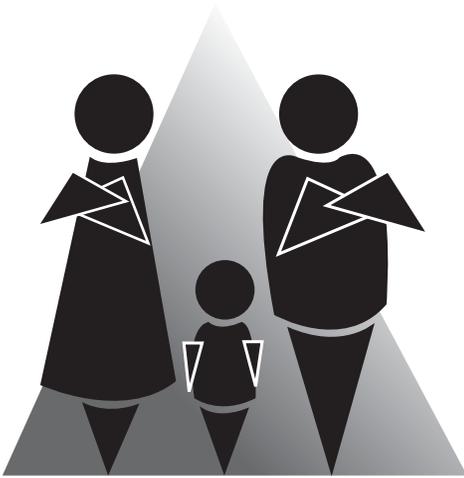


EXTENSION PROGRAMS

Agriculture and Forestry
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 4-H Youth Development
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Are Your Children in the
MIDDLE
 of Your Conflict or Divorce?

Talking With Children About Money

Divorce brings about financial changes for families as well as emotional and social changes. Children and parents are affected by these changes. Teaching children about money helps them to understand the financial changes the family is going through. It also teaches them the benefits of good money habits.

Most people have strong feelings and opinions about money based on childhood experiences and the values and beliefs of their families. Most often these experiences, values and beliefs are different for each parent. It is vital for the healthy development of children that parents talk about these feelings and opinions and establish a consistent approach to teaching children about money.

Some issues parents may want to address include:

- ▶ how to talk to children about the changes in the financial situation caused by the divorce.
- ▶ how to create an open environment in which the family can discuss money issues.
- ▶ how the children should receive money, whether through allowances or other method.
- ▶ what family values and attitudes about money the children may be observing.
- ▶ how to structure learning experiences about money.
- ▶ how to deal with children's differences in handling money (By stage of development, special needs or personality differences).

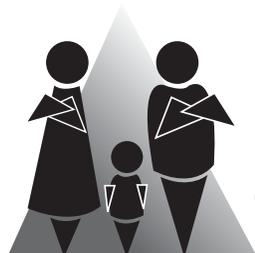
As parents begin to teach children how to handle money, they should:

- ▶ Remember the children's ages.

- ▶ Be honest about financial status without going into great detail. Too much information is overwhelming.
- ▶ Guide and advise rather than rebuke.
- ▶ Encourage and praise rather than criticize.
- ▶ Allow children to learn by mistakes and by successes.
- ▶ Be consistent.
- ▶ Include all family members in money management discussions, decision-making and activities as appropriate for their ages.
- ▶ Explain to children what they can and cannot do and the consequences of violating the limits.
- ▶ As children get older, increasingly include them in discussions of limits and consequences.
- ▶ Expect all family members to perform unpaid, routine household chores based on their abilities.
- ▶ Express your desire for the things you can't afford. Children need to know that parents say "no" to themselves, too.
- ▶ Communicate with children about money matters in very concrete terms. Children want to know how to operate in the adult world. Any time money is earned, moved, spent, donated, shared, borrowed or saved provides an opportunity for parents to teach children how the money world works and what thoughts and feelings go into making money decisions.

Here are some guidelines for how parents can approach the topic of money with children.





Are Your Children in the MIDDLE of your Conflict or Divorce?

Talking With Children About Money

K-3rd grade

Children can understand there is less money to spend, but they don't understand what things cost. At this age, a child's wants are his or her needs. In talking with children at this age:

- ▶ Be clear that everyone in the family will be making different choices.
- ▶ Help them understand the difference between wants and needs.
- ▶ Teach children to comparison shop.
- ▶ Help them develop a spending and saving plan.
- ▶ Make time together special and not dependent on outside things that cost money.

3rd-5th grade

Children at this age want to be involved in family decision making. They are concerned about what their friends think. They have a better idea of what things cost and the meaning of having less money. In talking with children at this age:

- ▶ Discuss how the family needs to make spending decisions by showing them situations where you and they need to spend money differently.
- ▶ Create a plan where they can support some of the family's expenses, such as paying for some activities with their own money.
- ▶ Have them keep track of two items they spend money on each month, such as food or entertainment.
- ▶ Encourage them to come up with low-cost activities.

6th-12th grade

Adolescents want to be independent when it comes to earning and spending money. They are influenced by their peers and may start to earn their own money. In talking with children at this age:

- ▶ Be frank about what you can and can't afford, and stress that everyone in the family needs to change spending habits.
- ▶ Be clear what you will pay for and what you expect the teen to pay for.
- ▶ If your teen works, make sure there is a balance between work, school, friends and family time.

- ▶ Help your teen develop a spending and savings plan.
- ▶ Let them make mistakes in their handling of money, but be sure they experience the consequences.

If you are interested in more information on this and other related topics, please call your local LSU AgCenter parish office. Below is the list of topics in the "Are Your Children in the Middle of Your Conflict or Divorce?" series.

A Child's View of Divorce
The Business of Co-parenting
Coping with Stress and Change
Costs of Raising Children
Custody Issues Today
Dating Issues
Disciplining Children
Friendship and Support
Help! I Feel Overwhelmed
Loss of a Relationship
Managing Income and Expenses
Not Enough Hours in the Day
Separating Your Finances
Sharing Parenting
Talking with Your Children
Talking with Your Children About Money
Talking with Your Children -- Communicating Within Your Family: Active Listening
Visitation Do's and Don'ts

Reference

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