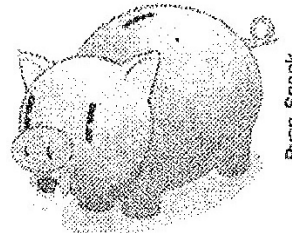


# 15 Money Rules Kids Should Learn

*Piggy Banking: Preparing Your Financial Life for Kids,  
and Your Kids for a Financial Life*

Jeff D. Opdyke, 2010



## Teach Your Children Well

- 1** Spending money happens only after you earn it.
- 2** When kids start asking parents to drive to the toy store to buy some plastic whatnot, it's time to consider an allowance.
- 3** The size of an allowance shouldn't be so meager that your child is a pauper among peers, nor so generous that your child can easily afford all wants with little financial planning.
- 4** Good grades are expected and help around the house is simply the price of family life.
- 5** While 16 is generally the legal age of employment, encourage kids starting around age 13 to think of ways they can earn an income.
- 6** Guide and advise your kids about money, but don't dictate.
- 7** Failure to balance the debit-card bank account monthly means losing access to the debit card for a week or more; failure to repay an entire month's credit-card balance means the loss of the card until the balance is fully paid off, plus one additional month.
- 8** Only 50% of the money put into a piggybank can be taken out to buy something. At least half must remain inside the pig.
- 9** Children should have the right to screw up financially so that they can learn from their mistakes.
- 10** When it comes to investing in stocks, kids should understand a company at such a basic level that they can draw a picture of the business model with a crayon.
- 11** You don't need to be wealthy to begin teaching your children about the stock market.
- 12** If a child's charitable interests lie outside your special interests, so be it.
- 13** Parents don't have to save every last dime a child will need for college expenses. You only have to save up to your ability or desire to pay.
- 14** One of the greatest gifts you can give your child is your own financial self-sufficiency when you're old.
- 15** At some point, you have to tell your kids that the Bank of Mom & Dad is officially closed.