

How to talk money with your family



While many parents may have good intentions about teaching their kids about money, only 15% of them are actually doing it.* Research suggests that the key to helping children achieve strong financial health in adulthood is to start conversations with them when they're young.

Here are a few tips to build financial literacy and good money habits from a young age.

- 1 Make money talk an everyday thing:** Use day-to-day life experiences to teach your child about money. This will help your child become familiar with financial terms and concepts.
- 2 Encourage your child to save:** Help your child understand that there are choices they can make when they receive an allowance or birthday money – and that setting aside a portion of such income as savings is a winning habit.
- 3 Involve your child in important family money decisions:** When you're considering a significant family purchase, engage your child and help them understand what goes into the decision. Be it a new house, a car or kitchen appliance, walk them through your thought process and how you think through the experience of comparing prices and options.
- 4 Talk to them about household finances:** Much can be learned through how parents manage their money and use income to both pay for all the household expenses and save for the future. Explain the difference between all of the checking, savings and investment accounts. Consider opening a savings account for your child so that they are empowered to earn money, save it and watch it grow.
- 5 Model good money habits:** Kids absorb a lot of information from their surroundings and learn a lot from what you do and say. Try to demonstrate good financial habits on a daily basis and talk openly about how to save, shop wisely, avoid debt and delay gratification.

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