



## Paying It Forward: Kids as Philanthropists

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**D**oes your child suffer from “entitled child syndrome” or a chronic case of “gimmes”? As the holidays approach, why not turn the tables by asking him to focus on the needs of others, rather than his own self-fulfillment? Introduce the idea of charitable giving as a way to teach your child the life lessons of consideration and compassion toward others. Help him establish a donating habit to experience the satisfaction of giving back to the community, as well as to develop financial management skills. Once he includes charitable giving in his budget, he will be ready for lifelong philanthropy.

To set the stage for paying it forward, discuss charitable organizations that might appeal to your child. Does she want to help other kids in need? Suggest child welfare agencies. Cure a disease? Offer names of cancer organizations. Feed the hungry? Look at your local food pantry. Support homeless pets? Try the animal shelter. If you want to explore charitable options with your child, research online at [www.justgive.org](http://www.justgive.org) to investigate possibilities in the “Find a Charity” section. Use our Doing Good Deeds Guide on Page 20 to list the top prospects and make a final decision. If a local charity is chosen, I would recommend a visit to and tour of the organization, if possible. This will give her a visual picture of how the organization helps others and encourage continued giving. Take home brochures from the visit to remind

the child of the charity’s goals and importance to the community.

Once your child has found a charity he’s passionate about, discuss and agree on donation amounts and frequency. If allowance is your child’s only income, a percentage of his pay could be set aside. If he has a part-time job, a portion of each paycheck could be budgeted for donation. When your child receives additional gifts of cash, he has the option of adding to the charitable total. Use our How Much Should I Give? worksheet in the Doing Good Deeds Guide to figure out a donation plan. A separate piggy bank or envelope for charitable giving helps to keep the contributions from being “accidentally” spent before the donation date.

During my teaching career, I saw kids get so excited about donating to their adopted charity that they decided to fundraise for additional contributions. If this happens at home, make sure your child chooses a product that will be easy to sell or a service that’s easy to provide. Suggest food products such as cookies, popcorn or lemonade, or services such as yard care or pet-sitting. Your child may want to recruit friends to assist in a group garage sale or car wash. Role-play how to take cash, give change and offer good customer service with the crew. Have them create a sign noting that the profit will be given to the charitable organization chosen. If it is possible, develop a public service announcement for your local TV or radio station to promote the fundraiser.

Another way your child can support charitable giving is through the use of Charity Checks. Read about these unique checks at [www.charitychecks.us](http://www.charitychecks.us). A donor buys a “giving certificate” in check form and receives it with the payee line blank. The donor gifts the check

to a relative or friend, who fills in the payee line with an IRS-approved nonprofit of their choice and donates. This method gives the joy of giving to others. If your child is old enough to understand taxes, and pay them, he can claim a tax deduction for his contributions through itemizing deductions. In the meantime, he'll be rewarded through feeling good about doing good for others.

What if your child simply does not have the funds to donate? She can always give of herself by volunteering her time to charities through school and church activities. Parents

can model the giving spirit through offering their services to these and other nonprofits as well. A family that volunteers together demonstrates the belief that giving back to the community is important to all members. Whether your donation is in time or dollars, your charitable contributions will be instilling a giving philosophy in kids for years to come.



## Financial Education Resources

The Kansas City Fed is committed to promoting economic and financial literacy and greater knowledge of the Federal Reserve's role by providing resources for teachers, students and the public. Visit our website at [KansasCityFed.org](http://KansasCityFed.org) for more information.

### **Federal Reserve Resources**

#### **"The Piggy Bank Primer"**

This booklet suggests ways to spend, save and share money wisely. For ages 6-10.

#### **"Kids and Money: Teaching Children to Manage Their Finances"**

This guide discusses savings activities that will aid charitable giving. For ages 6-12.

#### **"Great Minds Think: A Kid's Guide to Money"**

This booklet includes a budgeting worksheet that helps kids plan for donations. For ages 8-12.

### **Fiction Books**

#### **"The Berenstain Bears Lend a Helping Hand" by Stan Berenstain**

The cubs find there are rewards in giving a helping hand to those less fortunate. For ages 4-8.

### **Nonfiction Books**

#### **"A Kid's Guide to Giving"**

by Freddi Zeiler  
Written by kids, this guide includes suggestions on giving money, volunteering, donating goods and organizing charity events. For ages 6-12.

#### **"The Giving Family: Raising Our Children to Help Others"**

by Susan Crites Price  
This book outlines steps adults can take to instill the spirit of giving in children. It explains how kids can learn philanthropy in and out of the home and become active in nonprofit groups. For adults.

# Doing Good Deeds Guide

## CONGRATULATIONS ON YOUR DECISION TO HELP OTHERS IN

**NEED!** Research the charities you are interested in by thinking of whom you want to help. These groups might include kids less fortunate, those who are ill, people who are hungry or homeless, or animals. Once you find some great charities, list your favorites below and discuss them with a parent before making a decision.

### CHARITIES I LIKE...

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### I HAVE DECIDED TO GIVE TO...

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### I CHOSE THIS CHARITY BECAUSE...

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## HOW MUCH SHOULD I GIVE?

To decide how much you will donate to your charity, list your monthly income (the money you earn or receive for allowance, jobs or gifts) below. Write in the amounts you will save and spend. Use the workspace to subtract these amounts to see what you can afford to donate. Be sure to write how often you will give your donation.

MY MONTHLY INCOME IS \$ ..... 

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I WILL SAVE \$ ..... 

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I WILL SPEND \$ ..... 

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I WILL DONATE \$ ..... 

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I WILL MAKE THIS DONATION EVERY ..... 

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