

## ALLOWANCE PROGRAM: TEACHING RESPONSIBILITY, ACCOUNTABILITY, AND FINANCIAL INDEPENDENCE

### Objective

This program is designed to teach children responsibility, accountability, and financial independence. By managing their own money, children will learn the value of essentials versus non-essentials and develop budgeting skills.

### Program Details

#### Weekly Allowance

- The child will receive a total weekly allowance of **\$100.00**, divided as follows:
  - **Respect:** \$25
  - **Chores:** \$25
  - **Schoolwork:** \$25
  - **Honesty:** \$25
- **Deductions:**  
A \$25 deduction will be made for each violation in the designated areas of accountability.

#### Monthly Bonus

- If the child avoids any deductions for the entire month, they will receive a **\$200 bonus** to spend as they wish.

#### Responsibilities for Managing Money

The child will be responsible for purchasing their own **non-essential** items, including but not limited to:

1. **Clothing:** Everyday clothes, shoes, accessories, and seasonal attire.
2. **Toys and Entertainment:** Video games, books, hobbies, or activities with friends.
3. **Toiletries:** Shampoo, conditioner, deodorant, toothpaste, hair products, etc.
4. **Personal Electronics:** Upgrades, repairs, or accessories for phones, tablets, or other devices.
5. **School Supplies:** Extra notebooks, fancy pens, and decorations for school projects (essentials like basic notebooks and pencils will still be provided).
6. **Snacks:** Any snacks or treats outside of family meals.
7. **Gifts:** Birthday or holiday presents for friends or family.

## **Parent's Responsibilities**

Parents will continue to provide:

### **1. Essential Items Only:**

- Food for family meals (breakfast, lunch, and dinner).
- Basic hygiene products shared by the household (e.g., toilet paper, hand soap).

### **2. Guidance:**

- Help the child differentiate between **essential** and **non-essential** purchases.
- Provide budget tips and strategies.

## **Understanding Essentials vs. Non-Essentials**

### **Essentials:**

Items required for survival and basic well-being.

- Food for family meals.
- Basic shelter and utilities.
- Health-related items (e.g., medications or necessary hygiene products).

### **Non-Essentials:**

Items that are "wants" rather than "needs."

- Extra snacks, fancy toiletries, toys, entertainment, or brand-name clothing.
- Accessories or upgrades not required for basic functioning.

## **The Four Accountability Areas**

Each area has a corresponding portion of the weekly allowance. Violations result in a **\$25 deduction**.

### **1. Respect**

Treating family, friends, and others with kindness and politeness.

#### **Examples of Violations:**

- Fighting with a sibling or using harsh, unkind words toward them.
- Talking back to a parent or teacher in a rude or defiant tone.
- Interrupting others or refusing to listen when someone is speaking.

## 2. Chores

Completing assigned household responsibilities on time and with effort.

### Examples of Violations:

- Ignoring or refusing to complete chores like cleaning their room or taking out the trash.
- Doing chores halfway or poorly (e.g., shoving clothes under the bed instead of folding them).
- Repeatedly needing reminders to complete tasks.

## 3. Schoolwork

Doing homework, studying, and participating in school activities diligently.

### Examples of Violations:

- Skipping or not completing homework assignments by the deadline.
- Receiving negative reports from teachers for not participating in class.
- Failing to prepare for a test or project despite reminders.

## 4. Honesty

Being truthful and transparent in actions and communication.

### Examples of Violations:

- Lying about completing chores, homework, or other responsibilities.
- Hiding a bad grade or trying to cover up mistakes instead of being upfront about them.
- Blaming others for their mistakes or actions.

## Implementation Steps

### 1. Tracking System

- A **Behavior Chart** will document weekly behavior in each of the four areas.
- An **Allowance Ledger** will record the child's weekly allowance balance, noting any deductions for transparency.

### 2. Weekly Review

- At the end of each week, parents will sit down with the child to:
  - Review behavior and discuss strengths and areas for improvement.
  - Deduct money for violations, if necessary.
  - Praise the child for maintaining positive behavior.

### 3. Monthly Bonus Evaluation

- If the child avoids all deductions during a month, they will receive the \$200 bonus.

#### Budgeting Tips for the Child

1. **Plan Purchases:** Think ahead about what you'll need for the week or month.
2. **Track Spending:** Use a notebook or app to track where your money goes.
3. **Prioritize Needs Over Wants:** Save for bigger items rather than spending impulsively.
4. **Set Goals:** Create savings goals for more expensive items or experiences.
5. **Ask for Guidance:** If unsure, ask parents whether something is essential or non-essential.

#### Benefits of the Program

1. Builds financial independence and budgeting skills.
2. Reinforces the importance of responsibility and accountability.
3. Encourages critical thinking about needs versus wants.
4. Motivates positive behavior with clear consequences and rewards.

Parent Signature: \_\_\_\_\_ Date \_\_\_\_\_

Child Signature: \_\_\_\_\_ Date \_\_\_\_\_

**SAMPLE  
TRACKING SYSTEM**

**BEHAVIOR CHART**

A Behavior Chart will document weekly behavior in each of the four areas. This chart allows both the child and the parent to track progress and address any violations promptly.

Sample Behavior Chart

<b>Week</b>	<b>Respect</b>	<b>Chores</b>	<b>Schoolwork</b>	<b>Honesty</b>
Week 1	\$25	\$25	\$25	\$25
Week 2	\$25	\$25	\$25	\$25
Week 3	\$25	\$25	\$25	\$25
Week 4	\$25	\$25	\$25	\$25
Week 5	\$25	\$25	\$25	\$25

**ALLOWANCE LEDGER**

An Allowance Ledger will record the child's weekly allowance balance, noting any deductions for transparency. This ledger provides a clear record of financial activity, helping the child learn accountability.

Sample Allowance Ledger

<b>Week</b>	<b>Starting Balance</b>	<b>Deductions</b>	<b>Final Balance</b>
Week 1	\$100.00	\$0.00	\$100.00
Week 2	\$100.00	\$0.00	\$100.00
Week 3	\$100.00	\$0.00	\$100.00
Week 4	\$100.00	\$0.00	\$100.00
Week 5	\$100.00	\$0.00	\$100.00