

4 Ways To Teach Your Children About Money from a Catholic Perspective

We have three daughters ages 3, 5 and 7. Each has her own unique temperament, as all children do. Some situations bring out those differences more than others, and payday is certainly one of those times around our home. Our oldest is ready to meticulously and patiently save for that Lego Friends' bus set. Our middle is ready to renounce everything so she can give it all to Jesus. And our youngest wants to buy something ... NOW!

While their natural tendencies might drift in a certain direction, we as parents are responsible for forming their ideas, attitudes and behaviors around money. Ensuring we're offering a holistically Catholic worldview can be tricky, but it's worth trying for. Over the years, we've found a few tips on how to teach our kiddos about money from a Catholic perspective ... and in this article, we're breaking down four of them.

One: Tell Saints Stories

As Catholics, we have countless riches at our fingertips, one being the lives of the saints who've gone before us. Stories are compelling, inspiring and encouraging. Specifically, saint stories can help our children internalize truths, learn how to live their faith and offer additional role models they desperately need in today's world.

When it comes to which saints, it's important to share stories from how God used money very differently in so many of their lives ... yet each grew in holiness by interacting with money virtuously in ways that God asked them to.

For example, St. Francis was called to leave behind his family's wealth and live a life of poverty. Sts. Zelig and Louis Martin ran successful businesses and had significant wealth but they used it for generosity and to raise their family centered on God. Not only did they become saints in the process but they literally, in the person of St. Thérèse of Lisieux, raised a saint. Between these two extremes would be St. Katharine Drexel, whose father was business partners with JP Morgan (as in the current day, Chase Bank.) She spent the first third of her life being extremely generous with the poor in her community and after discerning a vocation to religious life, personally took a vow of poverty, but shrewdly and prudently used the interest from her inheritance to fund bringing schools to Black and Native American communities across the United States.

Two: Four Ways to Use Money

Money should be given, saved, invested or spent. We can help our children by creating simple visualizations to make this easy to understand. Whether you choose envelopes, plastic bags, a piggy bank or bins ... as long as they're labeled with the four options above, it doesn't matter which you choose.

Teaching your children to always prioritize giving first will build muscle memory in them, so as they earn more throughout their lives, living generosity will be second nature. While the Church doesn't mandate a tithe as was done in the Old Testament, there is wisdom in giving 10%, as it's a feelable amount of money. Depending on your kiddos' ages, you might have to help with the math here, in addition to helping them discern where they'd like to give.

Saving and investing money should be the next priorities. Are there any bigger ticket purchases your child has on the horizon? A first vehicle? That 1,000-piece Lego set? A pair of rollerskates? These will usually require disciplined saving every time a child earns money so they can eventually make the

purchase – teaching our kids this skill of delaying gratification is so important for their long-term success. As for investing, if your child is earning an income (not you paying them an allowance or commissions), they can set aside money into an IRA or even a 529. This has tremendous power for their future. Use an investment calculator to show your child how setting aside even a little bit when you're a teen could mean hundreds of thousands of dollars later in life.

Last and not least ... spending. This one will likely be the easiest for your child to understand (heck, it's the easiest for most of us adults too!) Every time your kiddo earns money, they should spend some so they learn that spending money is a healthy part of managing money – as long as we're spending money we have and not raiding money from other areas. Tickets to the movies, a Barbie Doll, souvenirs on vacation, a new book are all great examples of what your child could choose to spend their money on.

Three: Allowance *and* Commission?

A balanced approach to helping your kiddos understand the relationship between managing, working and earning can include a set weekly allowance with additional opportunities to earn commissions. Basic family rules (make your bed, put dishes in the dishwasher after meals, feed the dog, etc.) should be taught and reinforced simply as they are part of being in a family ... not because they earn money.

Different temperaments will respond to this in radically different ways and that's where parenting comes into play to teach the lessons that accompany allowance *and* commission work. Offering a set amount of money (even if it's small) gets the ball rolling with money management. Younger kids won't necessarily understand or remember that above and beyond tasks or chores (example: picking up dog waste) will earn money. It also helps kids understand that there are some things we don't earn in life and receive as a gift (example: God's grace or

our gift and talents) and because of this, we need to steward them wisely all the more.

Through the act of receiving money consistently every week from a young age, they will more quickly get the hang of managing it. As they grow up, earning opportunities are better understood (and highly sought after by some temperaments!) teaching that critical lesson that working leads to earning – a life skill they'll need to provide for themselves as adults.

Four: Do as I Say, Not as I Do?

At the end of the day, you could do everything we listed above just perfectly ... but if you as parents aren't walking the walk and talking the talk, it won't matter.

Our children learn more from our example than from our words. We as parents have to ask ourselves if we're living as good and faithful stewards of the money God's entrusted to us. Are we creating a monthly budget? Do we have savings set aside for emergencies? Do we spend money wisely or impulsively? Are we at peace with our finances or are we jealous/envious of others or stressed out about them? Are we fighting with our spouse about money? Do we have debt without a plan to pay it off? Are we giving generously to our parish and a variety of ministries and organizations? Are we honest in all our financial matters? Are we wasteful with money?

These are really hard questions, but if we don't ask ourselves the hard stuff ... we might end up seeing these habits in our own children one day. The good news is that it's never too late to change your own financial habits and behaviors! If you think you could be modeling a more positive relationship with money to your children, we can help.

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