

How To Teach Your Kids About Money

Age appropriate guidelines for helping your children learn money management skills

Age 3

- To identify coins by their correct name
- To keep money in a safe place
- How to trade money for something when you go shopping

Age 4

- To know how many cents each coin is worth
- When we spend money, it is gone!
- We can't buy everything, so we make choices
- Wants vs. needs

Age 5

- To start managing a small allowance
- To know where money comes from
- Banks and Investment firms help keep money safe until we need it
- Writing a check takes money out of a bank

Age 6

- To identify bills and coins of larger denomination
- To understand an ATM
- To make simple change
- To divide allowance three ways between spending, saving and sharing

Age 7

- To read price tags
- To look for things on sale
- To make sure he/she receives correct change for a purchase

Age 8

- To recognize TV commercials aren't real life
- To save for a short-term goal (no longer than one month)
- To earn extra money by doing odd jobs
- To deposit money in a savings account or Roth IRA

Age 9

- To make a simple spending plan for the week
- To compare prices when shopping
- To cooperate with family efforts to save on water, gas, electricity, etc

Age 10

- To read and understand sale ads in the paper
- To use the phone book and call stores for information
- To use the internet to check prices
- To look at value, not just cost of products
- To be aware of how peer pressure affects decisions

Age 11

- To understand the principle of compound interest
- To understand the time value of money chart
- To understand fixed and flexible expenses
- To shop classified ads for bargains on used items

Age 12

- To devise and operate on a two-week spending plan
- To understand and use correct terms for banking transactions
- To understand the value of wise investing
- To recognize advertising techniques
- To read fabric-care labels and examine clothing for quality
- Open a Roth IRA

4300 Baker Road Minnetonka, MN 55343
763-231-9510

This information is being provided for educational purposes only and should not be construed as specific investment advice.

Securities offered through Raymond James Financial Services, Inc. Member FINRA/SIPC. Investment advisory services offered through Raymond James Financial Services Advisors, Inc. Prosperwell Financial is not a registered broker/dealer, nor is it affiliated with Raymond James Financial Services.