

## RESOURCES FOR FINANCIAL LITERACY AND ESTATE PLANNING<sup>1</sup>

### FINANCIAL LITERACY AND EDUCATION

There are many written and online resources for adults about personal finance, ranging from explanations of credit and debt management to saving for a house, planning for retirement, or avoiding identity theft. These are meant to teach adults about finance or remediate problems that have led to excess debt or ineffective planning. However, most of these resources are not very useful for parents who want to lay the foundation for good financial literacy with their children from the beginning.

Here are some good-quality articles, books, websites, and professionals available to help guide parents and advisors in the area of financial literacy education. Use these as a basis for beginning a good financial education program in your family:

#### ✦ Books on Financial Literacy for All Economic Levels ✦

***Raising Financially Fit Kids*** by Joline Godfrey. Berkeley CA: Ten Speed Press, 2003.

Joline Godfrey's book is a well-regarded resource for parents at all economic levels. Each chapter gives practical advice linked to each stage of childhood development, including many real-world examples and charts explaining tasks and skills for each age range.

***The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, Responsible Children*** by Eileen Gallo and Jon Gallo. New York: New American Library, 2005.

Written by a noted husband-and-wife team of a lawyer and a psychologist (and authors of *Silver Spoon Kids*, see below), *The Financially Intelligent Parent* explains not only the how-tos of financial literacy but also the mindset parents should have in approaching the financial education of their children.

***Raising Money Smart Kids*** by Janet Budnar. Chicago: Dearborn Trade Publishing, 2005.

This book from the deputy editor of *Kiplinger's Personal Finance* goes into detail on a wide spectrum of ideas and skills about creating "money smart kids." It emphasizes the ins-and-outs of teaching good credit and debt management to today's kids.

***The First National Bank of Dad: The Best Way to Teach Kids About Money*** by David Owen. New York, NY: Simon and Schuster, 2007.

Written by a contributor for *The New Yorker*, this is presented as a father's first-hand account of teaching his children to have strong values for saving and good money management. The latter section of the book goes into a variety of basics about finance and money.

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<sup>1</sup> Adapted from materials developed in collaboration with Pioneer Investments and State Street Global Advisors

***Neale S. Godfrey's Ultimate Kids' Money Book*** by Neale S. Godfrey. Aladdin, 2002.

Written in an animated style with many illustrations, the *Ultimate Kids' Money Book* explains many basic and advanced concepts to kids in a fun format. It is a good resource for those children who show an aptitude or interest in the area of money and finance or for those who think money is boring to learn about.

***The Kids' Allowance Book*** by Any Nathan with Debbie Palen. Backinprint.com, 2006.

This book is targeted to elementary school children and reflects ideas on the use of allowances and techniques for staying on track with them. It does not advocate for the allowance as learning tool (as in *Raising Financially Fit Kids* by Godfrey) but takes a broader approach to why kids can or should have an allowance.

***TeenVestor*** by Emmanuel Modu and Andrea Walker. Perigee Trade, 2002.

For adolescents who are intrigued by investing or for parents who want to do more than just encourage their teen to save and invest, *TeenVestor* is a good resource about the fundamentals and how-to's of investing. It also has a section on philanthropy which is good for the socially-conscious teen. See the companion website at [www.teenvestor.com](http://www.teenvestor.com).

***Talking Money with Your Kids, and***

***Teach Your Kids Financial Skills Early, and the Lessons Can Last a Lifetime.*** Available from Smart-Money.org.

These are two easily-read articles downloadable from the resource library at [SmartAboutMoney.org](http://SmartAboutMoney.org), a financial literacy website associated with the National Endowment for Financial Education ([nefe.org](http://nefe.org)). Both contain information for parents on basics of financial literacy training.

### ✦ Books on Financial Literacy for Affluent Families ✦

***Silver Spoon Kids: How Successful Parents Raise Responsible Children*** by Eileen Gallo and Jon Gallo. New York: Contemporary Books, 2002.

This is a classic book written for affluent families by the renowned husband-and-wife team of Jon Gallo (attorney) and Eileen Gallo (psychologist). It goes into clear detail about the psychological stages of childhood development and how to follow through with financial education at each stage.

***Children of Paradise: Successful Parenting for Prosperous Families (Second Edition)*** by Lee Hausner. Irvine, CA: Plaza Press, 2005.

The 2005 edition is an update of an earlier book written for high-net-worth families about the difficulties, hidden stresses, and opportunities inherent in raising responsible children with wealth. *Children of Paradise* is especially good for those parents wanting an in-depth discussion of the emotional and psychological aspects of affluent parenting.

***Wealth in Families (Second Edition)*** by Charles Collier. Cambridge MA: Harvard University Press, 2006.

*Wealth in Families* is a small and very readable book written by a prominent wealth consultant for high-net-worth families. Written in an interview format with other leaders in the field, it provides advice on preserving

good money skills across generations. Note the chapter on “Financial Parenting: Managing Money” which discusses the importance of financial education for all high-net-worth family members.

***Mommy, Are We Rich? Talking to Children about Family Money*** by Susan Peterfreund and Barbara Hauser. Rochester MN: Mesatop Press, 2001.

A useful book for handling common questions that affluent children have for their parents. Many parents find these questions awkward to handle, and so they avoid family communication. Knowing how to approach these natural questions can often make the difference in establishing healthy money attitudes and skills with affluence.

***Navigating the Dark Side of Wealth*** by Thayer Willis. Portland, OR: New Concord Press, 2003.

Written by an inheritor and a therapist, this book discusses personal, spiritual, and professional perspectives on how healthy parenting and financial training are crucial for children raised with affluence. Thayer Willis advocates that parents need to take responsibility for their own money management in order to be good models for their children, and that taking an active approach is best in raising responsible children with wealth.

### ✦ Websites ✦

**National Endowment for Financial Education: [nefe.org](http://nefe.org)**

NEFE is one of the best sites for financial literacy education, not only for children but for adults. It contains many excellent articles and resources for understanding finance at all stages of life. See the section for teens at [hsfpp.nefe.org](http://hsfpp.nefe.org) and the resource library at [SmartAboutMoney.org](http://SmartAboutMoney.org).

**The Financially Intelligent Parent: [fiparent.com](http://fiparent.com)**

This companion site to Jon and Eileen Gallo’s book, *The Financially Intelligent Parent* provides tips and techniques for financial literacy training such as understanding allowances and how to set up a household chore list for different ages.

**Practical Money Skills for Life: [www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)**

This site offers many games, educational tools, and tips on investing basics for children, young adults, and adults. It teaches financial education in an engaging and solid format with sections written by personal finance authors Jean Chatzky and Jason Alderman.

**Jump\$tart Coalition [www.jumpstart.org](http://www.jumpstart.org)**

Jump\$tart is a well-researched clearinghouse for financial literacy materials with standards for high-quality resources using the Educational Materials Review Checklist. Visitors can browse the Clearinghouse section for age- or topic-specific materials used for financial education.

**The Mint: [www.themint.org](http://www.themint.org)**

Supported by the National Council on Economic Education and the Northwestern Mutual Foundation, this is a financial education site primarily for teenagers, though it also has resources for younger children.

**TeenVestor:** [www.teenvestor.com](http://www.teenvestor.com)

This is a companion site to the book TeenVestor, with many good resources for adolescents and young adults.

✦ FAMILY COMMUNICATION AND LEGACY PLANNING ✦

There are several good resources for understanding and communicating about the family side of estate planning:

***Beyond the Grave: The Right Way and the Wrong Way of Leaving Money to Your Children (and Others), Revised Edition*** by Gerald M. Condon and Jeffrey L. Condon. New York, NY: HarperCollins, 2001.

A classic in the field of family-oriented estate planning, *Beyond the Grave* is still a valuable resource that provides in-depth discussion of various inheritance issues from the family side.

***Best Intentions: Ensuring Your Estate Plan Delivers Both Wealth and Wisdom*** by Colleen Barney and Victoria Collins. Kaplan Business, 2002.

This is a very readable book on avoiding common errors in estate planning, written with illustrative case examples.

### **Ethical Wills**

Ethical wills specify the values you want to articulate to your family as part of your legacy, beyond the financial assets you want to leave to your family. Some resources for creating ethical will documents or audio-visual histories include the following:

***The Wealth of Your Life: A Step-by-Step Guide for Creating Your Ethical Will (Second Edition)*** by Susan Turnbull. Benedict Press, 2007.

Susan Turnbull of Personal Legacy Advisors ([www.personallegacyadvisors.com](http://www.personallegacyadvisors.com)) has crafted one of the best resources for clients to develop their own ethical wills, documenting their thoughts about their legacy. She also provides direct consultation services to affluent clients wanting a more detailed or extensive legacy project for heirs.

***Ethical Wills: Putting Your Values on Paper (Second Edition)*** by Barry Baines. DeCapo Press, 2006. Another good resource for self-developed ethical wills, with personal consultation available at Celebrations of Life ([www.celebrationsoflife.com](http://www.celebrationsoflife.com)).

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