

ARCHFORD®

Children & Wealth

Age-Appropriate Information and Tips To Help Introduce Your Child(ren) to the Important Concepts of Money and Wealth

Table of Contents



03 What is this guide?

04 What do you know?

05 What do you want for your children and grandchildren?

06 Introduction

09 Children & Wealth – Age 4

15 Children & Wealth – Age 6

20 Children & Wealth – Age 8

25 Children & Wealth – Age 10

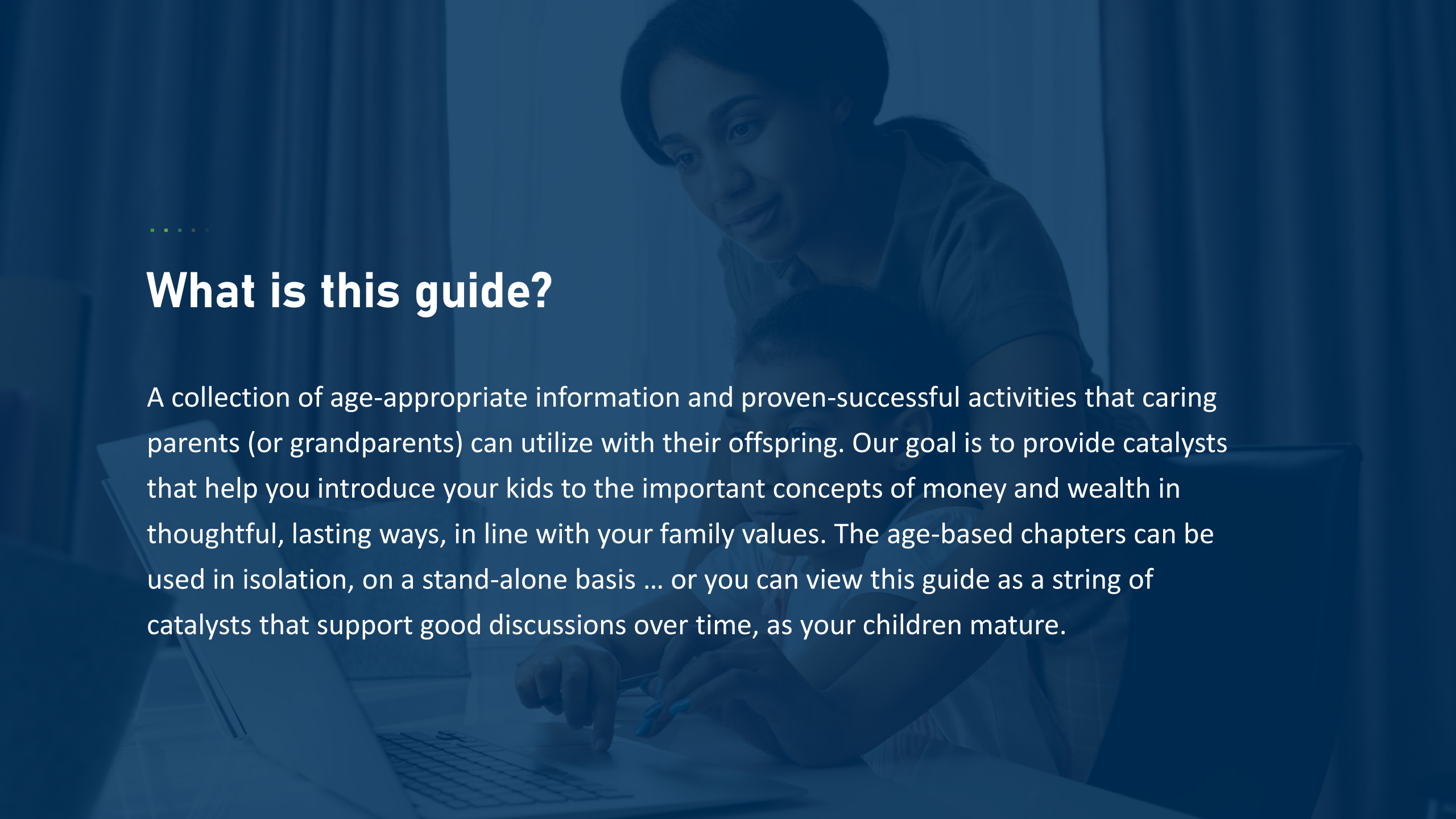
30 Children & Wealth – Age 12

35 Children & Wealth – Age 14

40 Children & Wealth – Age 16

45 Children & Wealth – Age 18

50 What makes this program work?



What is this guide?

A collection of age-appropriate information and proven-successful activities that caring parents (or grandparents) can utilize with their offspring. Our goal is to provide catalysts that help you introduce your kids to the important concepts of money and wealth in thoughtful, lasting ways, in line with your family values. The age-based chapters can be used in isolation, on a stand-alone basis … or you can view this guide as a string of catalysts that support good discussions over time, as your children mature.

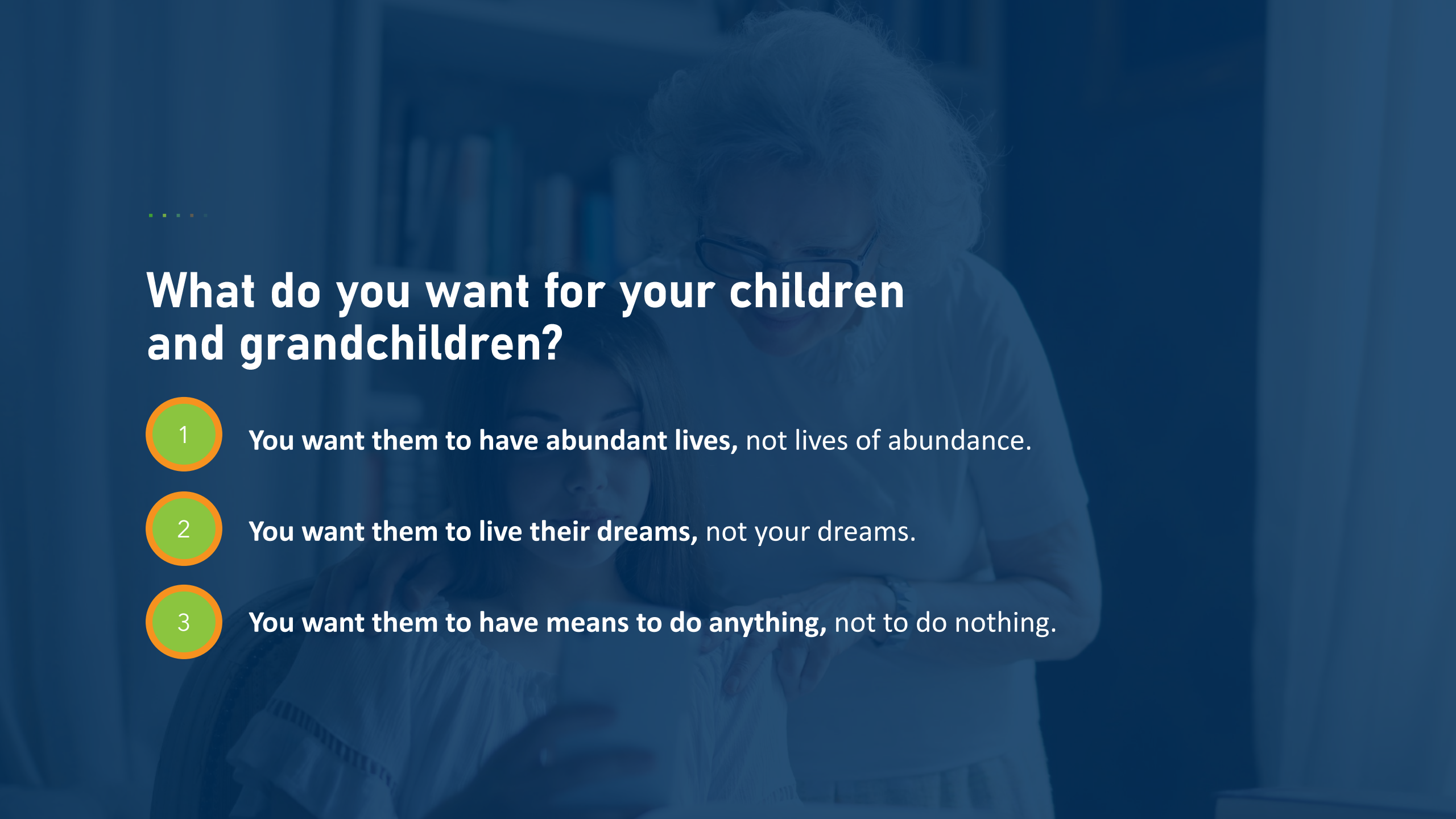


What do you know?

1. **You know what makes good parenting –** clarity, consistency, and communication!

2. **You know what leads to good decisions –** knowledge, family values, and an appreciation for opportunity costs!

3. **You know what leads to financial success –** earning income, living below one's means, and investing wisely!



What do you want for your children and grandchildren?

1. **You want them to have abundant lives,** not lives of abundance.
2. **You want them to live their dreams,** not your dreams.
3. **You want them to have means to do anything,** not to do nothing.

Introduction

Children of wealth have no more innate understanding of personal finance than they have of any of the academics, athletics, arts, and activities they will become adept at as they grow and mature. Is there anyone in their lives more qualified to teach them the financial foundations of investing in themselves, earning income, saving, spending, protecting, and investing than you are?

We think not, and are here to give you ideas, age-appropriate insights, practical tools, and confidence to start educating the children in your life today.

Often, we are asked the ideal age to start instructing children about personal finance. We answer that question with another question, “When is too early to ask a child, do you want this or that?” and then help them recognize the opportunity cost of their choice.

Economics, as you know, ultimately comes down to choosing between alternatives. The economic way of thinking can be cleverly summarized this way:

> ***Everything we value is scarce. Because everything we value is scarce, we can’t have it all. Because we can’t have it all, we must make choices. Every choice we make means giving up something else. That most valued alternative that we give up when we make a choice is our opportunity cost. Opportunity cost is the actual cost of the choices we make.***

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Families of wealth are not exempt from this economic way of thinking and living. In fact, the opportunity costs – *the trade-offs* – are often harder because the value of what we give up is greater. Time is the ultimate scarce resource for all of us. We hope we can help you realize the benefit of devoting your time to developing this cost/benefit thought process in the children you love.

Let's start by looking at eight different age bands from age 4 to age 18 and consider the appropriate financial topics and activities to introduce considering a young person's development.

At age 4, ask children to choose between a nickel and a dime, or 50 pennies and a dollar. Chances are they will choose the nickel because it is "bigger" and the pennies because there are "more." Now is the time to teach money values and we give you some ideas to get you started.

At age 6, ask children to choose between something now or something later. No surprises that most will choose now. What a fantastic opportunity to introduce allowance and to help them develop the skills to delay gratification with options to save, spend, and share.

At age 8, ask children to choose how to budget their allowance. They are likely to tell you that the allowance isn't enough to cover all they want. What an ideal time to let their entrepreneurial imaginations provide value to others and create additional income to supplement their allowance.

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At age 10, ask tweens to choose how they want to keep track of the money. Chances are that they will want to do so electronically. Given their interest in in all things online, this is a critical time to introduce cybersecurity and protection in all its forms from insurance and banking to reputation.

At age 12, ask adolescents to choose whether they want to do something by themselves or with a group. The peer dynamics at this age will almost certainly lead them to social choices. This is an opportune time to provide opportunities for investing clubs or service activities that are team-based.

At age 14, ask young teenagers to choose how they will acquire some big-ticket items, like their first car. They are likely to respond that it would be a welcome gift from you! This is an opportunity for you to set realistic expectations and to help them develop income earning skills, by earning certifications.

At age 16, ask teenagers to choose what is important to them in their remaining high school years and they are likely to share feelings of being overwhelmed. Help your teen develop time management skills by encouraging a part-time job, in addition to school and extra-curriculars.

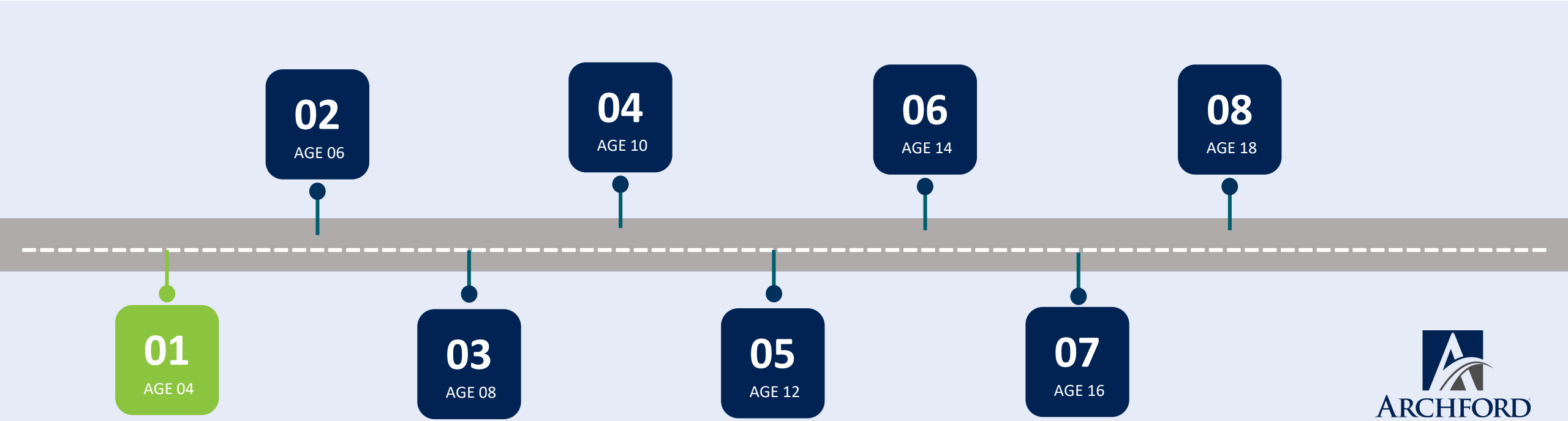
At age 18, ask young adults to choose momentous life decisions, like what college to attend and what to study. It is likely all that is on their minds. Help set clear expectations, in line with family values, about the freshman year, which might include budgeting, college allowance, performance, and holidays.

Now, let's look at the program in detail ⟶

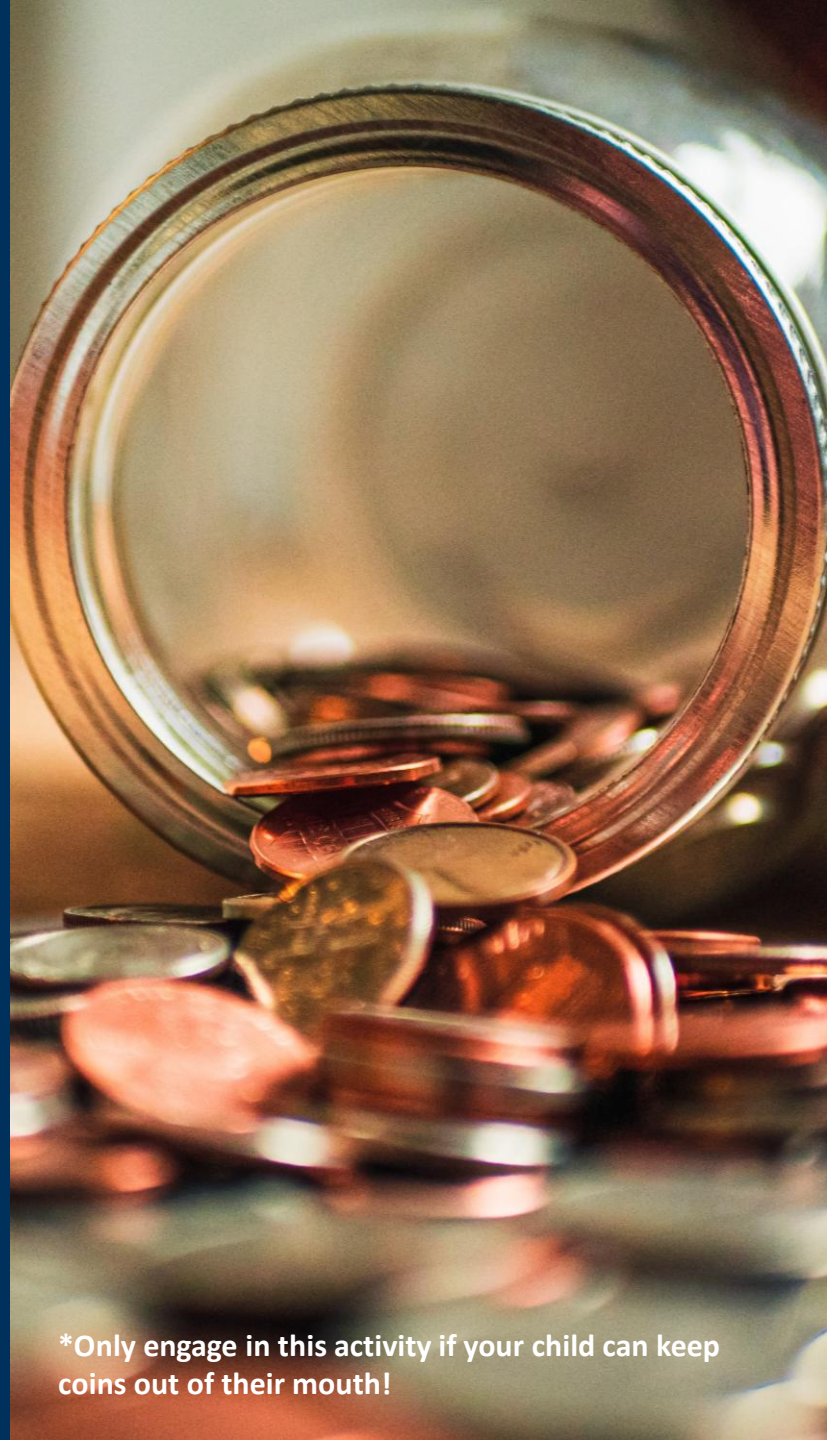
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Children & Wealth – Age 4

Teaching your children about money and wealth –
age-appropriate guidance and activities for children aged 4.



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Objective

Introduce children to currency, how coins have different values and the impact of different combinations.

Approach

- Compile a set of currency: 1 dollar bill, 1 dollar coin, two half dollar coins, four quarters, ten dimes, 20 nickels, and 100 pennies. Put them in a clear plastic bag so the child can see them.
- Start by laying a one-dollar bill on the table. Have your child blow on it and see how it floats away.
- Suggest to your child that coins will help keep it in place, and one by one, show the combination of like coins that will anchor it. Use this as the opportunity to teach the name and value of each coin, best large to small – this may take some time, be patient.
- Read **this poem** to your child and introduce the coins in each stanza. Start singing, first alone, then with the child, which helps build memory.
- Once the values of the coins and the dollar are understood and the child advances, start working on how combinations of different coins can lead to the same sum. Consider rewarding a new combination with $1 for the child's piggy bank.

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Coin Game Poem, Chant, or Song

Currency is money, Honey
It can be paper or coin
A paper "1" is a dollar bill
Let's learn the coins it takes to fill

One dollar coin, one dollar bill
These two are the same
Finding the other combinations
is how we'll play this game

Two 50-cent coins, each one half
Are equal to each other
Put the two together
And they make their dollar brother

Four quarters make a dollar
Each one is 25 cents
Two quarters make a half dollar
See how that makes sense?

It takes ten dimes to make a dollar
Can you count by ten?
10, 20, 30, 40, 50
Now do it all again

It's time to meet the nickel
The coin that's worth 5 cents
To make a dollar, it takes twenty
Four piles of five, and that is plenty

Finally, we meet the penny
The coin that's just one cent
It takes 100 to make a dollar
Count up that high, and you can holler

You think we're done, but we are not
There's so much left to learn
With other combinations
There's a chance for you to earn

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Objective

Introduce your child to the idea of saving and protecting money by putting it in a safe place.

Approach

- Help your child choose a piggy bank. Consider a clear one so your child can watch the “balance” grow.
- Ask your child what might happen to a dollar that doesn’t get put in a safe place. Consider using coins to represent the number of possible answers. Challenge your child to give you a penny’s number (one answer), a nickel’s number (five answers), or a dime’s number (ten answers) of possible things that could happen to that dollar if it is not safely saved.
- Connect the counting skills you helped your child develop in the first activity to earning money (skills earn money). Let your child make one combination of varied coins to build to a dollar, and then let your child put a dollar in the piggy bank.
- Introduce the concept of saving and make the connection that saving is a choice *not* to spend.
- Tell your child that when the piggy bank is full, you will take it to an actual bank together and open (or add to) a savings account. Although there will be the temptation to buy something with the piggy bank savings, it may be best to keep to the theme at this age.

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Shopping Trip

Objective: Introduce your child to the idea of making wise spending choices.



01
Approach

Consider having your child help you plan a shopping trip to the grocery store, including writing a shopping list. The grocery store is a better choice than, say, a toy store or mall, where there may be too many distractions and temptations for your child.

02
Approach

Limit the trip to a single grocery store to buy all the ingredients for a single meal. Then, ask your child to help you find the items you need … and resist the temptation to buy anything else. Fight the "impulse buys" by asking "Is this on our list? Do we truly need this?

03
Approach

Plan to pay for the groceries with cash. Then, have your child help you count out the money to pay the clerk. Keep the change separate and use it to practice counting when you get back home.

04
Approach

Resist the temptation to make the shopping trip a reward trip. Instead, consider thanking your child for helping you shop by doing something else that the two of you enjoy together.

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This is the 1st in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ "My Money" Student Workbook from the Federal Reserve Bank of Richmond
- ✓ "Kiddynomics" from the Federal Reserve Bank of St. Louis
- ✓ "Family At Home Financial Fun Pack" from the Council for Economic Education

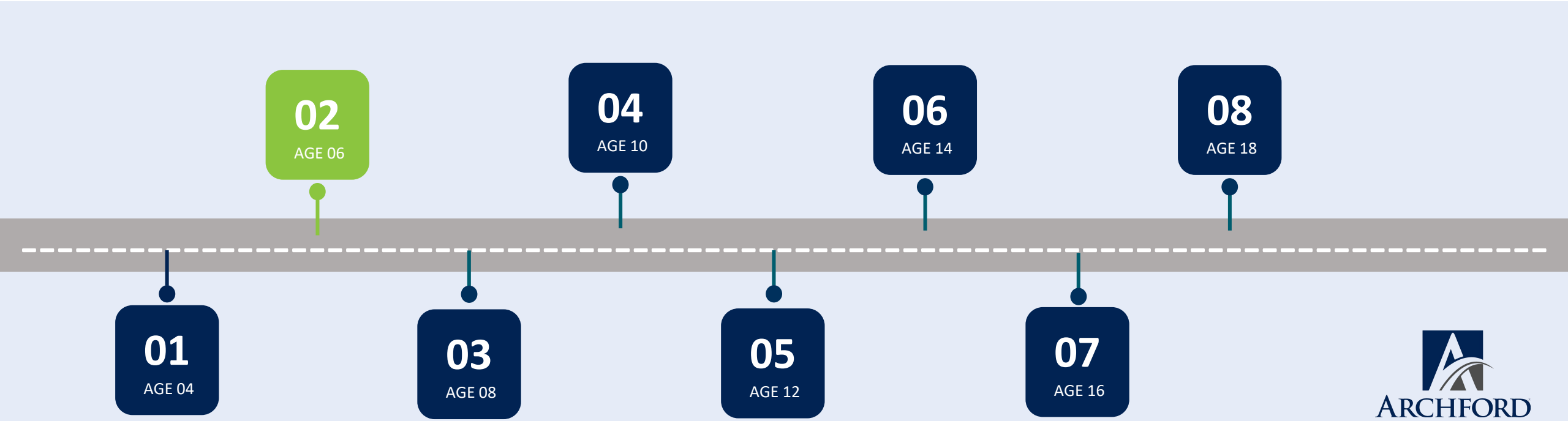
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Children & Wealth – Age 6

Teaching your children about money and wealth –
age-appropriate guidance and activities for children aged 6.



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Allowance

Objective: Introduce your child to the idea of receiving money regularly, as an allowance, distinguished from occasion gift money or money earned from special jobs.



01
Approach

Like the 6th birthday or the beginning of first grade, starting an allowance program should be a special event, a rite of passage. But, after the launch, consistency is the key to making it successful. Consider a set time each week.

02
Approach

A reasonable weekly amount might be $1 times the child's age. Although flexible, you want it to be small enough for your child to manage at this age, but large enough that your child can make meaningful decisions with it.

03
Approach

Instead of starting with more, consider matching your child's choices at key milestones.

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Three Banks

Objective: Help your child make trade-off choices and have them think of money beyond spending/buying.



01
Approach

As part of “graduating” from the piggy bank to the three-bank system, consider what you will do with the piggy bank, and then help your child choose and label the new clean banks with “Save,” “Spend,” and “Give”. Ideally, use see-through jars or containers, so that kids can see the money grow.

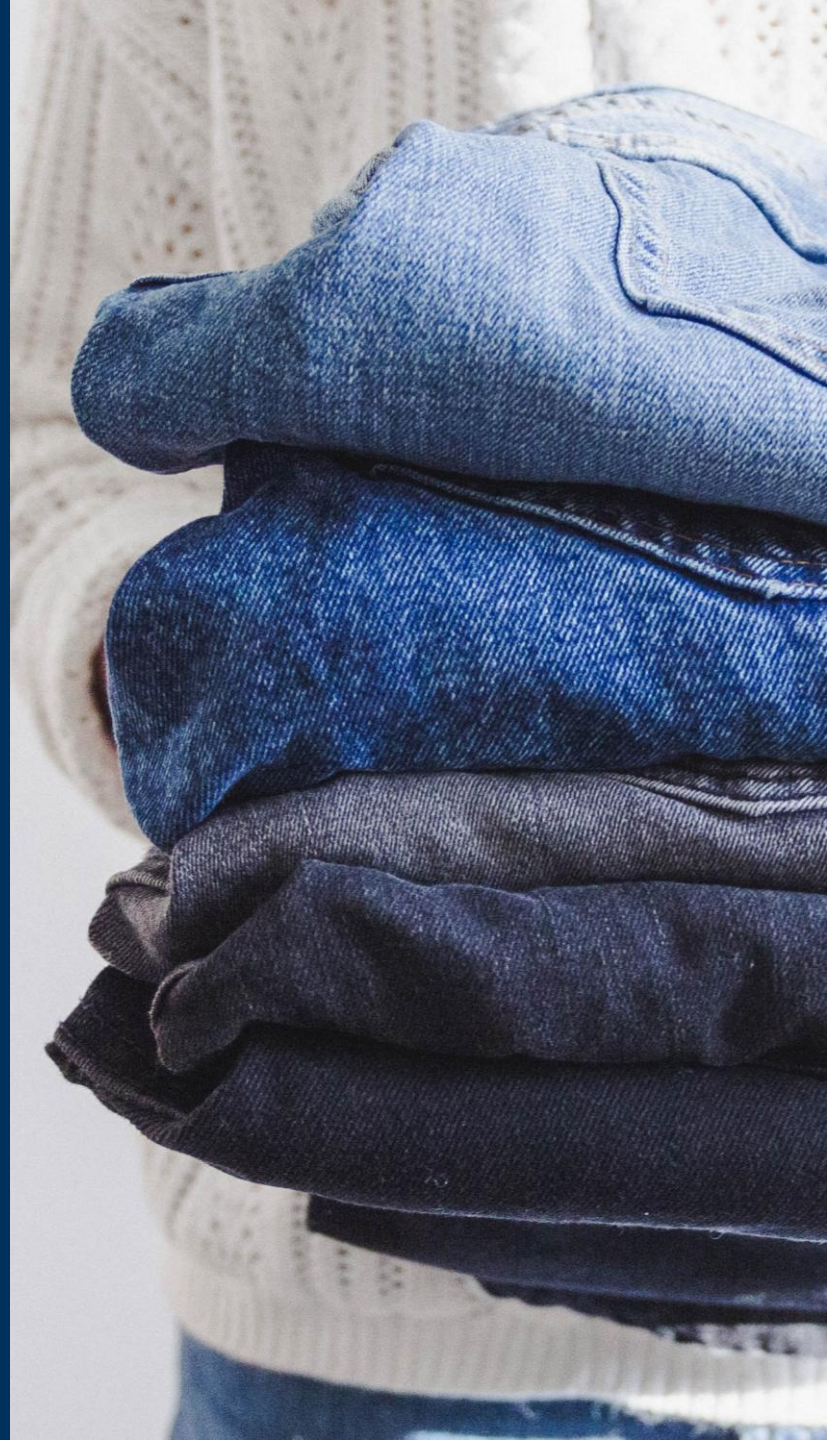
02
Approach

Add to the weekly allowance ritual by asking your child to divide the money across the three jars. Ask questions without judgment, allowing your child to allocate their budget thoughtfully. There is no “golden percentage”, view this as an opportunity to establish and manifest family values.

03
Approach

Be careful not to undermine the allowance lessons by giving in to their requests for more money and respect their allocation decisions.

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Objective

Introduce your empathetic child to concrete ways of giving that supplements what is in the “Give” jar above.

Approach

- With your child, identify a charity that they are passionate about and will benefit from receiving the clothes and toys that they have outgrown.
- Have your child choose what they are willing to part with.
- Allow your child to help pack and deliver those items.
- Discuss the experience and how giving felt when you return home.
- At the next allowance meeting, be mindful of your child's decision (it may be different) and encourage discussion around any change in choices.

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This is the 2nd in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ KidWealth List of Money Books
- ✓ Kiddy Bank Primer from the Federal Reserve Bank of St. Louis
- ✓ The Four Money Bears

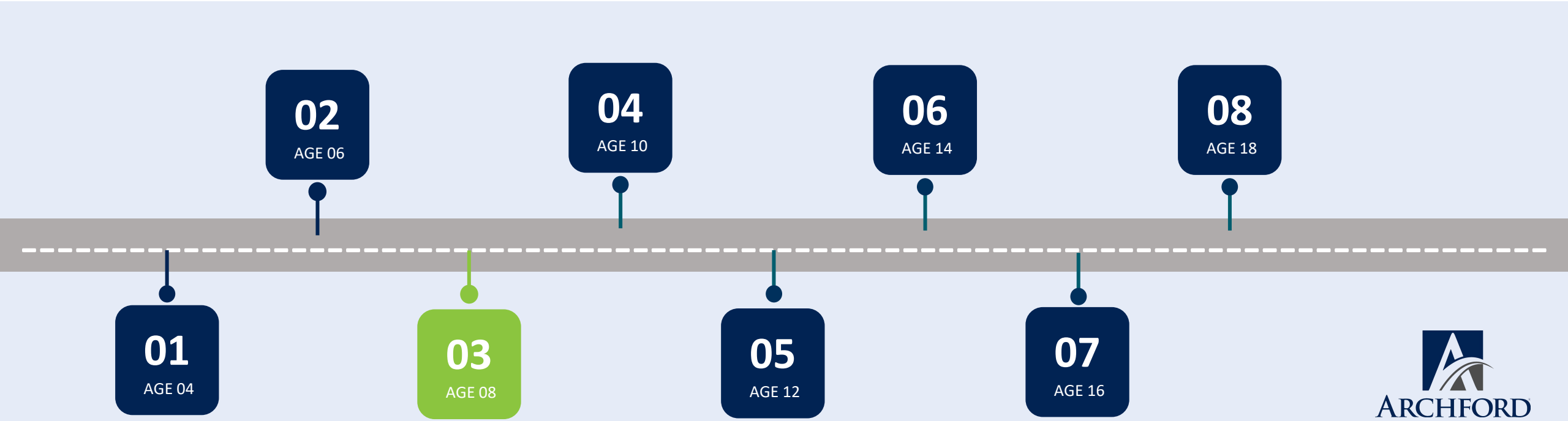
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Children & Wealth – Age 8

Teaching your children about money and wealth –
age-appropriate guidance and activities for children aged 8.



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How About A Raise?

Objective: Change your child's allowance amount and structure to encourage longer-range thinking, more impactful decisions, and increased gratification delay.



01
Approach

Increase the allowance amount to $3 times your child's age and spread the time between allowance meetings from once a week to twice a month, say the 1st and 15th.

02
Approach

Help your child create a simple handwritten ledger of money in and money out of the "Save," "Spend," and "Give" banks. Keep this ledger with the banks and update it with your child twice a month. Make this a prerequisite activity before starting any electronic banking with your child.

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Objective

Encourage your child to identify sources of earning income to supplement allowance.

Approach

- Read a book with your child about a kid entrepreneur, for example, “The Toothpaste Millionaire”.
- Identify your child’s skills and help your child understand that entrepreneurs make money from providing products people value and will pay for.
- Brainstorm with your child about an age-appropriate entrepreneurial venture.
- Help your child budget and document revenues, expenses, and profits. But be sure to keep it real.

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Objective

Once your child can keep records with a ledger, it might be time to introduce electronic aids to help them become more tech-savvy.

Approach

- Help your child with the allowance ledger and the entrepreneurial record keeping from the two activities above. In addition, ensure that your child understands the math involved.
- Download an allowance app on your phone and look at it regularly with your child, for example, "Greenlight" at greenlight.com, and see the Forbes List for other good options.
- Maintain the practice of having your child keep records for a while and compare electronic and manual records.
- Discuss cybersecurity with your child and consider signing up for a training class you can do together.

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This is the 3rd in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ SmartPath
- ✓ Forbes Best Entrepreneurship Books for Kids
- ✓ Forbes List of Allowance Apps
- ✓ The Four Money Bears

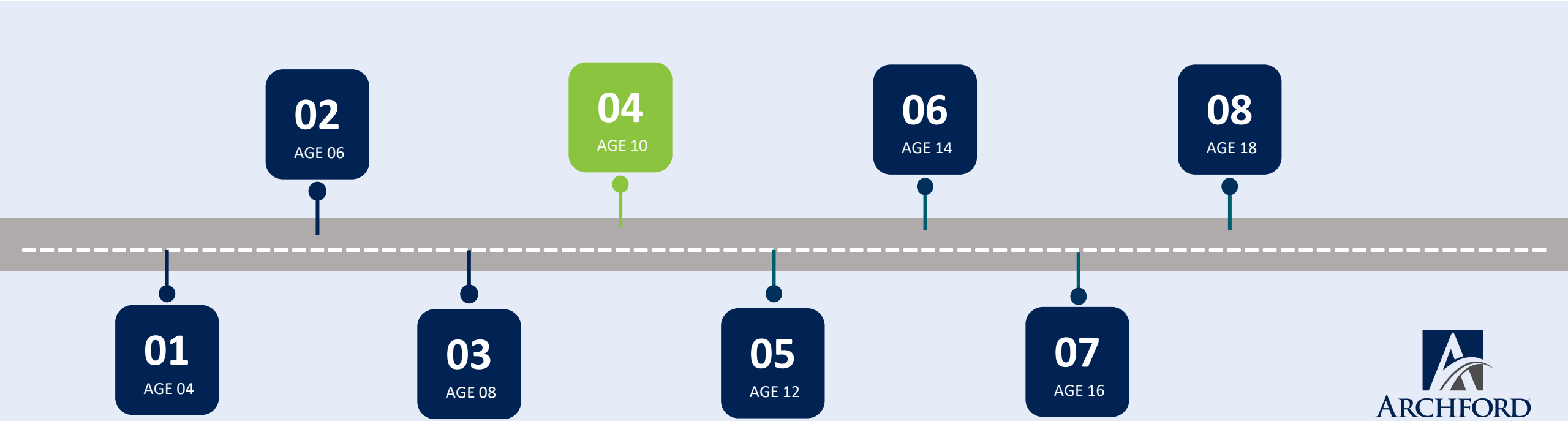
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Children & Wealth – Age 10

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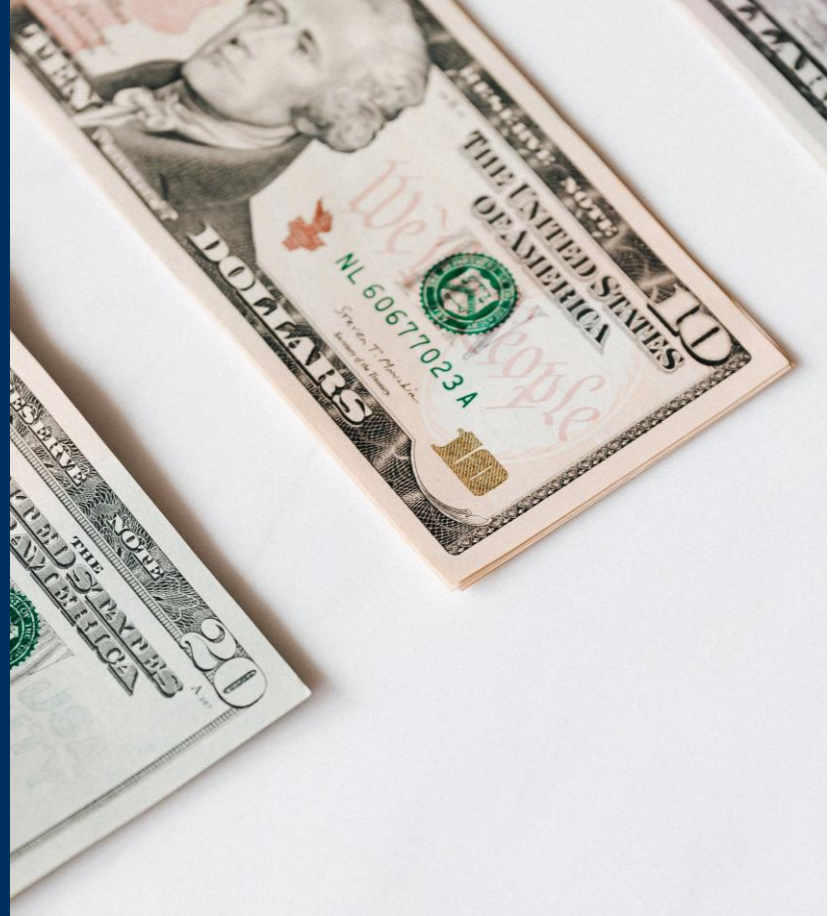
Objective

Help your child develop budgeting skills with increased allowance and responsibility to pay for some fixed and variable expenses.

Approach

- Create an allowance contract with your child. Identify predictable fixed and variable expenses every month. Increase allowance commensurate with the projected costs. Help your child develop a budget.
- Move to a once-a-month allowance schedule.
- Reinforce the original save, spend, and give choices while expanding the fixed and variable spending options.
- Be selective and clear about what “fixed” expenses will now be covered by the child and what you will continue to pay.
- Be consistent but have a plan for the unexpected.

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Objective

Concurrent with the allowance contract, it is time to help your child develop increased money, budgeting autonomy, and responsibility with a real bank account.

Approach

- Consider opening a real bank account in person for and with your child if you have not yet done so.
- Transfer the new higher allowance funds electronically.
- Use an allowance app.
- Reinforce cyber security.
- When interest rates are low, consider offering subsidies to make the idea of saving more appealing.

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Play A Game

Objective: Help your child and/or your child and their peer group play the Stock Market Game together.



01
Approach

Review the parent and student section of the SIFMA Stock Market Game website. It is common for 4th-grade gifted and talented students to participate. There may be a program at your child's school, but families and groups outside of school can play too.

02
Approach

Consider being an "advisor" to your child's peer group when they play the Stock Market Game.

03
Approach

Register for access to all the video resources that include short AAE-appropriate tutorials about stocks, bonds, mutual funds, portfolio diversification, risk/return, and more.

04
Approach

Use this game as a catalyst for discussing financial decision-making, current events, and wealth creation.

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This is the 4th in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ The SIFMA Stock Market Game
- ✓ Dollars and Sense from the Federal Reserve Bank of Richmond

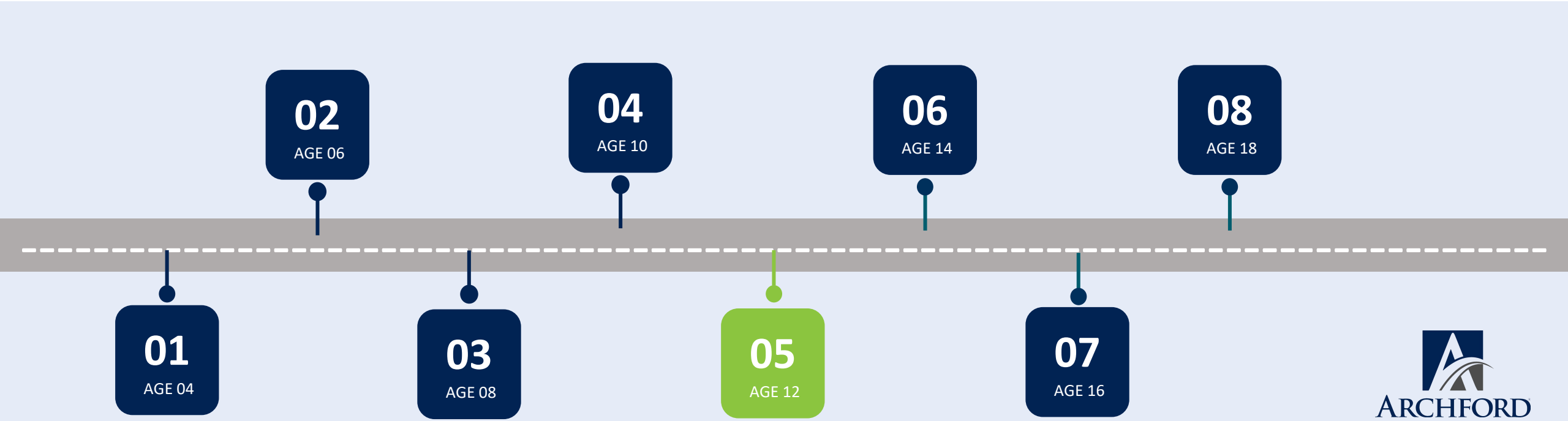
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Children & Wealth – Age 12

Teaching your children about money and wealth –
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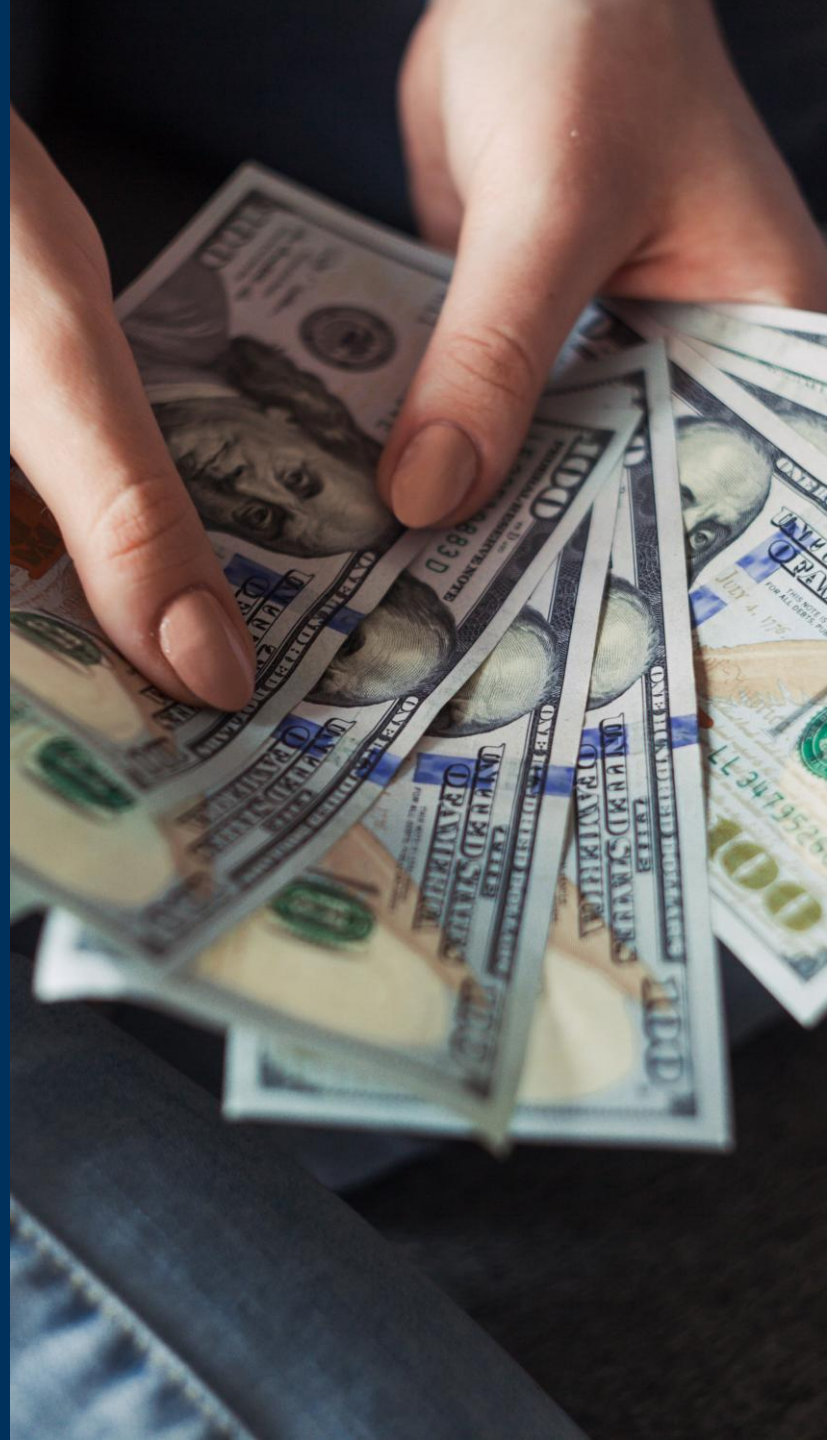
Objective

Help your child prepare for their first job by earning certification credentials.

Approach

- Tie an increase in allowance to developing marketable skills, demonstrated by earning credentials. Many credentialing courses are at no or minimal financial cost. Learn more at redcross.org/take-a-class and udemy.com/course/pet-sitting-certificate.
- Babysitting, first aid, pet care, food handling, and water safety might be good courses for initial certifications. More specialized programs might include coding, photography, calligraphy, office skills, flower arranging, and more.
- For any of the more expensive courses, consider family borrowing. Discuss how borrowing for investment in skills or education is different from borrowing for a desired game or event.
- Although your child may not be able to work in a traditional teenage job for a few years, being able to market themselves with credentials is a great way to start.
- Help your child prepare a flyer to promote their new skills. Note the skill development even in that.

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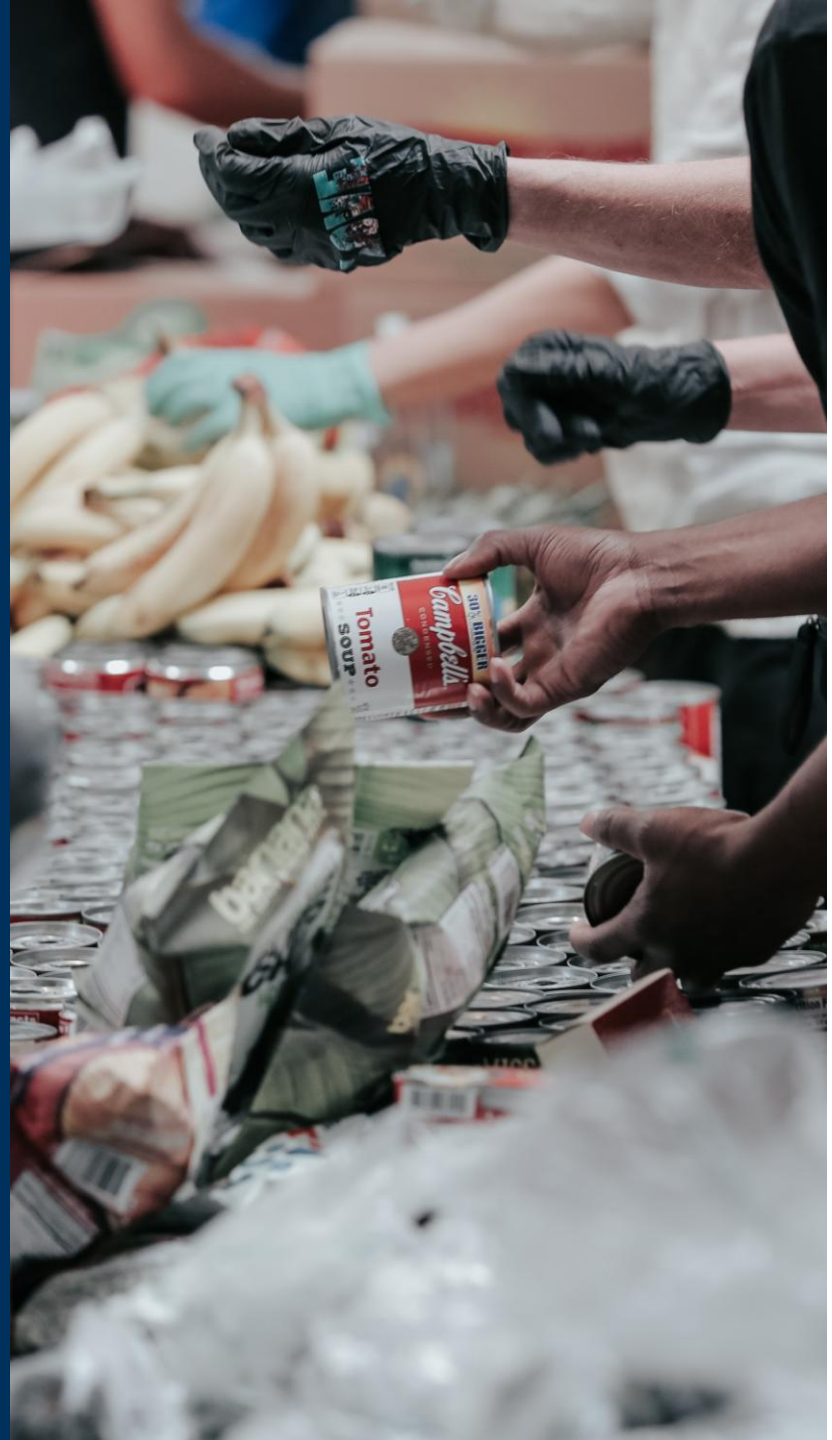
Objective

Turn investment simulation into actual world practice with an investment experiment. Consider including your child's peer group to form an investment club.

Approach

- Set up five accounts for an experiment to teach the risks and rewards of investing with real money.
- Invest $1,000 each in savings, individual bonds, a bond index, individual stocks, and stock index funds.
- Encourage your child to predict the performance of each.
- Track the actual performance of each account over time with your child.
- Use this as an opportunity to discuss and evaluate risk and return, and to learn about different asset classes.

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Objective

Encourage your child to service or raise funds for a cause.

Approach

- Discuss your own philanthropic and service causes with your child.
- Consider providing your child the opportunity to volunteer for your causes in meaningful ways.
- Reinforce your child's charitable interests and passions.
- Support your child with any (or all) of the following: matching funds, providing transportation, making introductions, setting up online portals, and encouraging peer involvement.
- Don't know where to start? You don't have to recreate the wheel; opportunities abound with anything from helping animals at shelters, supporting the military, cleaning up beaches or parks, and working at food pantries.

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This is the 5th in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ The Family At Home Financial Fun Pack
- ✓ Navigate – Exploring College and Careers
- ✓ Middle School Personal Finance Curriculum
- ✓ Red Cross – Take a Class
- ✓ Udemy – Pet Sitting Class

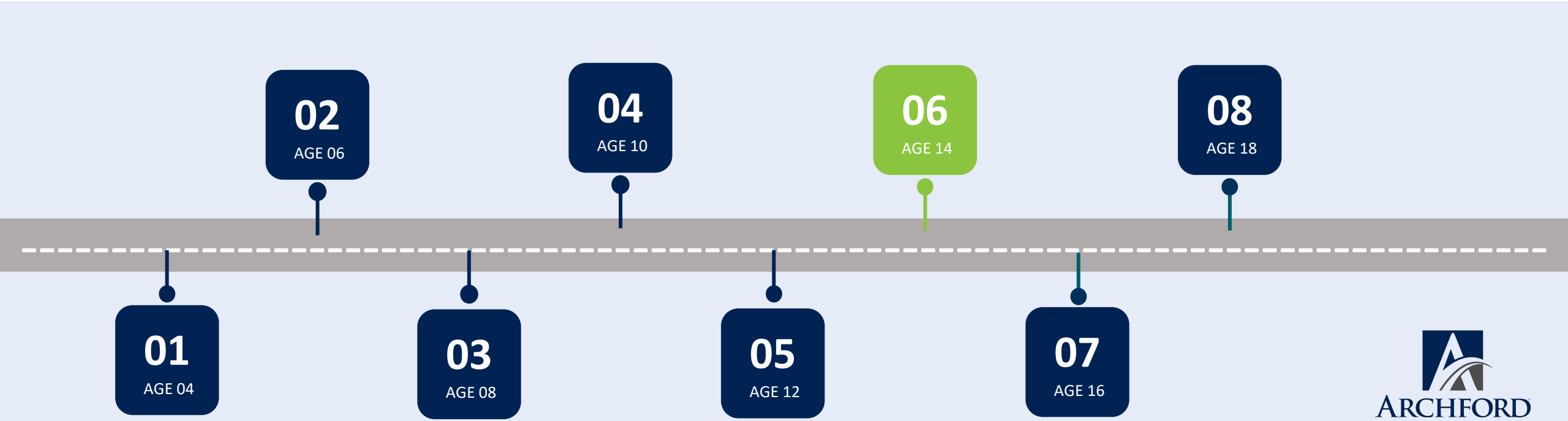
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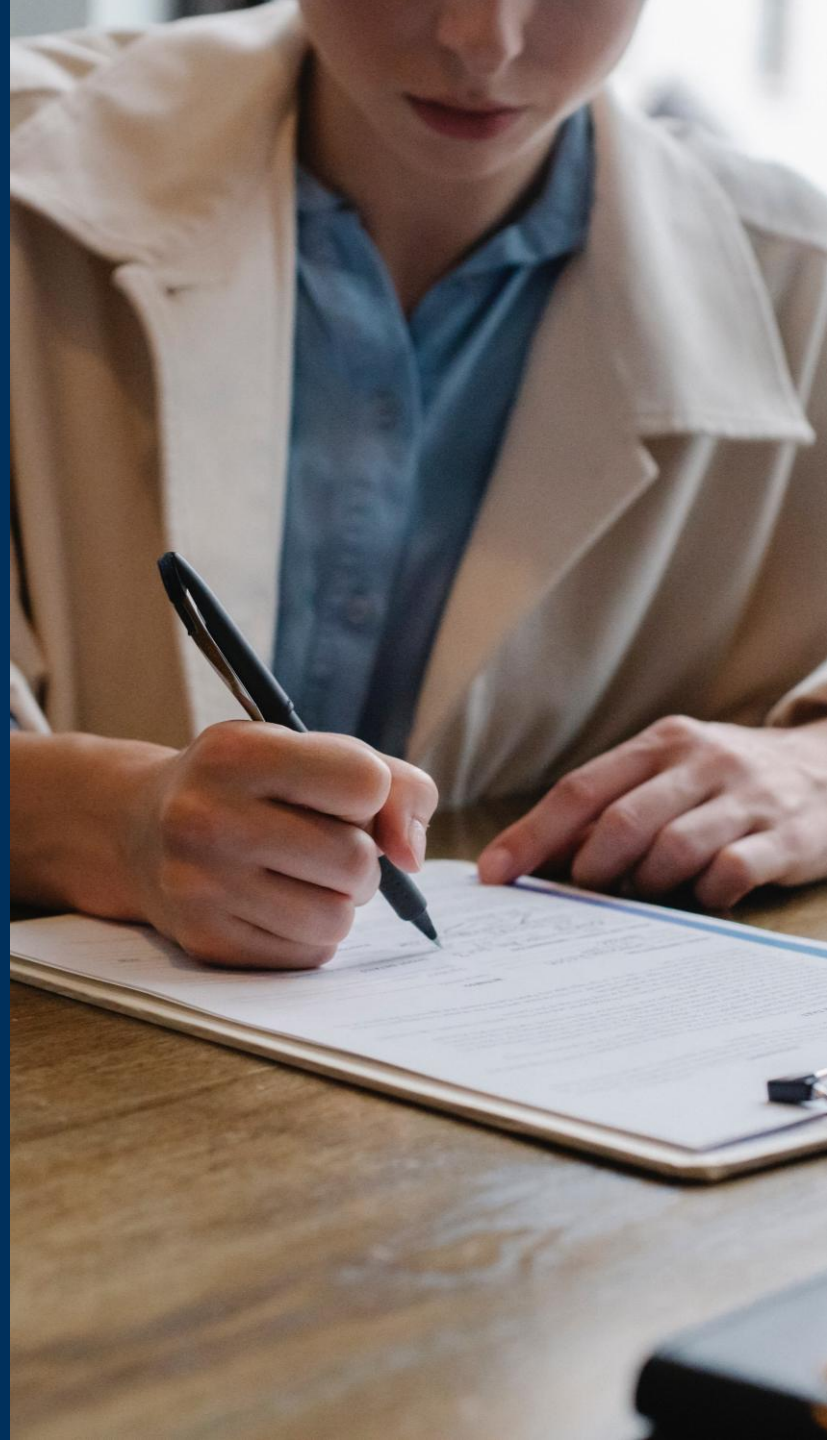
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Children & Wealth – Age 14

Teaching your children about money and wealth –
age-appropriate guidance and activities for children aged 14.



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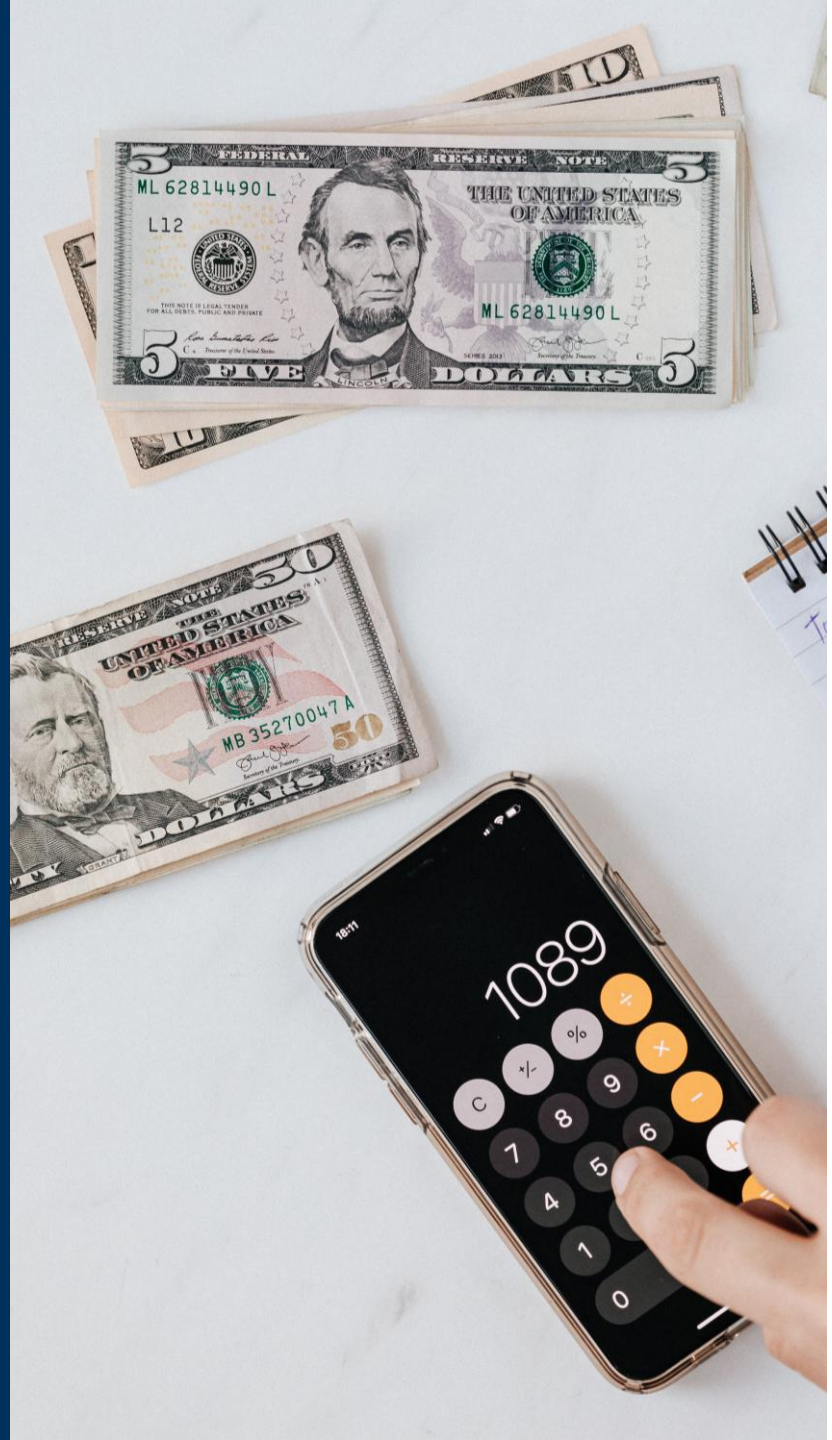
Objective

Challenge your child to build a resume by providing skill development and income-earning opportunities early and often.

Approach

- Help your child document skills and academic, sports, and creative accomplishments.
- Encourage your child to earn and record all official training, certifications, and badges earned.
- Help your child identify entrepreneurial opportunities beyond the odd jobs.
- Document fundraising and volunteer activities. If this section is thin, consider helping your child get more involved with your family and community causes.
- Discuss how building a resume is much more than a document and talk with your child about all the future ways it will be used.

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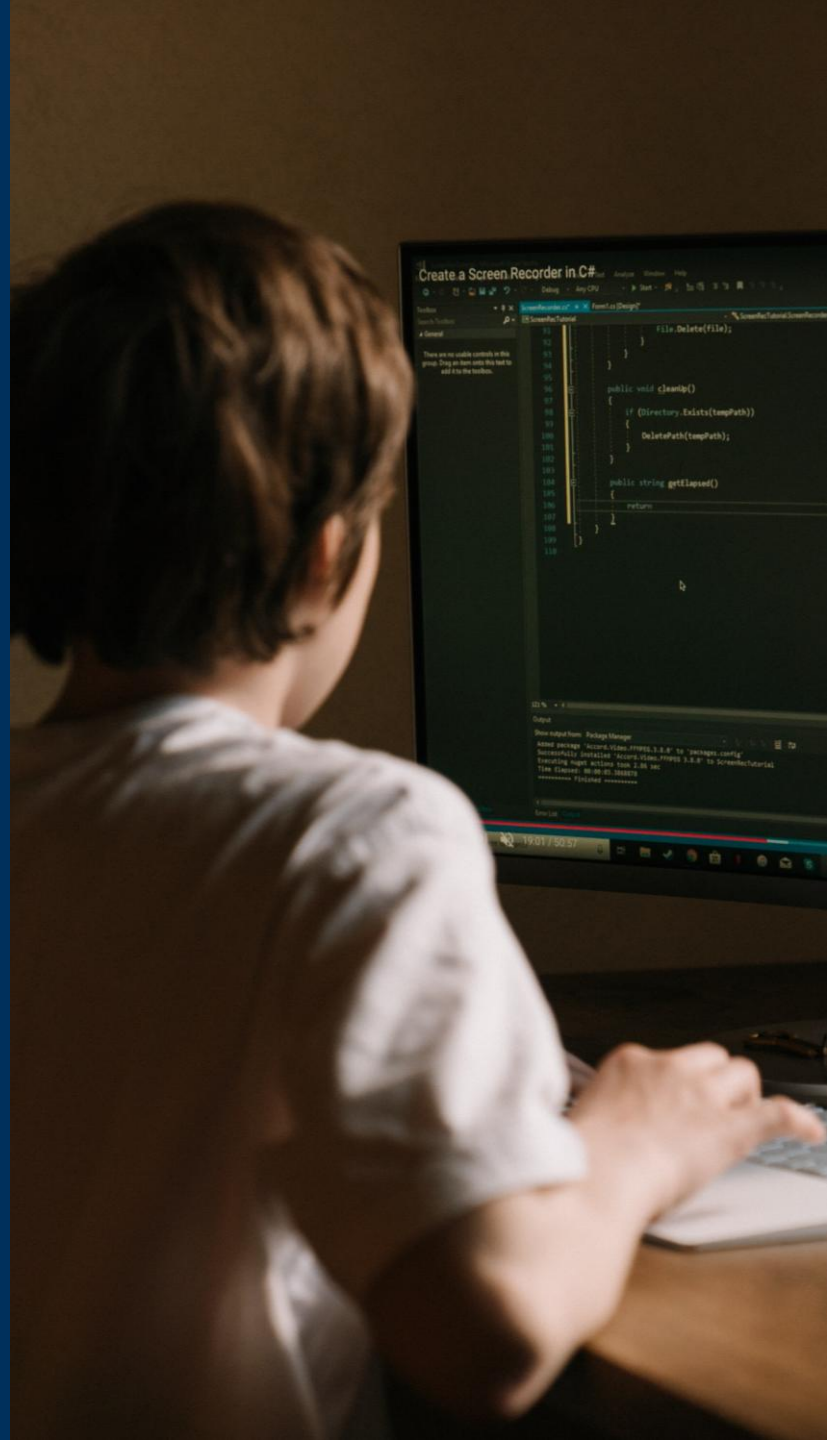
Objective

Build on your teenager's growing experience with stock market simulations and experiments by tapping into their increasing social awareness.

Approach

- Consider introducing your child to socially responsible investing, as guided by your family values.
- Point out how philanthropy and investment can sometimes merge.
- Discuss the pros and cons of investing for a cause and encourage your teen to dig deeply into their motivations.
- Once your teen can articulate the cause(s) they are interested in, help them with the research to find appropriate funds or investments.
- Be prepared with your choice to match funds, partially fund, or fully fund the investment.
- Set expectations for tracking performance and a timeline for review.

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Objective

Help your child frame risk and return in financial terms that will spill over to health and safety protection.

Approach

- Use your teen's interest in investing in introducing the concepts of risk and return and the trade-offs between the two.
- With driver's education classes looming on the horizon, introduce insurance and all its types. If your family self-insures, explain why.
- It's time to emphasize cybersecurity issues, identity protection, and safe online practices.
- Discuss reputational safety and its reliance on social interaction and social media behaviors.
- Encourage conversation that connects risk and reward thinking to personal health and safety.
- While granting your teen additional freedoms, help your teen understand the rationale for the boundaries you've set.

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This is the 6th in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ The National Personal Finance Challenge
- ✓ Family At Home Financial Fun Pack
- ✓ A “Standard” Personal Finance Curriculum

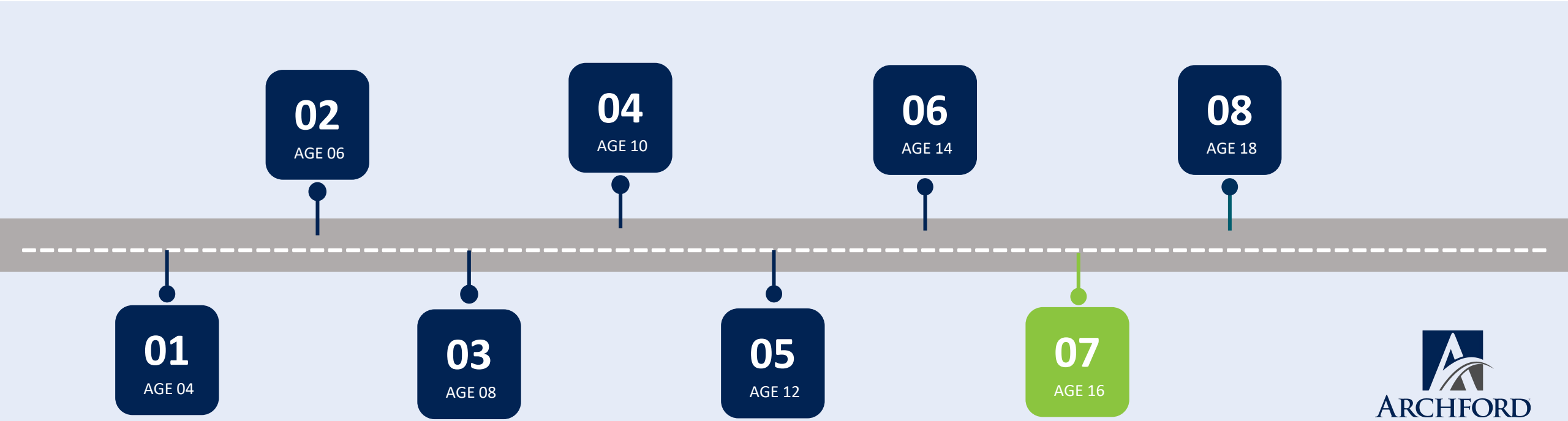
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Children & Wealth – Age 16

Teaching your children about money and wealth –
age-appropriate guidance and activities for children aged 16.



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It’s A Balancing Act

Objective: Help your teenager develop independent time management and budgeting skills.



01
Approach

The independence that comes with driving does much to change family dynamics. Help your teenager steer those changes in a positive direction with greater responsibility concurrent with more freedom.

02
Approach

Encourage your teen to identify responsibilities they can pick up for the family. These may include driving younger siblings to school or activities, doing the grocery shopping, or running other errands.

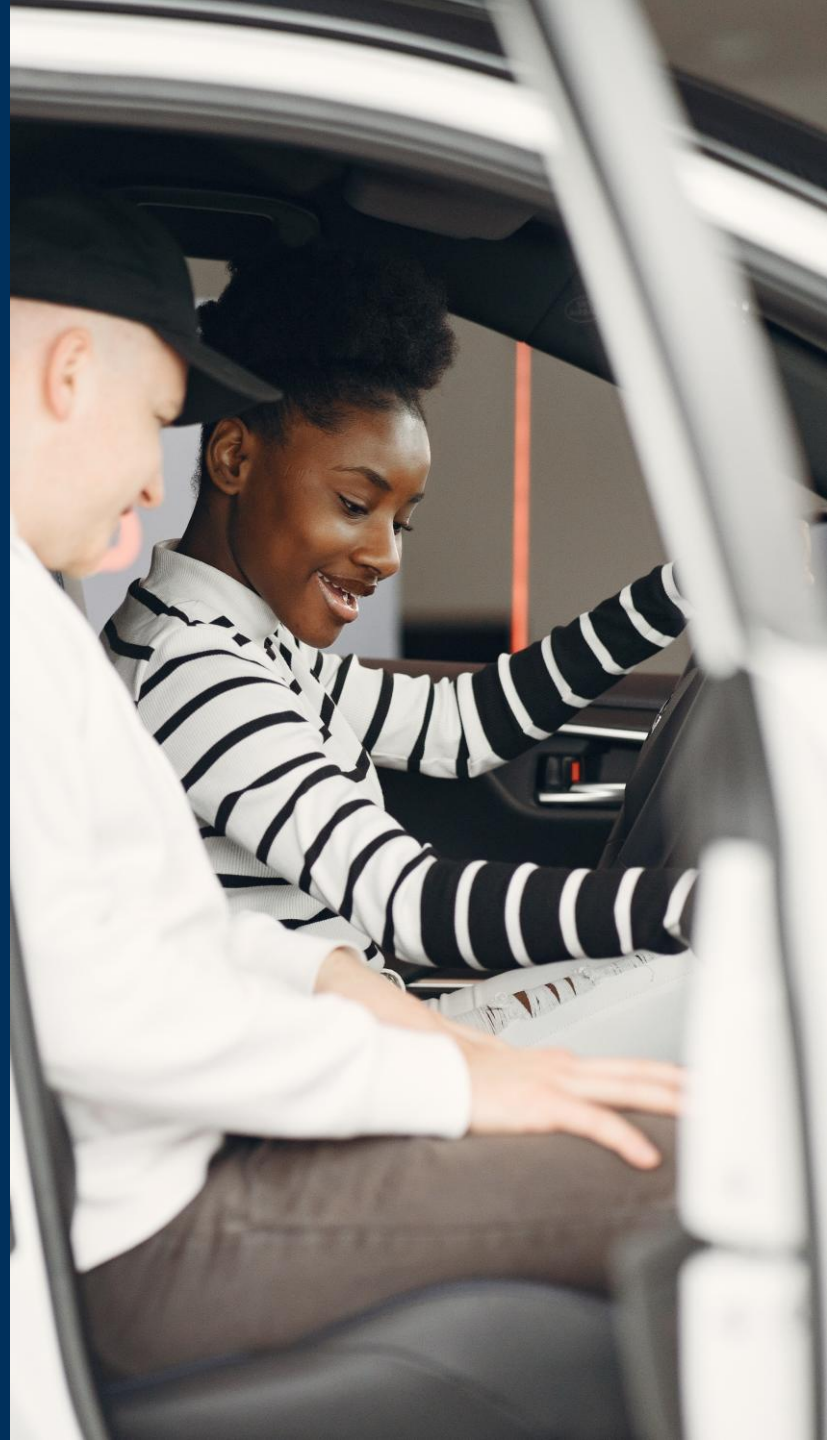
03
Approach

Help your teen build these new family responsibilities into a formal time management schedule that includes school, sports, extracurriculars, work, service, and social time.

04
Approach

Identify which car-related expenses your teen is responsible for and have them create a budget that includes both sources and uses of funds.

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Objective

Help your teen buy their first car and let that first purchase be both a bonding and learning experience.

Approach

- If you, or perhaps other family members like grandparents, were thinking of gifting a car to your teen, consider the benefits of engaging with your teen in the experience of a car purchase instead. The gift of your time and your teen's learning may be more valuable than the car itself.
- Encourage your teen to articulate and prioritize the top five considerations for their car. These may include price, safety, reliability, quality, and driving costs.
- Help your teen prepare for the experience by identifying quality sources for research and discussing what to expect.
- Be present for the dealership visit, test drive, and negotiation, but try to give your teen leeway to do the deal.
- Teach your teen the basics of car maintenance, emergency care, and troubleshooting – and insurance.

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Objective

At this age, it's a good idea for your teen to work a part-time job.

Approach

- If you've had an allowance contract with your teen, now is an excellent time to adjust it.
- Car expenses alone can be meaningful hits to your teen's budget. Then, there are junior and senior expenses like prom, graduation, and college visits to think about.
- Have your child prepare a budget with these incremental expenses built in.
- Consider increasing allowance by an amount equal to earnings, and perhaps put those monies directly into their investment fund.
- Encourage your teen to be directly involved with setting up college visits and making the required transportation and accommodation plans.

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This is the 7th in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ Building Wealth by the Federal Reserve Bank of Dallas
- ✓ Arcade
- ✓ W!se

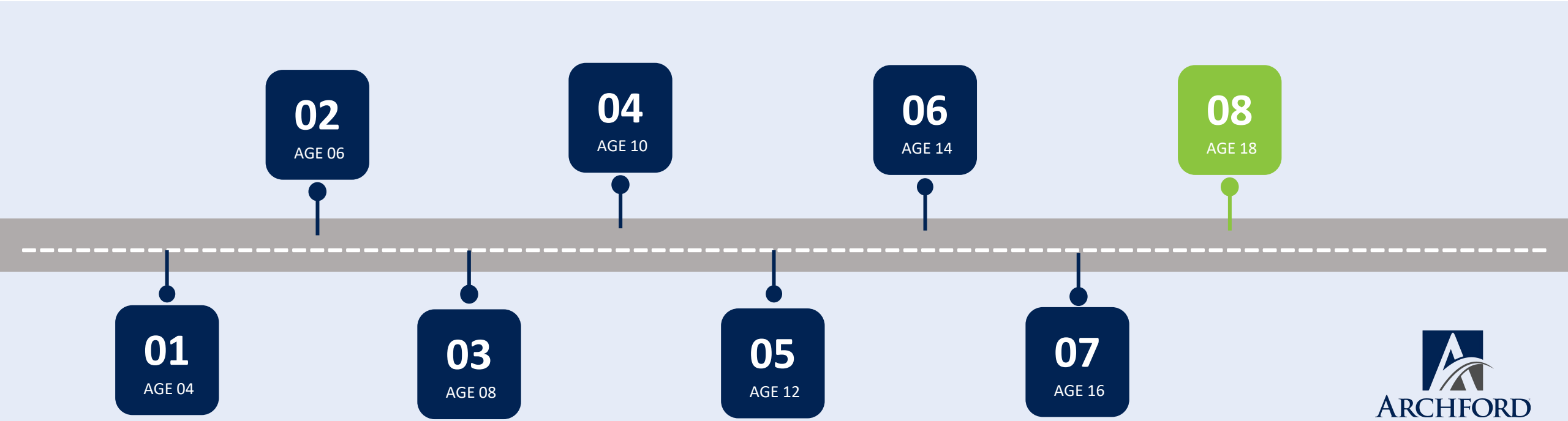
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Children & Wealth – Age 18

Teaching your children about money and wealth –
age-appropriate guidance and activities for children aged 18.



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College Choice

Objective: Encourage your senior to identify and prioritize their own criteria for college choice.



01
Approach

Be mindful of separating your desires for your graduate from their choices. You are a powerful influence in this important decision, and your most significant impact will be helping your child choose what feels right to them. To help your child distinguish between short- and long-term costs and benefits.

02
Approach

A fun online game called the *Payback Challenge* identifies the three most common reasons students don't finish college successfully in four years. They are financial issues, academic issues, and social issues. Use the game as the catalyst for discussion and setting up a college budget.

03
Approach

If the number one choice is clear, consider encouraging your child to apply for an early decision.

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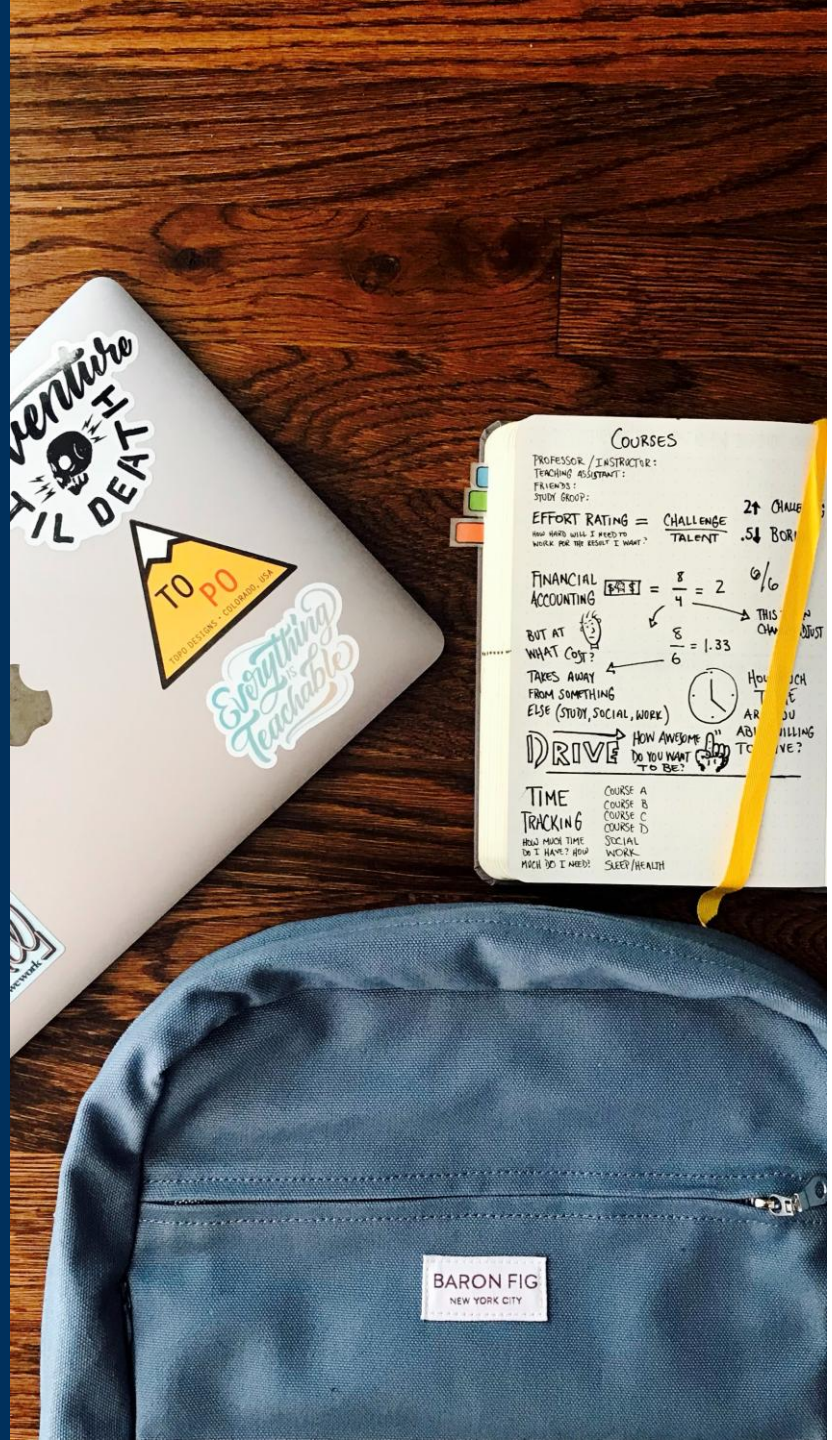
Objective

Help your child plan for the spring semester of senior year when “senioritis” is likely to set in.

Approach

- Have activities lined up to help your senior “keep an eye on the ball”. For example, AP exams are in the spring, and those 4’s and 5’s may reduce the load at university.
- Most of the competitions, award ceremonies, and recognition events for academics, sports, extracurriculars, and creative endeavors are in the spring – encourage your senior to savor every one of them.
- This would be an excellent time to have your senior meet with professionals in an industry that interests them: job shadowing or interviews for internships.
- A part-time job will help with learning time management skills.
- If your senior has younger siblings, encourage participation in their end-of-year activities – make this a season of joint celebration.
- Be sensitive to the push-and-pull emotions about the end of high school.

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Objective

Make summer plans as a family that will leave your graduate with unforgettable memories to take to college.

Approach

- Attend in-person orientation with your graduate.
- If there is a separate week, or even weekend, where your graduate can attend an incoming freshman camp, try to make that happen.
- Encourage your graduate to communicate with roommates as soon as the names are released.
- Encourage your graduate to plan for and purchase all dorm and college supplies in advance as much as possible.
- Continue to push summer work, job shadowing, and internships.
- Set clear, attainable expectations for freshman year in line with family values, including budgeting, college allowance, performance expectations, and holidays.

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This is the 8th in a series of 8 age-appropriate guidance and activity sets.

Further Resources

- ✓ The Missing Semester – Buy this book in any bookstore or online

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What makes this program work?

You do! Research shows that “how to” personal finance programs don’t always stick. It is the underlying economic way of thinking that provides the “why.” Why we invest in ourselves, why we earn income, why we save, spend, protect, invest, and give back. The what is easy, the how is easy, but the why is more complex and important. There is no one better than you to help your children develop the thought process that answers the why.

From counting money with a 4-year-old preparing for college with an 18-year-old, we cover a lot of ground with age-appropriate opportunities to engage. Piggy banks, allowances, shopping trips, budgets, donations, volunteering, entrepreneurship, cybersecurity, earning credentials, part-time jobs, and investment simulations are just a sample of the many personal finance activities we suggest.

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What makes this program work?

There is nothing magic in what we have shared. We have simply reminded you of the valuable role you play in the lives of your children and your grandchildren. We have given you prompts at each developmental stage of your child's life from age 4 to age 18 to start the conversations. The activities we have suggested are sound pedagogically. They are recommended by economic and personal finance educators as being effective learning tools at each of the age bands. The real effectiveness, however, will come from you – as a role model, coach, and mentor.

Through your clarity, your children will understand family rules and expectations. Through your consistency, your children will gain appreciation for the consequences of their choices. Through your communication, your children will understand behaviors, beyond words and actions, which make your family unique.

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What makes this program work?

Giving your children the power to choose between acceptable alternatives, beginning at an early age and reinforced into adulthood, will build their confidence, their skills, and their dreams all within the context of what is important to you as a family.

You have chosen to give them abundant lives and to allow them to pursue their dreams. What a gift that is, and we hope you all get to enjoy the journey!

Who developed this guide?

This guide was developed by Bento Engine in collaboration with leading financial educators such as:

- **Susan Doty** – Head of the Center for Economic Education and Financial Literacy at the University of Texas at Tyler; past President of the National Association of Economic Educators; Fellow of UT System Academy of Distinguished Teachers
- **Mac Gardner** – CEO of Finlit Tech and author of “The 4 Money Bears”

Last reviewed: 01/05/2026

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