

Teaching Financial Responsibility to Children

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When our four children were young, my wife and I wondered how we could teach them financial responsibility. We tried allowances for a time, dividing their money into three categories: saving, spending, and tithes. Eventually we eliminated allowances altogether.

At one base when we were homeschooling, our three daughters babysat during the day, and they were in high demand. Our son mowed lawns and did other work for people so he had a source of income as well. In college each one held jobs which paid for the luxuries of college life, and in their last two years of college they helped with their rent and food costs with that income.

When our oldest was a sophomore in high school we decided to take a Big step. We delegated the management of the family finances to each child for a period of two years each.

I got a checking account signature card for the new financial manager. Some may see this as a risky business, having a sixteen-year old in charge of your finances and giving him a signature card. Our children never abused their privileges.

Each year my wife and I plan our Christian giving for the next year and make a list of those to whom we send tithes and offerings each month. The manager would write out tithe checks. This also doubled as accountability for us, and a faith lesson for him, having at least one of our children knowing exactly how much of our income we were giving to the Lord's work.

I have a small cubicle in my desk where I put bills and bank statements as they come in and they were to check periodically for bills to pay. It took some oversight and reminders to be certain everything was paid on time, and I remained the responsible party.

There were many interesting responses from the children as each their turn. They were amazed at how much money it cost to run a household. The house payment alone was a check like none they had ever written. They learned conservation when they saw the electric bill each month and not one of them continued to take long showers. Our lastborn worried there would be no money left for her to attend college and that had the added benefit of her beating the bushes for more scholarships than the other children had done.

One of the real challenges was teaching them how to reconcile a bank statement each month. I walked them all through that process many times and it never seemed to click. And although there were a few overdrafts in their college years, eventually they seemed to get the hang of it. There were a few times (and still are) when the difference between our balance and the bank's was off a few dollars and cents.

Our children are now grown. I am convinced the experiences of their high school years have yielded solid financial training and an appreciation for the value of money. By God's grace we hope to have raised four good stewards who will contribute to the needs of the kingdom and who will be saved the painful lessons of our carefree-spendthrift society.