

## How can I teach my preschooler that when money is spent, it is gone?

Young children often have trouble understanding that you can spend money only once. For example, after buying and eating candy, they might expect to be able to buy and eat more right away. Or, if they change their minds about a purchase, they might expect to be able to get a second choice without needing more money.

It helps to show young children that spending money means giving it up. A dollar store or the dollar aisle at a thrift store is a good place to teach this.

### A One-Dollar Treat

Materials needed:

- One dollar

Step 1: Explain what you will be doing together (read through entire activity before you begin)

Plan a special shopping trip. Explain that you will give your child one dollar to spend at the store.

Step 2: Explain the shopping rules  
Set the rules for this activity before you leave the house. Make sure your child knows the rules by repeating a few of the most important ones. Examples:



*Give your child money to make one purchase only.*



*Make sure your child knows your shopping rules by repeating the most important ones.*

- You will give your child the money to make one purchase.
- Your child will not be able to make a second purchase today.
- Your child can (or cannot) buy certain items (such as candy).
- You might (or might not) give your child money to buy a treat in the future.
- This is a special treat for your child. Explain that there will not be a special treat every trip to the store.

(continued)

### Step 3: Help your child buy the item

If your child has followed all your shopping rules, help with the one-dollar purchase. Try not to rush your child. You can help your child choose by asking questions. Examples for choosing an item:

- Which item will be the most fun?
- Which item will last the longest?
- Which item can you enjoy with a friend?

#### Ideas to talk about

- ★ Buying something means giving up money for an item. Money you spend is gone for good.
- ★ Buying something means making a choice because you cannot buy everything you want.
- ★ Shoppers in a store must choose carefully to avoid being disappointed with what they buy.

#### ◇ ◇ ◇ Notes ◇ ◇ ◇

Don't take away the one-dollar treat as a consequence of misbehaving. If your child misbehaves while shopping, use a different punishment than the activity, such as the loss of TV time or dessert.

Increase the amount of money an older child can spend on the special treat.

Allow the child to purchase items for family or friends.

This activity goes well with "Shopping Helper" (in "How can I teach my preschooler to help with the shopping?") and "A Paid Chore" (in "How can I teach my preschooler about earning money?").

Find more "What your preschooler should know about money" activities at [www.creditunion.coop](http://www.creditunion.coop).



*Help your child choose by asking which item can be fun with a friend.*

