

Tips:

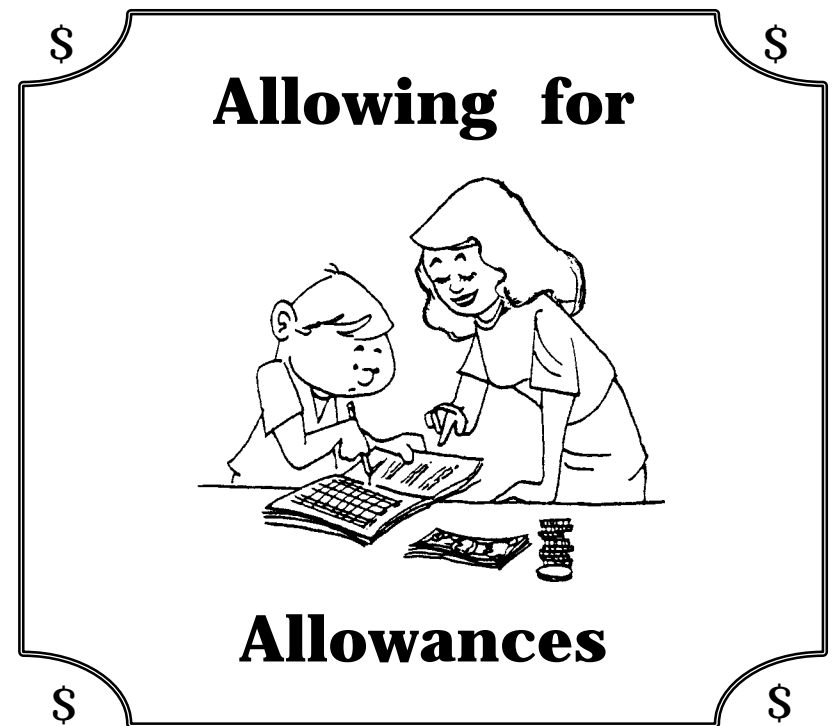
- Set rules or guidelines for use of the money (e.g., for lunches, bus fare, fun, clothing, savings).
- If the child feels the allowance isn't enough, help the child think about other ways to earn more.
- Talk with the child about managing, using, earning and sharing money.
- Talk with other parents to get ideas about current amounts.
- For more ideas, contact your local UW-Extension Family Living or Youth Development staff.

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Family Living Programs

CM06: Allowing for Allowances



Afford Healthy Food Choices with DOLLAR SENSE

When is a child ready for an allowance?

A child is ready for an allowance when she or he :

- can count
- is able to tell one coin from another
- has the opportunity to spend

What advantage is there to giving an allowance?

An allowance:

- Is good practice for living on a limited income
- Promotes self responsibility
- Helps a parent recognize the child's needs
- Teaches the value of money
- Teaches the child to learn from mistakes
- Teaches the child to make decisions and set priorities.

How do I know how much allowance to give my child?

The amount depends on the family. The amount should be what your budget can allow. The parent and child need to talk about how much and how it will be used.

If you give an allowance:

- Avoid using it as a power issue.
- Be consistent.
- Help your child set rules for the use of the money.
- Help your child plan for spending and saving.
- Talk about the use or misuse of the money.
- Be sure the amount fits your budget.