



## Commentary

BY CINDY CONGER

# Teaching Children to Give

A RECURRENT THEME I HEAR from my clients — no matter what their level of wealth — is the fear that inheriting money will harm their children. The big concern is that if children are aware that their family has money they will someday inherit, it will take away motivation and give the children a feeling of entitlement. Because of this fear, money is not discussed with future inheritors and a great teaching opportunity is lost.

Parents and grandparents don't have to miss the opportunity to pass on valuable lessons about the meaning and uses of money. Even young children can be taught the basics of money management and philanthropy, and there are good resources to help you begin the process.

A number of good books have been

written on this subject. One of my favorites is "Silver Spoon Kids" by Eileen and Jon Gallo. Their book gives tips on how to talk to children about money at various ages. The primary theme in their book, though, is to teach children to give back to others through philanthropy. This can be an eye-opening experience for the young people. It can greatly reduce the feeling of entitlement, as well as giving them a feeling of gratitude for what they have. What a concept!

The authors believe that grandparents can be "Money Mentors" to their grandchildren. Grandparents often talk to me about making contribu-

tions to their grandchildren's college funds, which is very noble. But how much more of an influence could you be if you taught your grandchildren some important lessons about money, philanthropy and life.

One way grandparents (or parents) can teach children about money concepts is through the use of the Money Savvy Pig (available at [moneysavvygeneration.com](http://moneysavvygeneration.com)) and a gift of actual cash. This little pig comes with instructions and workbooks on talking to children at different ages about money concepts. The pig is actually a little bank with four slots marked "Save," "Spend," "Give" and "Invest."

The "Spend" slot even young children understand. But the other three give you an excellent opportunity to explain there is more to life than spending. The explanation for the

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"Save" slot is for larger purchases in the future. Of course, the "Invest" slot is to teach them that they have to have cash to be able to invest!

As the cash builds up in the pig, you can talk about investing in something that the children would understand —

like a share of Disney stock (or Nike for an older child). This presents the opportunity to show children how to watch the price of the stock in the newspaper (or online at Yahoo Finance since our kids are more savvy about using the computer than we are).

The "Give" slot allows you to talk about giving back to the community, country or world. You can discuss an issue the children care about like taking care of animals or feeding children who are hungry. Then you can help them research online different nonprofits where their gifts can make a difference.

As children grow older, the family can take a field trip to a local nonprofit where they can have the hands-on opportunity to take an action that will help the charity, not just give money. What a wonderful gift you will have given your grandchildren, and what a great bonding experience it will be for all of you! ■

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