How to Start Teaching Your Kids About Money



It’s back-to-school season, which means it might be a good idea for parents to think about something their kids won’t be learning in a classroom this year: how to manage money.

While there has been a growing movement in some states to include financial literacy as a high school graduation requirement, most kids head into adulthood without a good understanding of money or a baseline for good financial habits. And finance is a taboo topic for many parents because they don’t want their kids to worry about money or get a distorted view of the family’s wealth.

Our advice: start small. Here are three easy ways that parents can teach children the value of a dollar and start them on a path toward greater financial literacy.

1. Let kids help budget for a family vacation.

When kids think about a big family vacation, they picture endless entertainment. Putting a value on what all those rides, shows, meals, and souvenirs actually cost can help youngsters set realistic expectations and prevent the trip from turning into a spending spree.

Once you and your spouse have settled on a total budget, break out a whiteboard or a large piece of paper and start making line items. Start with essentials like airfare, hotels, and the price of admission to attractions. Add in the estimated cost of a meal or two at a destination restaurant. And so on.

As the leftovers from your top budget number get a little smaller, your kids will see how splurging at the gift shop could be the difference between an extra day in paradise and coming home early.

2. Help kids set short-term and long-term financial goals.

There’s nothing wrong with surprising kids between birthdays and holidays. But if you find yourself buying everything your kid points at any time you go shopping, your generosity might be sending the wrong message about how money works.

The next time your child is eying a new toy, talk to them about what that toy costs, how long you have to work to earn enough money to buy it, and how the child can help to pay. A couple of extra chores might help the child appreciate the connection between work, money, and spending. There can be a fine line between educating and shaming them about money, but you know your kids best, so consider tailoring your approach to each child.

It can be challenging to help kids think about anything in the long term. But simple money rules, like setting aside a set percentage of gifted money into the bank, can help kids start to understand concepts like saving, compound interest, and

building wealth over time. You could also set family savings goals for that next big trip and talk to older kids about what they should contribute.

3. Encourage kids of all ages to earn money.

If your teenager doesn’t have a part-time job by the time they start high school, you might want to have a conversation about who’s paying what for college, and whose car they plan on driving when they turn 16. Even if you can afford these luxuries, working teaches teens teamwork, professionalism, and how to manage their time. They’ll also need a bank account to deposit those checks, which is a good opportunity for you to start talking about saving and investing early. One popular strategy is to match what your teen puts into a long-term savings account with contributions into a custodial investment account.

Point your younger children towards ways they can earn money in your home and neighborhood. Simple lawn care, collecting recyclables, cleaning up around the house, and babysitting are all valuable services that can help them pad their piggy banks.

When your children get a little older, consider bringing them into our office for a friendly money chat. We can help you introduce your kids to basic saving and investing principles so that getting the best life possible with the money you have becomes a value the whole family shares.

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Finding Purpose in the Everyday



What is your money’s purpose in your life?

That’s maybe the most important question that our planning process helps people to answer. If the purpose of life was just to make more money, then no one would ever stop working. The best uses of our time and our money lead us to more meaningful experiences that help us to grow as individuals, connect to our loved ones, and make a positive impact on the world around us.

If the hustle and bustle of life and work have come between you and your sense of purpose, try this three-step process to get back in touch with what matters the most.

1. Reflect on your purpose.

Perhaps the biggest obstacle between ourselves and our sense

of purpose is finding time to reflect. Schedule a block of time to simply sit, relax, and think about where you are in your life right now. You might try meditating, journaling, or even light exercise as a way to tune out the rest of the world and clear your head.

So much of our identity is wrapped up in what we do for a living that it’s important to think beyond how we earn money. Think about the people who are most important to you and how you work on those relationships. Think about the interests you had when you were younger, the courses you took, and how those things led you toward your career or away from another line of work. Envision a week when you didn’t have to work at all and think about how you would spend your time.

After working through these questions, you might find that you’re already more connected to your life’s purpose than you realized. Or you might identify potential changes that you want to spend more time thinking about, such as building more self-care into your weekly routine, taking online classes to learn a new skill, or even contemplating a new career.

2. Focus on the little things.

Very few people get to spend every second of their day doing exactly what they love to do. The trick to getting through the inevitable struggle is to cherish those moments when you put your talents to their most meaningful uses.

For example, the pandemic era has been particularly stressful for medical professionals. Doctors and nurses have had to contend with challenging work conditions, grumpy patients, staff shortages, and delivering the worst imaginable news. But they’ve also deepened their bonds with coworkers, exercised all their skills and knowledge, learned new things, and helped countless people through serious illnesses.

Every job has those moments of purpose that we should all spend more time focusing on. No matter what you do, there’s an

end customer whose life you're making better, a co-worker you're teaching or learning from, a problem that you're able to solve, or a family member who benefits from the fruits of your labor.

3. Take more purposeful actions.

If your workday is so full that you can't build more purpose into it, you might need to be more mindful about how you spend your time outside of work. Volunteer at a school or charitable organization. Teach or mentor the next generation of professionals in your field. Wake up an hour earlier so that you can devote some extra time to your exercise goals or hobbies. Invest in more purposeful relationships by leaving work at work and focusing your free time on friends and family.

Or, if your current job just isn't aligned with your purpose, start working on a plan that will help you make a smooth transition into your next act.

We want your financial plan to connect your life, work, and money in a purposeful way. Call us and we can schedule a meeting to discuss how we can help you get more from your money.

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Preparing to Send Kids to College



Between the student debt crisis, COVID-19 lockdowns, and post-pandemic changes to the workplace, it’s never been more important for students to make the most of their college experience. And if you’re a parent who’s preparing to foot the bill and hoping to turn that extra bedroom into a hobby room, it’s important that you set clear expectations for what your child needs to accomplish before graduation.

Here are three discussion points that can help you, your spouse, and your child establish some ground rules so that all of you get more value from the next four years.

1. Academic expectations.

C’s may very well earn degrees, as the old saying goes. But while your child is no longer competing for a spot in college, that doesn’t mean they should start slacking in the classroom. Middling academic performance could jeopardize a scholarship your child earned. It could also make it more difficult to secure spots in selective classes and programs later in college – particularly if a post-graduate degree is part of

the plan. Moreover, if your A student is suddenly struggling to get by, that could be a sign that he or she isn't taking classes seriously or is dealing with mental health issues that you should address as a family.

Beyond engaging in their classwork to learn, students should use college to sharpen skills that will help them succeed in the workforce: time management, collaboration, perseverance, focus, and curiosity. Push your child to do more than get by and they'll learn how to push themselves toward greatness.

2. Financial expectations.

In addition to building good work habits, college is also an opportunity to teach your child good money habits. Even if you can afford to pay for tuition, room, and board, you might have your child contribute to total costs as well. Having some skin in the game might motivate your child to put in that extra effort to excel.

Of course, the costs of college don't stop once the tuition and housing bills get paid. What is your child's plan for covering basic living expenses? Have a conversation about part-time work, setting a monthly budget, the importance of saving and investing early, and using debt responsibly. This last point is especially important as many credit card companies barrage freshman with enticing introductory offers including fine print they may not understand. It's likely your student will have enough debt to worry about when they start working without adding a high-interest credit card bill into the mix.

3. Networking expectations.

For motivated students who want to build a glide path from the classroom to a good job, the resources at a college or university are almost endless. High achievers who demonstrate a commitment to hard work can form invaluable relationships with professors, administrators, counselors, alumni, and other

mentors. Many schools have strong connections to local companies, community organizations, technical certification programs, and government offices.

Joining student organizations can help students connect with their peers and start addressing issues both on campus and in the broader community. And all these contacts and experiences can be resources when it’s time to start applying to graduate school or looking for a first job. Talk to your child about how they plan to make these important connections and start cultivating their first professional network.

Ultimately, college will be what your student makes of it. Once you’ve set your expectations, you’ll have to give your child some space to find their best way to meet those expectations and prepare themselves for adult life.

We can’t help with homework, but if you’d like to set up an appointment before move-in day, we’d be happy to sit down with you and your child to help him or her get started on the path to long-term financial success.

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