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ParentSmart By CLAIRE GREEN

Raising frugal kids: A timely lesson

Hard to believe, but there's actually an upside to all of the bad economic news. Raising a child to think frugally is a lot easier today than it was a year ago. To learn how, we turned to financial expert Susan Beacham, of Money Savvy Generation (msgen.com), which helps parents teach their children how to be smart about money. Her advice:

TEACH THE BASICS. By the fourth grade, kids should know how to identify coins and paper money; what they can do with money, including saving, buying and giving to charity; and what a budget is.

DISCUSS YOUR OWN BUDGET. Meals are a great time to discuss how your family spends its money — on food, housing, transportation, vacations, etc. Discuss different ways to save, such as with piggy

banks and savings accounts.

TEACH EVERYONE TO BE THRIFTY.

Set a month-by-month goal to rein in spending. Skipping a daily latte, packing lunch or cutting back on online music purchases can make a difference.

MAKE LEARNING FUN.

Give your youngest lights-out duty at bedtime to teach about saving on electric bills. Early readers can help clip grocery coupons from the circulars. And teens can search for sales and coupons online.

Talk about ways to save, such as piggy banks and savings accounts.

CLAIRE GREEN is the president of Parents' Choice Foundation, a non-profit guide to quality children's media and toys. For more information, go to parents-choice.org.

▶▶ Kids can learn to divvy up their money with this update on the classic piggy bank (\$16.99, MSGEN.COM).

