

## Family Conversations about Money

When we think about our relationship with money, it is often influenced by a number of factors that are outside of our awareness. Consider the people in your life, the messages you receive on a daily basis from the media or culture in general, and your own personal experiences to get a sense of the complexity. According to conventional wisdom, people are more comfortable talking about almost anything to avoid addressing money.

We all know that money can be at the root of many disagreements and as a result, it can put a strain on our relationships and lead to stress. As a family, you have the power to break this cycle by making money conversations transparent and productive, modeling healthy financial habits for your children. Here are just a few of the topics that you may want to explore:

TOPICS	CONCEPTS	ACTIONS
<b>Earning</b>	Explore different ways to earn money and the importance of developing soft skills, how improving one’s education and training can boost earning potential, and the benefits of volunteering.	Offer your kids an allowance and/or provide opportunities to earn additional money for chores or other acts of service (paid or unpaid).
<b>Saving + Spending</b>	Explore the concept of delayed gratification and the value of saving for the future. Talk about balancing wants and needs when it comes to spending and setting priorities. Discuss the importance of giving to others (either monetarily or in-kind).	Open a savings account, start working toward a savings goal, and create a spending plan. Set some spending rules that include parallel saving and/or giving to a charitable cause.
<b>Borrowing</b>	Explore how credit is used to acquire assets like a home, education, or car. Talk about the importance of being creditworthy and meeting your obligations by making timely and consistent payments over time and living within your means.	Extend your child a personal loan with defined payment conditions to simulate the borrowing experience. Encourage your child to check out books from the library and then be responsible for returning them on time and in good condition.
<b>Planning</b>	Encourage your child to imagine the needs of their future self. Explore the importance of insurance and long-term savings. Discuss the power of compound interest.	Identify some long-term goals (e.g. paying for college) and create a multi-year plan for achieving them. Open an investment account and estimate potential earnings.

Look for opportunities to extend the learning in your daily interactions. As you manage your own financial life, invite your child to be a witness to both the responsibilities and rewards of good financial management. Encourage them to ask questions and be sure to share information that is age appropriate. Above all, make these conversations a part of your on-going family dialogue to promote a healthy relationship with money.

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We are often reluctant to talk about money. It may be because we associate money with negative emotions like fear, worry, or shame. Or we may have never had the opportunity. As parents, having open and honest money conversations with our kids is a healthy way to explore our values and habits related to saving, spending, and sharing. Use the following prompts to get the money conversation going.

Do you feel happier when you earn money or when you spend it? Why?	Have you ever purchased something and later regretted it? What did you do next?
Do you think it's more important to have a job you like or a job that pays well? Why?	Provide some examples of healthy financial habits? Which of these do you possess?
If you were given \$5 million but could not spend any of it, what would you do with the money?	What's the best gift you have ever received? Why?
Tell a story about a time you were generous. How did it make you feel?	If you want something but don't have the money, what options do you have?



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Use this template to create your own **Coat of Arms**. Write your family name and/or motto across the bottom ribbon. Then draw pictures or write words and phrases in each space that represent your family values about money.

