

For Parents

YOUNG PEOPLE are concerned about.....



ARE YOU PREPARED TO HELP THEM?

**Alice Mae Alexander
University of Missouri
Extension Division
3-1-66, MP-4**

ABC'S OF MONEY MANAGEMENT

Wouldn't it be wonderful if your child could learn a set way of handling money just as he learns to comb his hair or tie his shoes? But such is not the case. Each person has to devise his own plan of action, even the youngest child. Can you offer guidance and direction?

As a parent you have the responsibility of helping your child to understand the place of money in his life. You will provide opportunities for him to handle money--you will encourage him to weigh values so that he can make intelligent choices. You will act as instructor in this big business known as money management.

You may question your qualifications as a teacher. You may feel inadequate in dealing with the subject of money management. You may need reassurance of your ability to guide and direct your child.

There are no clear cut rules for you--but there are guide lines. Let's call them the ABC's of Money Management.

I. During the time you will spend with other young parents, plan to explore these ABC's. As the course proceeds you may want to make some additions, but for now. . . .

A is for Attitudes

How do you feel about money--what do you remember from your childhood about family finances and how they were handled--what attitudes are you passing on to your child?

B is for Budgeting

Let's call it planned spending. More about this later.

C is for Challenges

These could involve challenges with young children for an understanding about:

1. The subject of allowances,
2. The pros and cons of earning,
3. Ideas on savings and thrift,
4. The need for planned spending.

Or challenges you foresee in the future:

1. How to overcome the lack of family cooperation (when the child becomes a teen!),
2. How to combat group influences that might be detrimental,
3. How to make use of consumer education,
4. How to use credit.

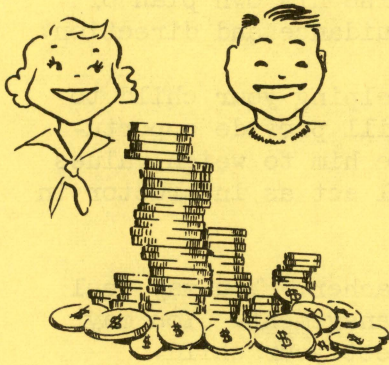
II. Tools and equipment you will need for the course:

A. Publications:

1. The Money World of Your Pre-Schooler
2. The Money World of Your Young Student
3. The Money World of Your Pre-Teen-Ager
4. The Money World as Seen by a Pre-Teen
5. Home and Garden Bulletin No. 108 "A Guide to Budgeting for the Family."

B. Illustrative material your teacher requests in the form of news articles, cartoon, etc.

ATTITUDES



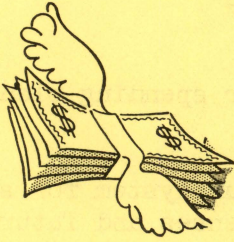
How do you feel about money? During your lifetime you will be handling a considerable amount of money--so will the younger generation. How can you help them to see that money does things to them as well as for them? Do you detect your attitudes showing up in your child? Do you want to be imitated?

Assuming you agree with the statement "it is important that children have an understanding of the place of money in our lives--not to over-value it nor under-value it--how do you two propose to teach this important fact.

We are going to try to:



DEVELOP SKILL IN HANDLING MONEY



Do you remember these statements? "If you constantly work at being a good money manager, your child is fortunate. He should gain positive attitudes toward money. A small child learns more from actions, tone of voice, and atmosphere than he does from words." (Page 3--Pre-Schooler)

If you expect your child to plan his spending, isn't it equally important for you to plan yours?

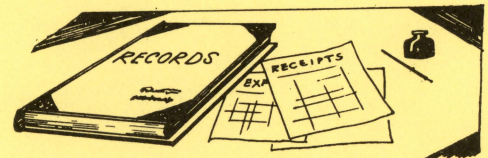
Special Home Assignment for you two:

Together read aloud "A Guide to Budgeting for the Family"--Home and Garden Bulletin No. 108.

Take your time! Carry out the suggestions as you read along. If you are doing these things or have done them in the past and are satisfied with the results, give yourselves a pat on the back. You can give testimonials!

Continue to work on this assignment during the remainder of the course. Jot down reminders of the things you want to work on:

Memos to Us



BUDGETING



As you have worked on your spending plan, have you had some surprises?

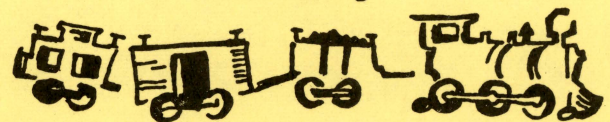
Are you satisfied with your system for setting aside money for major expenses and future goals? Compare your methods with those of others in your class. You may get this information during the informal visiting you do before class time.

Discuss other things that may be giving you some concern.

NOTES on things we've heard or read about that we think will help us do a better job of budgeting for ourselves:

For our young ones:

All Aboard!





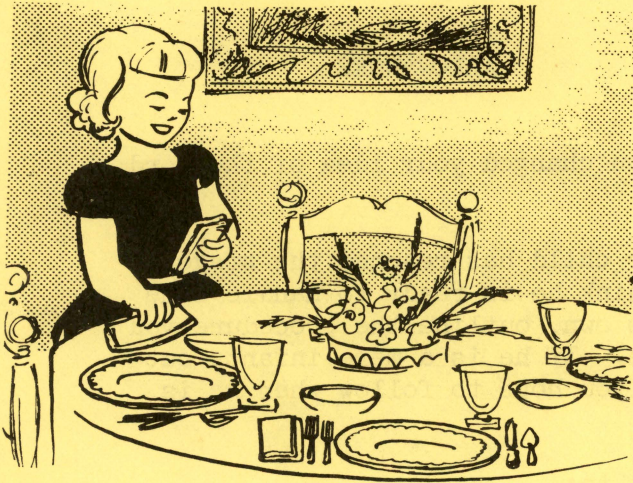
ALLOWANCES

Have you changed your idea of the word allowance?

If your child has reached the stage where you think he is ready to handle some money of his own, outline the procedure you plan to take. If he is a mere infant, outline a plan you hope to follow when he is ready.

We plan to:





EARNING

It is generally agreed that a child is expected to do regular household chores without financial payment as his contribution to the family's welfare. You may want to discuss this matter with the youngsters and obtain their cooperation.

List home chores you feel should be done by children of varying ages.

Pre-Schoolers

Young Students

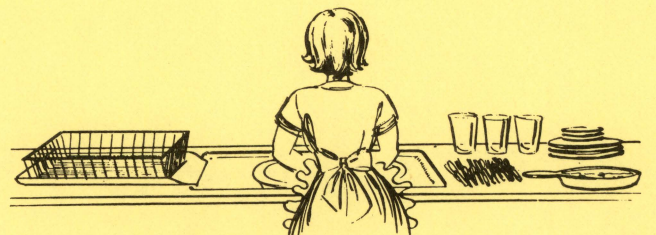
Pre-Teens

What opportunities for earning can you list for:

Pre-Schoolers

Pre-Teens

Young Students



SAVINGS AND THRIFT



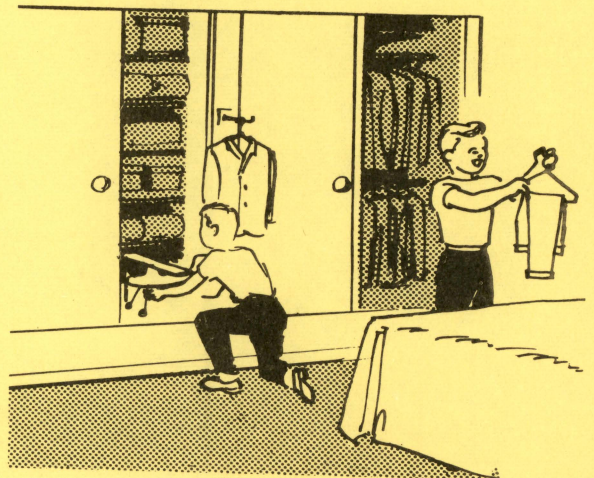
Saving has long been considered a virtue, but saving for its own sake seems outdated. The modern method is to plan spending for today and tomorrow and to save with a definite purpose in mind.

Think of ways to help your child to understand that when he saves money he is not surrendering his right to spend it--only delaying the use of it until he needs it for something special.

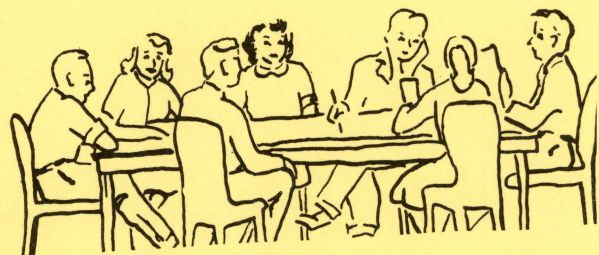
Any ideas:

Money makes money
And the money
That money makes
Makes more money
--Poor Richard's Almanac

You can teach thrift without introducing the idea of a savings account or a piggy bank. What are some ways?



CHALLENGES WE FORESEE IN THE FUTURE





Issued in furtherance of cooperative extension work, acts of May 8 and June 30, 1914, in cooperation with the United States Department of Agriculture. C. B. Ratchford, Vice-President for Extension, Cooperative Extension Service, University of Missouri, Columbia, Mo. 65201.