

# Parents - A Beacon to follow

*Tools to train your children*

*because...*

*“Principles without Application lead to frustration”*

# Are You a Proactive Parent?

- Take an active role teaching our children and grandchildren.
  - Deut 4:1-9
- Act differently than those around us.
  - Rom 12:2, Eph 4:17
- Look ahead and prepare for upcoming dangers.
  - Prov 22:3
- Become pro-active and train our children.
  - Eph 6:4
- Amos 3:3 & 1 Cor 11:11 – agree with spouse.

# Proactive vs. Reactive

- Discipline – why, when and how
- Planning for the future – vacations, holidays, marriage
- Balancing a checkbook – age 15 or 16
- Their first job – what to expect
- Buying their first car – no borrowing
- Planning for college – have children contribute something
- Their first credit card – never carry balance
- Gifts or Inheritances - Sudden wealth: often Misused or Mismanaged and gone in 18 months. How much is enough?

# How do Children Learn?

## A. They learn by watching others

- Influenced by peer pressure – Luke 12:15
  - What is teaching your children – The World or the Word?
- Deceitfulness of wealth – Mark 4:19
  - Divorce rate is 50% - this applies to us and our children!
- Dangers of credit cards - Proverbs 22:3
  - a wise man looks ahead... and makes provision.

# Dangers of Credit Cards

- Me first – buy now pay later
- Credit cards – average balance \$8,000+ and the typical family carries 10 different cards.
- Using Plastic – we spend on average 34% more money when using credit cards.



# Citibank Ad

Now you can Borrow  
Enough Money  
To be  
Completely  
Out of Debt!

## B. They Learn by our Priorities.

### 1. Are you keeping these *LIFeStyle Priorities* in order?

- Your Faith
  - Salvation, Sanctification, avoiding Stagnation
- Your Family
  - Spouse, Children, Parents and Peers
- Your Finances
  - Give, Save, Spend, Offerings and Luxuries
- Your Future
  - A Christian's Will

## 2. Are you keeping these Financial Priorities in order?

- Giving – local church, 10% of gross
- Saving – minimum of 10% each month
  - More if single or an empty nester
  - Three Biblical reasons to save:
    - 2 Samuel 24:21-24, Proverbs 6:6-8; 22:9
    - More on this tomorrow night
  - Three Steps required:
    1. Treat it as an absolute necessity
    2. Delegate responsibility
    3. Always use two accounts: Put & Take, Put & Keep

- Spending – pay your bills, stick to a budget!
  - Budget is a Guideline not a straightjacket
  - Budget Busters: home, auto & personal allowance
  - Avoid borrowing – Proverbs 22:6&7
- Sacrificial Offerings – remembering the poor
  - “*Lay up for yourselves Treasures in Heaven*”
  - *Proverbs 11:25; Galatians 2:10, Hebrews 13:16*
- Luxuries – enjoy God’s bounty
  - 1 Timothy 6:17

# C. Your children learn through experience

## 1. The Four Quarter Method of Stewardship

*Weekly repetitive training reinforces priorities.*

- Weekly allowance starting at Age 6
  - Share the household income
  - Train them to manage money
  - Not directly related to chores
- Four Quarters every Sunday morning
  - 1<sup>st</sup> Quarter \_\_\_\_\_, 2<sup>nd</sup> Quarter \_\_\_\_\_
  - 3<sup>rd</sup> Quarter \_\_\_\_\_, 4<sup>th</sup> Quarter \_\_\_\_\_
  - Increase each year with age

# 4 Quarter Method

## ~ some helpful hints ~

- Accountability and Reward
  - If you don't inspect it you can not expect it!
  - Match Long-Term savings and invest every Christmas
- No borrowing, No Advances
- Never spend it all
- Earnings  $>$ \$25 in any one week – no allowance needed that week

## 2. The Surprise Package Company - Look for opportunities to Give – in the church & in the community.

- a. **Thanksgiving opportunities** – help children look for individuals or families, saved or unsaved, who have a financial need.
  - Staple \$100 to a paper with the words:
    - “From the Surprise Package Company from your friends at *name of your church*”.
  - Each Child delivers envelope secretly to house. Knocks on door and hides.

## **b. Benefits of teaching giving:**

- God will not hear our prayers if we close our ears to the cry of the poor - Prov 21:13
- Children begin to give of their own money.
- Children begin to discern who should receive gifts, when they should be given and how much should be given.
- Children learn to be thankful as they see the needs of others.

# How are You Doing?

Here are a few suggestions that may help you teach your children money habits for life.

These are general aids for all children. The stage of development of the child will dictate how involved you get with the topics presented.

1. Give each of your children some money to manage.
2. Help your children set up a Giving, Savings and Spending plan. Teach them to invest.
3. Avoid using money as a reward or punishment.
4. Avoid paying children for regular household chores that are shared family responsibilities such as washing the dishes, taking out the trash, cleaning floors, etc. Consider paying them for special jobs (e.g. cleaning the garage)

5. Set a good example by being truthful about money matters.
6. Give your children more financial responsibilities as they get older.
7. Be a good money manager, giving my children a good example to follow.
8. Help your children understand the difference between necessities and luxuries.

9. Praise your children if they have made wise decisions with their money.
10. Help your children find ways to earn extra money that is age appropriate and suits their abilities and skills.
11. Allow your children to make mistakes related to money and help them to understand the consequences.
12. Help your children look for the needs of others.

Parents, we must take the challenge to learn, apply & teach

Luke 6:46-49

- Are you building your life and your family on the Rock of the Word or on the shifting sands of the world's philosophy?
- Life is choices, choices have consequences, make the right choice!