



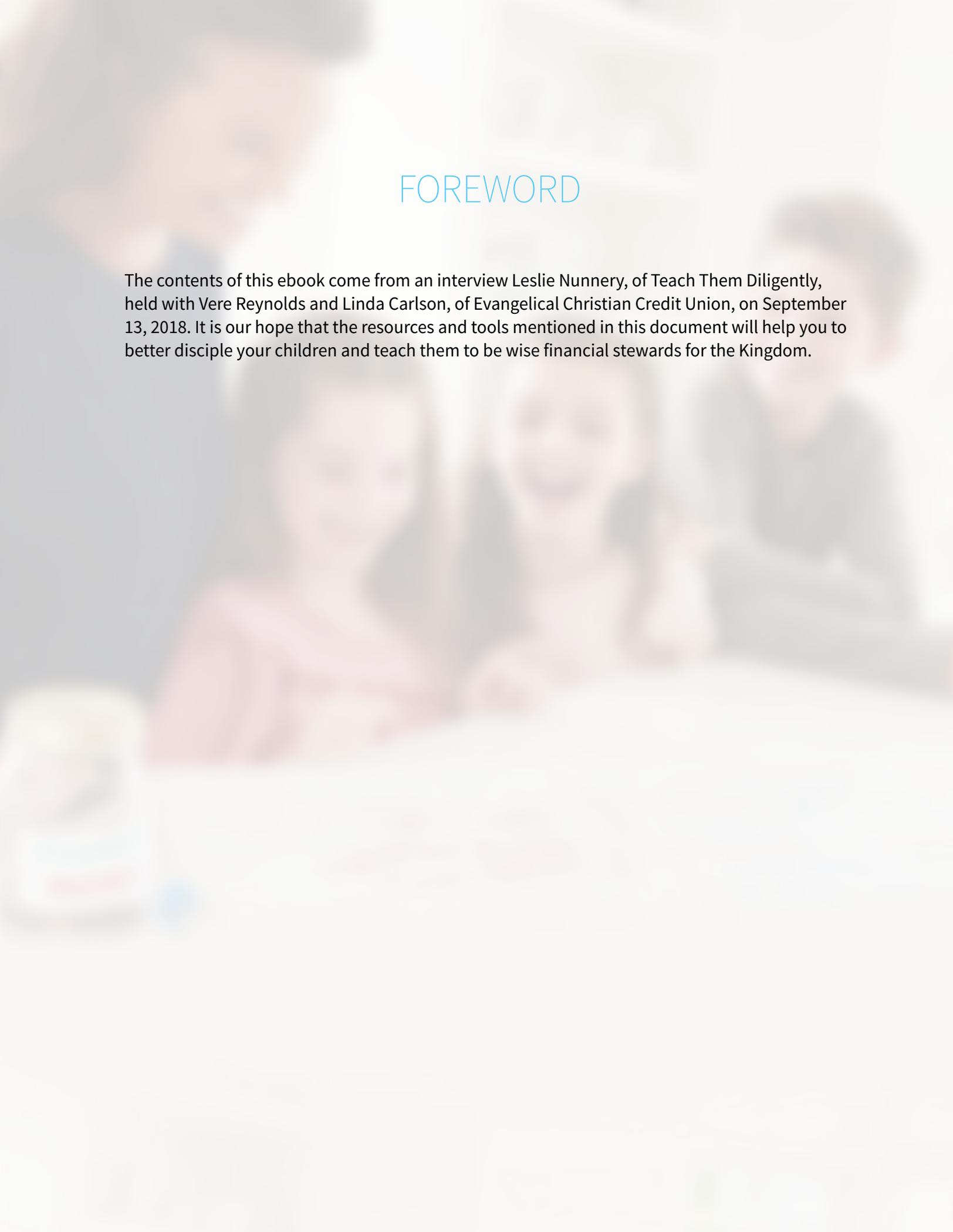
TEACH THEM DILIGENTLY  
**FINANCIAL**  
*Guidance Counselor*



## HOW TO:

# Give Your Kids a Financial Flying Start

A Teach Them Diligently Interview With Evangelical Christian Credit Union.



## FOREWORD

The contents of this ebook come from an interview Leslie Nunnery, of Teach Them Diligently, held with Vere Reynolds and Linda Carlson, of Evangelical Christian Credit Union, on September 13, 2018. It is our hope that the resources and tools mentioned in this document will help you to better disciple your children and teach them to be wise financial stewards for the Kingdom.

Vere: Hello and welcome to our session on starting young and getting your kids on the right road for money management. I'm Vere Reynolds and I'm from Evangelical Christian Credit Union. We are sitting here today on this beautiful campus in Southern California and we're really excited to be talking to you today about how to get your kids started. We've got a wonderful Roadmap that we have designed. It's a downloadable Roadmap that you can get to right here (link at end of ebook) for yourself and for your kids to go through together. It's got some great "best practices" and some tips that can guide you through the process of teaching your children financial responsibility!

I want to introduce you to Linda Carlson, we work together and she's going to get us started on the right road...

Linda: Perfect! Thank you so much Vere and again welcome everybody and thank you so much for joining us. One question that comes up a lot, when we first started talking about money management with our young kids is, where do you start?

So that's why we designed this Roadmap and it's a very easy, comprehensive way to introduce your child, at any age, on how to manage money. I am going to talk about the stages that we have. We have an Early Start Stage which goes from 0 to 7, where you're actually going to do the banking and allow your children to come alongside of you, and be able to watch everything that you're doing.

The next stage is our Jump Start Stage and that's from ages 8 to 12. That's where you both bank together and they get some hands on interaction, and the children start to really feel like they are doing some banking.

Our last stage is the Flying Start Stage. That's for your ages 13 to 17, and where you're going to start taking a step back to allow them to do the banking, and you will be able to monitor.

Now I'll explain each stage in more detail.

Starting with our Early Start Stage which is 0 to 7, in our Roadmap, we have the very beginning steps of when to begin and how to begin with your youngest children. We want them to always know that it's biblical to be responsible with what God has entrusted us. We've included Bible verses to be able to do that. And for practice with our kids, how to teach the value between a coin and between dollar bills. Once they start learning about these things, it gives them the opportunity to actually be able to do some chores around the house to maybe earn some coins and dollar bills.

Vere: They can earn their keep!

Linda: Once they start earning money, allow them to play store. When you take them to the store and they've got some coins and dollar bills, show them the value of something and with what they've done so far to that point, allow them to understand that, "Okay, when you wash those baseboards, this is what you're able to buy." They begin to understand and start putting together, you work, you make money, and you get to spend some of that money.

Vere: That's right.

Linda: From there, once they start to earn more money, we want to give them a system. I know some of you have probably gone through the “three jar system”, or the “three envelope system” of budgeting. We’re here to introduce to you, more of an electronic three jar system. As your children are going from 0 to 7, you might want to really consider opening up that first savings account. It’s their account, they’ll be able to put money into the account, and that way they’ll be able to see as they work, and money goes into the account, that account is actually going to start growing.

Vere will take you into the next stages.

Vere: As they get a little bit older, and they’re 8 to 12 years old, that is the Start Young Stage. That’s when you’re going to bank together. When they were younger, you did most of it and they watched you. At this stage, you will include them in the process, so they can learn hands on. Included at this stage, like the others, we have memorizing Bible verses. Children are a little bit more mature in understanding and there’s money Scriptures all throughout the Bible. You can use the Bible verses in your daily devotions and in your teaching with your kid about money.

From when they were little, you might have already opened up a savings account. If you haven’t, you absolutely should by this time, and consider opening up a spending account. A spending account is just that, they are going to take the money that they have earned and will turn to spending it. Either through a debit card or cash or online.

You will want to practice with them. When you have a debit card, they actually use an ATM and they can use it in the store and online. Go to the ATM machine and practice taking the cash out and using a password and the keypad and show them how to protect it, and what it actually means. Also go online and show them where to enter their number and where not to enter that number in, and give them those guidelines. By practicing, you’re doing this together, it’s not as though they are just going out there willy nilly, just spending money wherever they want to online, because they are your children and you want to train them.

One of the things that kids get all the time are checks. They get them from grandma and others as gifts. Give them an opportunity to take a picture of that check and deposit it. Show them how that money goes from grandma’s account, and it actually goes into a check and then it goes into their account through taking a picture of it. That’s kind of a complex concept for most adults to understand, much less your kids.

Give children an understanding of how a bank account works, and that their money is not never ending. Make sure you look at your balances regularly. You can use the app, log in and let them see those balances go up and down. We wanted to mention too, that our accounts are actual dual logins, so there’s a child’s login and a parent login. The parents see something a little bit different than the kid does. The kid has limited access that you control, and the parent has full access. You can set limits on accounts and alerts for when they are going to the store and they are actually buying something. For example, if they are with a friend and you have given the okay for them to buy something small, such as an item for a dollar at the Dollar Store, and you want to make sure they don’t spend any more than five dollars, you can put in a five dollar limit.

You can put that limit on there, but then what if they do spend five dollars, and you said they could only spend one dollar? Well, you get an alert, and you get an opportunity to talk through that with your child. That is a learning experience, but you know what? They had a limit of five dollars. They didn’t go to 500 dol-

lars on accident. These are the features that are built in there so that you can take advantage of them, and use them as learning opportunities.

As they get a little bit older, this is where it really starts to change. Age 13 through 17. That's the Flying Start Stage, and that is where they are going to do the banking now, and you will monitor them.

We talked a little bit about the alerts and the limits. This is where this really comes into play, because you're taking a step back and you're letting them use those tools and features and the banking account, along with the adult banking features that you have to see what they're doing, and you can still set limits.

As they get a little bit older, they've learned how to earn some money, they may even have a part time job, and they're putting money into that account. There might even be direct deposit set up. It's a good opportunity to teach them about taxes, so when they look at that check stub and they see the line items, that money's being taken out, which is a rude awakening. Explain the 10 dollars an hour they thought they were making, really is not quite 10 dollars. It's a great learning opportunity, so that as they get older, they understand these things.

You may also want to teach them about how to do some automated giving. When they're a little bit younger they can still give with cash and they can maybe get online every so often with their debit card. But when older, maybe you want to start teaching them regular giving. Most churches have that kind of offering on their website, that you can set up. Or maybe it's a one time thing. I know there's a lot of organizations where you can give something. You can buy a goat for a family, for instance.

Children should go online and purchase for themselves, and see their bank account, how they had money they saved and how the money goes out, learning where it goes, and how it keeps a record for them. They can use the budgeting tool to keep track of what they are spending their money on.

Kids can learn how to practice getting cash back. We talked about the ATM already, but there's also getting cash back in the store. That's something that you probably do and you want to make sure that they understand how that works. Again, using that little machine and the password, and how to protect themselves. Consider adjusting their limits at this stage. You want them to start having some more freedom, because by the time they're 18, you want to have them set and independent and ready to go on their own. This is a perfect opportunity to kind of increase those limits, but still get those alerts that are sent to you.

How many kids out there have cell phones? And are hopefully paying some of that cell phone bill. They might have car insurance that they need to pay for. Start getting them to pay for these things, using their account with bill pay and paying that for online. Again, they can budget for those things and they can see that online when they log in, and they can see the money when they earn it, and then as it goes out when they're paying those bills.

This is real life, and you want to be confident that when they're 18 and all of these features where you're getting alerted on everything and you have the final word on everything, goes away. You want to make sure that even if you don't know what they're doing when they turn 18, that you have the confidence that you've done what you need to do when they are younger and they are ready for that.

Linda: We went through an entire journey in our Roadmap, and we buzzed through it. We want to make sure that you get everything out of it, that we spoke about today. We encourage you to go online and download our Start Young Workbook. We are super excited about it, and want you to think about the approach that you want to take, depending on which child, depending on which stage that they're in, and we just want to leave you with this one thought.

Starting young, it actually makes a life time of difference.

Vere: It really does.

## START YOUNG ROADMAP

Download your FREE copy of the ECCU Start Young Roadmap workbook and see how it can help you family today!

<https://teachthemdiligently.net/resources/start-young-financial-guide-for-homeschoolers/>



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