

ARE YOU TEACHING BY EXAMPLE?

By: VIVIAN MCKENZIE, CPA, CGMA



My Father was a man of few words so when he spoke to me, I listened. When I was 16, he brought me and my first paycheck to the credit union and showed me how to open up a savings account and a checking account in my own name. He explained to me how to use a checkbook, how to fill out a deposit slip, and how to reconcile my bank accounts when the monthly statements came in the mail. At age 17, he brought me back to that same credit union and guided me in applying for a car loan in my own name and taught me the importance of establishing an impeccable credit history. He told me to pay my monthly loan payments on time and to pay a little extra each month to pay off the loan early to save on interest expense.

As a parent, I am trying to pass on my Father's legacy by teaching my own children how to handle their financial affairs. Although for many people paper checkbooks have been traded in for debit cards and e-payments, the basic concepts are still the same:

- Treat money with respect
- Always know your bank account balance before making a purchase
- Don't buy something that you can't afford
- Don't spend every dollar you earn; save for a rainy day (or for a new car, or for college, etc.)
- If you make a money mistake, fix it and try to not repeat that mistake

If I've done my job right, perhaps one day my children will pass on these money lessons to their children and the legacy will continue.