

### The Fundamentals

- Help your child understand the value of money and how to count it.
  - Practice by giving a small sum (such as \$20) and have him “purchase” small items from you in your home (such as groceries and school supplies).
- Encourage your child to establish a safe place to keep his money (both at home and on his person). He should know that his safe place should only be shared with a short list of trusted people.

### Spending and Saving

- Explain the difference between needs and wants.
  - Need = something necessary to survive (food, clothes, medical necessities)
  - Want = something you would like to have, but is not necessary for survival
- Establish a system to keep track of your child’s finances and give her a role, such as entering earned money on a written chart or spreadsheet.
  - If she is able to do simple calculations, show her that her income (money earned) – expenses (money spent) = money still available (cash flow)
- Help her to set goals. Explain that saving money will help her obtain both wants and needs.
  - When you are practicing “purchasing” items at home, make sure that she leaves some in her safe place. Add to the saved amount each week so she will see that after one month the amount has grown.
- Demonstrate a budget, allocating money monthly for certain things.
  - Try free budgeting apps or create a simple spreadsheet.
- Practice paying rent to understand budgeting and increased responsibility.
- Open a joint checking account. Allow use of a debit card under supervision for small purchases, like clothes or snacks.

### Earning Money and Understanding a Paycheck

- It’s great if your child has a job that he enjoys, but make sure he knows that he does get money for it.
- Help your child understand his paycheck.
  - Review the deduction of taxes, insurance, retirement savings, etc.
- Learn about eligibility for government benefits. Be aware of limits on how much can be saved and still maintain eligibility.

**Waivers** are state provided services and benefits, offered in your own community, that promote community living, and may allow your child to live more independently. It may include support for recreation, educational/vocational opportunities, home assistance with daily living, and transportation. In Pennsylvania, application for waivers are completed through the Office of Developmental Programs. In New Jersey, application for waivers are completed through the Division of Developmental Disabilities.

### Achieving a Better Life Experience (ABLE) Act of 2014

**Achieving a Better Life Experience (ABLE) Act of 2014** allows you to set up a tax-advantaged savings account for expenses pertaining to your child’s disability. For information by state, see: <http://ablenrc.org/state-review>.

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**Social Security Benefits:** At 18 years old, eligibility for Supplemental Security Income is based on your child's financial need (not your family's). In Pennsylvania, this means renewing eligibility, three months prior to turning 18. In New Jersey, this means applying for eligibility, which will automatically provide Medicaid benefits.

Eligibility for Social Security Disability Insurance (a separate program) should also be investigated for individual eligibility.

Parents can be appointed by the Social Security Administration to receive the Social Security funds for your child if he cannot manage his own benefits. As the representative payee, you use the funds to pay for your child's needs and must be able to show how the benefits were used. The designation of representative payee is necessary, regardless of whether power of attorney or guardianship has been established. Application is completed through your local Social Security office.

**Special needs trust:** As part of estate planning, a special needs trust is an instrument that is customized to address the unique circumstances of each family. It allows your child to remain eligible for need-based government benefits, such as Medicaid and Supplemental Security Income, and maximizes both public and private resources available to meet your child's basic care needs.