



SUMMER 2011

Simple Money Principles to Teach Your Kids

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Whether you know it or not, you are teaching your kids the value of money—by how you spend it, save it, invest it, or waste it. Qualified or not, you are their money coach and they will learn by watching your every move. If this concerns you, don't worry, all is not lost ...yet. If you want to raise financially healthy kids it's better to start late rather than never, and an allowance is a great way to get the ball rolling. Among other things, it teaches your kids how to manage their 'own' money. Even though it should ultimately be up to them to decide how to spend their money, it's a great oppor-

tunity for you to teach some practical skills. Try starting with these five simple money principles: earning, spending, saving, borrowing, and giving. **Earning:** An allowance is your child's 'pay-day.' Establish the amount based on their age and the family finances. Be consistent and pay on time. The purpose of an allowance is really to teach your kids firsthand about money management. Don't tie it to chores. If you are a member of the family, then you are responsible to share in the household chores. This is not something you or anyone else should get paid for. However, give your child the opportunity to be able to earn extra money for taking on additional chores or responsibilities. Also, don't pay or reward your kids for getting good grades. That is a personal accomplishment and should not be tied to financial benefit. **Spending:** Have a discussion with your child about what exactly they are expected to pay for using their allowance. This is the start of them learning to live within their means—something many adults don't even know how to do successfully. Teach your

kids age appropriate budgeting. For example, you have \$5 to last one week and you are responsible to pay for any treats when we go to the grocery store. As your child gets older, their allowance increases, as does the expenditures they are expected to use it for. **Savings:** Just as financial gurus advise you to save 10% of your income, so should you advise your kids. Teach them to pay themselves first by encouraging them to take 10% of their allowance and put it towards savings. If your child earns \$2 a week, then suggest they take .20 cents and put it into their piggy bank. If they earn \$10 a week, again, suggest \$2 go towards savings. Recommend creating a 'savings jar' and act like the Bank of Mom. Open a 'real' savings account for each child and when their jars get full have the kids take the money to the bank to deposit. There will be nothing more exciting and encouraging for them then to see their own money grow. Remember, it's not the amount they're saving that matters as much as the lessons and habits they are learning. **Borrowing:** You may think this is one aspect of

CONGRATULATIONS
AND BEST WISHES
TO THE GRADUATING
CLASS OF 2011

GOOD LUCK!

Simple Money Principles to Teach Your Kids



Lead by example, start young, and let them learn by doing.

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money management you don't want your kids to learn too early, if at all, but your child needs to be taught from an early age that 'borrowed' money is not free money. So teach your kids 'age appropriate' lessons on borrowing. If your child wants \$10 to buy something and they have already spent their allowance, you now have the perfect opportunity to teach some valuable money management lessons. You have the option to take a hard line—no money, no purchase. You can teach your child how to start a savings plan to build enough money to make this purchase—delayed gratification. Or you can lend them the money from the Bank of Mom. You could create an 'IOU' jar

and have your child sign the IOU. You may want to add interest on the borrowed amount to teach an authentic lesson on how the real world works. When allowance day comes, be sure you take the agreed upon amount off the top as payment for the loan. When your child realizes they have little cash flow and nothing going towards their savings, they may think twice about the next item they so desperately need. **Giving:** Last but not least, teach your child the importance of giving back. Whatever charities or causes the family supports, encourage your child to take a portion of their allowance and 'give back.' if they happen to love animals, your child can buy a can of cat or dog food and take it to the local shelter. Or buy a toy for a

child who is not so fortunate. There are also many non-monetary ways to give back—donate unused clothes or toys or volunteer your time, just to name a few. It's not about what or how much, just that you are giving back. It's never too late to teach your kids about money. Just remember 3 key points, lead by example, start young, and let them learn by doing. Although making mistakes is a part of life when it comes to money, it's better to make them early while the ante is still small.

Source: Rhonda Sherwood, Certified Financial Planner (CFP), Financial Management Advisor (FMA), and a Liberal Arts Graduate from Simon Fraser University.
www.rhondasherwood.com

You Want a Divorce But Can't Afford It

You would like a divorce, but the legal fees and cost of two residences are beyond your means. For now, you have to continue living together. **How to make it work...**

Explain to the children that you have decided to sleep apart and live apart (together) in the house. The essence of your statement goes something like this, "We have given our best effort to making this marriage work, and we have not been successful. We have decided to stay together but to live as independently of each other as possible. Nothing we do will change our love and caring for you..." Children need certainty and are better

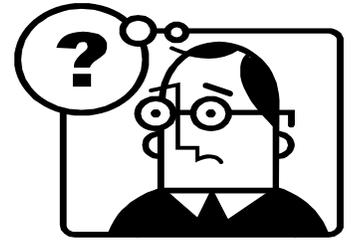
off knowing what's happening than wondering about it and drawing their own (perhaps frightening) conclusions. **Establish a code of behavior.** Arguing in front of the children is harmful and so is speaking negatively about the other parent. An agreement to defining acceptable behavior should be drawn up in writing and signed by both partners. **Example:** "Rather than airing grievances in front of the children, they will be aired privately every Tuesday evening." Also, if either or both of you decide to date while you still live together, people you are dating should not come to the home. **Divide up the child**

care. Who is in charge of whom, and when, must be carefully defined. And block out times for separate vacations. If they are to be without the children, plan for coverage. **Divide up the expenses** if both partners work. Whatever you decide should not be viewed as "forever" but renegotiated each periodically. **Make a list of household chores,** and split them equitably. **Decide who sleeps where.** If there are separate bathrooms, it's better if each has his/her own. Notify the other of plans for house guests. **Get separate phone lines.** Password protected voice mail and email is advised.

Reassess the situation periodically. The financial hardship of a divorce should be periodically weighed against living arrangements that may slowly eat away at integrity and well-being. Living together but estranged is not recommended for long term.

Source: Joel D. Block, PhD, Asst. Clinical Prof. of Psychiatry, at Albert Einstein College of Medicine. Author of *Naked Intimacy: How to Increase True Openness in Your Relationship and Broken Promises, Mended Hearts: Maintaining Trust in Love Relationships* (both in McGraw-Hill).
www.DrBlock.com

The Scariest Question in the World



Do you ever wonder how other people in your life perceive you? Do they see you as the kind and loving, smart and clever person you surely are (or at least hope you are)? Or do they see a whole different you? And is it possible that they even may know more about your true qualities than you do? A new study at Washington University in St. Louis investigated that very question with 165 volunteers. It sought to find out who's the better judge of our personality and behaviors—ourselves or the people who we work and live with. The study concluded that while people are hip to their inner landscape (anxiety, fears and the like), other people often know more about our personality and behaviors than we do ourselves.

WHAT DO YOU THINK OF ME? If this idea makes you feel queasy, you're not alone. Most people would rather eat bugs than ask others, "Hey, how would you describe me—honestly?" *Are you kidding?* That is one scary thought! The conversations that could result from asking for another's opinions and observations could contribute mightily to the functioning of your relationship with that person...and more broadly, it could have a huge impact on your successes or failures in the world. For example, perhaps there is something you do that holds you back from connecting with the type of person you would really like to be with...or keeps you from receiving a promotion at work. Without getting feedback from those around you,

you may never realize that how you *think* you are in the world is not at all how others see and experience you.

Ahem, I have something to ask you... So there is much to learn by having such an open conversation, but the sticky question remains—how to go about asking in the smoothest way possible? Before you ask, make a list of what you expect to be told...and then push further and make another list, guessing at the worst things you could possibly hear. Don't hold back—this is where you get a chance to be fully honest with yourself about you habit of interrupting or being flighty, cheap, cold, manipulative—anything you've already been accused of or know about yourself. Seeing it on paper gives you a chance to face your most dreadful fears about yourself privately so that you will not be blindsided in the real conversation. You've been there, done that...and now you actually feel quite safe.

Next decide who to ask. Right off, let's acknowledge that most people are mortified by the idea of asking others for their thoughts and observations about them...and furthermore, most people are mortified to be asked. People who love you might balk at the idea of saying what they don't like about you because they don't want to hurt your feelings. Plus, they may fear that you will get defensive and angry. So it's important to consider what you want out of the conversation and what you are willing to learn about yourself. The obvious choice for who to ask is

your spouse or partner, of course—a sibling, perhaps... your children, friends, colleagues, maybe. The more people you ask, the more you can and will learn. Make sure each person knows why you want the information he/she has even if it is negative—a truthful report is the only way you can grow from the exercise. But you must promise all the people you ask that they will not get in trouble by being honest with you and that you will never, never hold anything they say against them—in fact, you should provide reassurance that you will be grateful for their honesty. And be sure you stick to that or the person might never be truthful with you again.

HOW TO HAVE THE CONVERSATION? When it's time to talk, you'll get better, or more useful information if you direct the conversation to some degree. Here are some useful topics to ask your 'informants' to tell you: What they have never told you that they wish you would change. Which traits you display that make them uncomfortable and which they would like you to do something about. If there is anything you should apologize to them for. How you hurt their feelings. If there is something that they wish you would do on a regular basis that you do not do.

A way to learn even more: Ask each person how he thinks others perceive you, too, not just what's between the two of you. A boss might ask a colleague whether he is seen as being patient, and a good

listener—he might think he is, but the colleague may have valuable insights that could improve performance, such as "you don't welcome ideas other than your own." A woman might hear from her husband that she frequently brushes the kids away when they crave her attention...or perhaps you might be surprised to hear from friends or your partner that you have a tendency to be rude to service personnel, such as store clerks and the staff in restaurants. Ask people anything you want to know about yourself, and even let them bring up topics that they want to discuss. Nothing should be off limits. Once you have wrapped up your conversation, thank the person you interviewed for sharing and let him/her know how much you appreciate hearing the truth about his thoughts and feelings. You have a choice as to whether to make any changes to your behavior based on the information and opinions you receive in your conversations. But at the very least, you might want to keep what you heard in mind as you negotiate tricky spots in relationships or other life challenges—and consider whether altering how you're perceived might help life go more smoothly for you.

Source: Lauren Zander, cofounder and chairman, The Handel Group, www.thehandelgroup.com

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Don't Be a Party to Teenage Drinking



***"PARENTS
WHO HOST,
LOSE
THE MOST."***

As we celebrate the accomplishments of the Graduating Class of 2011 and make plans for parties and gatherings, we here at Vista Psychological & Counseling Centre thought it would be important to remind everyone about Ohio's Underage Drinking Laws.

What parents need to know:

As a parent, you cannot give alcohol to your teen's friends under the age of 21 under any circumstance, even in your own home, even with their parents permission.

You cannot knowingly allow a person under 21, other than your own child, to remain in your home or on your property while consuming or possessing

alcohol.

If you break the law:

You can face a maximum of six months in jail, and/or a \$1,000 fine.

Others can sue you if you give alcohol to anyone under 21 and they, in turn, hurt someone, hurt themselves, or damage property.

Officers can take any alcohol, money or property used in committing the offense.

What you can do:

Refuse to supply alcohol to children.

Be at home when your teen has a party.

Make sure alcohol is not

brought into your home or property by your teen's friends.

Talk to other parents about not providing alcohol at other events your child will be attending.

Create alcohol-free opportunities and activities in your home so teens will feel welcome.

Report underage drinking by calling the anonymous, toll-free hotline at 1-877-4-MINORS.

A program of Ohio Parents for Drug Free Youth with support from the Ohio Department of Alcohol and Drug Addiction Services and the Ohio Department of Public Safety.