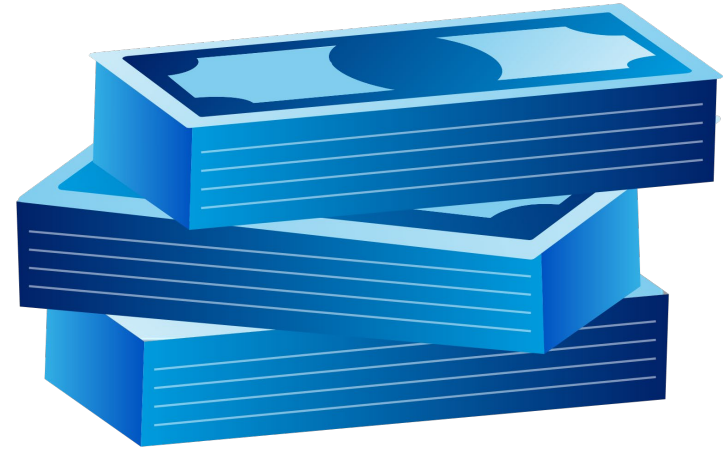


Military OneSource offers a wide range of individualized consultations, coaching and non-medical counseling for many aspects of military life.



Using allowance as a tool

- Paying an allowance can help your child learn good financial habits.
- A majority of parents require children to earn allowance by doing chores. Other choose to use it as a teaching tool.
- Either way, teaching children how to spend and save responsibly is a valuable life lesson.



Teaching saving and budgeting skills

- Many parents require their children to save part of their allowance.
- Their savings goals should be age-appropriate.

An exercise for children in elementary or middle school is the three little piggy banks. Kids split their allowance into three separate piggy banks:

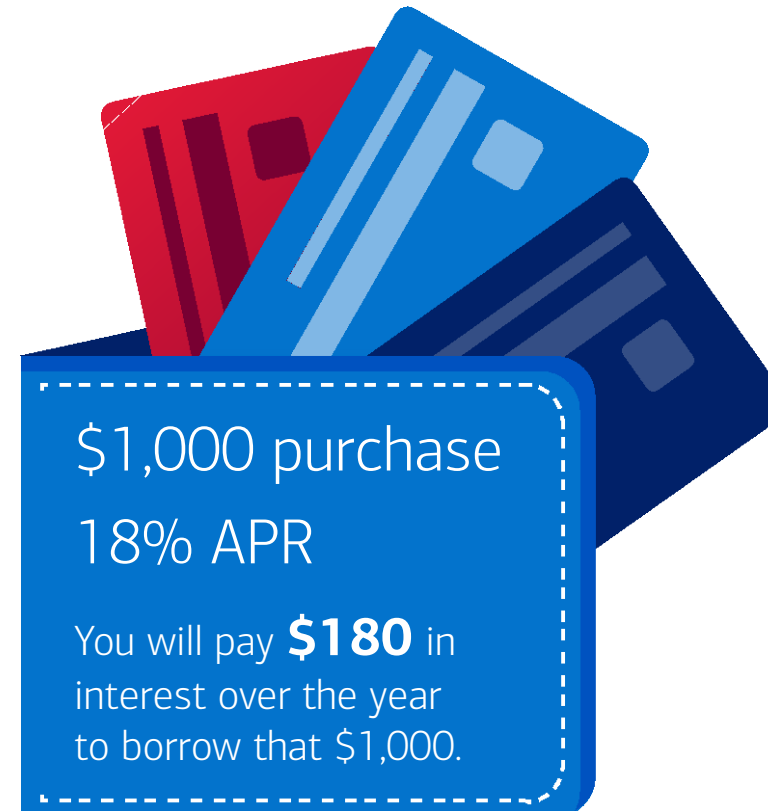


Teaching about credit cards

Assume that they don't understand how credit cards work.

Teaching topics:

- Not all debt is alike.
- Credit score matters — a lot.
- Today's choices impact their futures.



Elementary school

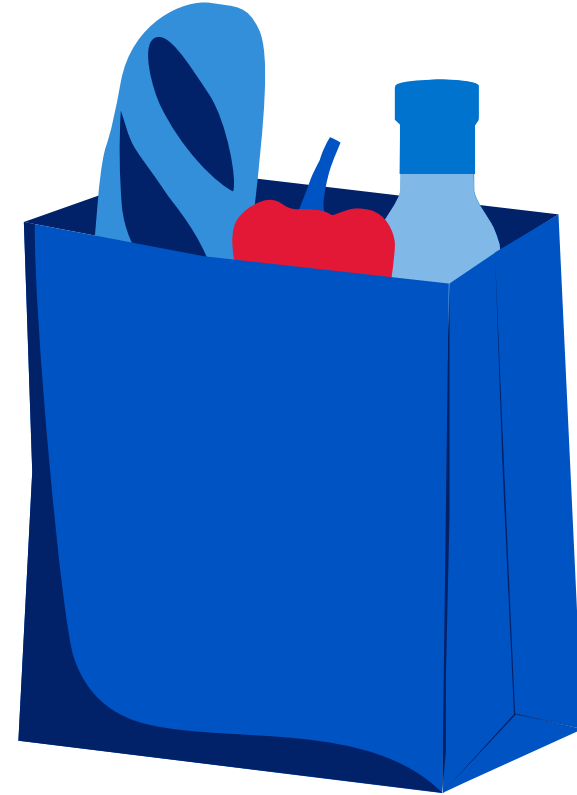
- Turn weekly shopping into a quest to save money.
- Manage a budget at a toy store.

Middle school

- Evaluate dine-in and -out implications.
- Track digital expenses.

High school

- Budget and prioritize clothes shopping.
- Manage cell phone budget.



Key takeaways

1

Allowance can be a useful tool, but set clear expectations.

2

Encourage saving and budgeting early on.

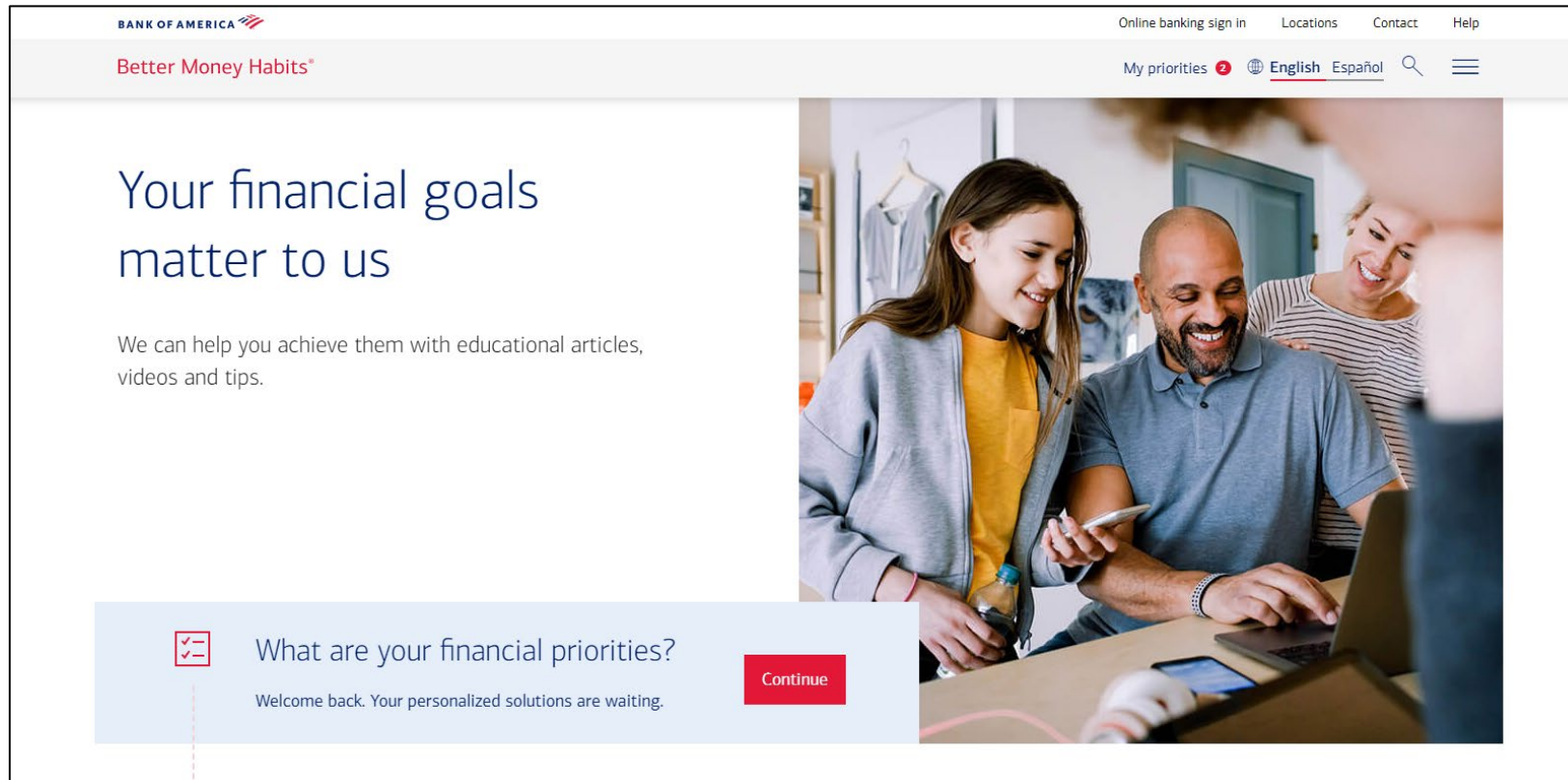
3

Teach them about credit cards, interest rates and credit scores, and why they're important to their futures.

4

Look for age-appropriate, teachable moments in everyday life to reinforce better money habits.





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Thank you

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