Wish your parents taught you more about money?

You might have wished your family had taught you more about money when you were younger. For better or worse, our childhood experiences can drive our current financial decisions, and we want to encourage you to empower your kids to give them a good, healthy head start.

Here is a checklist of ideas to help start the money conversation with your kids.

☐ Start the conversation early

Being financially well means learning to live within your means today while preparing financially for tomorrow. Having conversations early about money will help set your kids up for success. When a young child asks for something, explain it costs money. Then, depending on their age, you can help them learn it's value by offering chores for an allowance. Show them they can save what they earn for that special thing they want. If they are very young, start with a piggy bank. Later, when they are older, take the piggy bank and all of their earnings down to a local bank and open up a savings account for them.

☐ Earn more, save more

This is a chance to talk about wants vs. needs and show your child what a budget looks like. When they want something, they can create savings goals by writing down what they want and, based on their rate of earnings, calculate how long it will take before they can get it. Once they have earned enough for the one thing your child wanted, you can take them to buy it with cash – together. This will teach them patience. As they get older, you can encourage them to earn more and save more by seeking jobs in the neighborhood, such as offering to mow lawns or babysit to earn more.

☐ Motivate them to save more

As your child gets older, talking with them about planning for college and the importance of saving for the future is a good idea. If they get summer jobs you can have them contribute some of their earnings to a college fund you may have or you can start one. If you can, match every dollar they put in. This will motivate them to save more and will introduce the concept of employer matching for retirement savings accounts later in life while helping them reduce their future student loan debt.

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☐ Teach them to put time on their side

Open an IRA for your child when they reach adulthood. Whether they work during college or after encourage them to automatically invest in a tax-favored account. Over time, will allow them to take advantage of compounding, meaning any earnings on contributions they make to their future savings, will go back into their account without being taxed and can generate their own earnings. Time is the key. The earlier they start, the more they can potential earn. Saving is a good habit to start young.

☐ Act as their bank, teach them about credit

For example, if your child needs a car and has a part-time job in high-school, you can sell them yours for a specific amount. Give them the keys and explain that they need to pay an agreed-upon amount on the first of every month. If they don't, you can take the keys and repossess the car. After all, that is what a bank will do. You can explain credit, the power of a good credit score, how to get one and how to maintain it to pay less for borrowing later.

☐ Talk about loans and debt

It's especially important to prepare kids for the real world, whether they are leaving for college or setting out on their own for the first time. Hopefully, you've been honest much earlier about whether you can afford to send them to college and if they'll need to aim for scholarships and student loans. Helping them prepare well ahead of time will help them navigate how to pay for school and living expenses in college and beyond. Teach the basics so they know how to stay financially healthy and avoid debt.

☐ Leave room for mistakes

Once you've shared the basics, let them take charge of their money while they are still living at home. Mistakes can be the best teachers. You can help them understand how to fix them and move on.

☐ Set a good example

Kids often learn more by observing behavior than from what you tell them. If you need to get healthier financially, tell them. Involve them when you make big money decisions. Demonstrate how you research your purchases first, then show your decision-making process and how you intend to pay for it. If you can, show them how much they can save by saving first, delaying instant gratification and staying out of debt. Then, visit us to learn more about how you can get healthier financially to be the best role model you can be.

Please join us online at Voya Learn for live and on-demand videos where you can watch, learn and grow together giving you a fresh start and giving them a head start for a better future. Visit **www.VoyaLearn.com**.

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