



## Tough love when grown kids ask for money

By [Amy Buttell Crane](#) • Bankrate.com

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When adult children ask their parents for money, it creates a quandary: To give or not to give?

For T. Scott Gross, a motivational speaker and management training consultant in Knoxville, Tenn., the choice is easy: "My answer starts at no, then hell no, then, over your dead body," he says.

Such an answer is nothing new for his grown son.

"Because we made him financially responsible for himself at a young age, he learned to go out and earn the money that he needed to get what he wanted," Gross says.

Many parents may want to say no to such requests, but don't know how. Others can't decide when to say yes and when to say no.

Financial experts advise parents to first think about whether they can afford the gift or loan. With retirement costs skyrocketing and life spans increasing, even people who consider themselves wealthy may find themselves running short on cash as they age.

Then, parents need to ask themselves some hard questions about their own motivations in providing help and assess their child's motivations in asking for help.

"We distinguish between financial assistance that will aid in making an adult child more independent and assistance that will just enable that child to remain dependant on the parent," says Eileen Gallo, who authored "The Financially Intelligent Parent" with her husband, Jon Gallo. "But still, if you can't afford to help, don't do it."

Jeff Fishman, an independent financial adviser in Los Angeles, agrees.

"No matter what steps you take to secure your own retirement, having a dependent adult child or children is one thing that can absolutely torpedo your retirement," he says. "Many parents have a hard time distinguishing between their children's wants and needs and spend way too much money fulfilling their wants."

### Can you afford it?

Any money you give or lend your children should be beyond what you need to maintain your lifestyle and meet your goals for saving, which should include an emergency fund and substantial assets saved for retirement. Most experts recommend that you save between three and six months of your salary in an emergency fund that you can dip into, should you lose your job or experience some other type of financial emergency.

Take a look at your living expenses and ongoing bills as you weigh your ability to afford a gift or loan. If you are struggling to make ends meet every month and owe money on your credit cards, you probably shouldn't be giving away money.

While having to say no to a child in financial need is difficult, putting yourself in a precarious financial situation won't help. In such a case, you may need to be cruel to be kind, because bailing your children out of financial messes isn't usually the best course.

"Parents should approach financial tough love with the attitude that this is a learning experience, perhaps for everyone involved," says Carolyn Kaufman, a psychologist and professor at Columbus State Community College in Ohio. "Adult children who continue to ask

for money from parents haven't yet mastered the ability to manage their own money and many won't until their parents force them to do so."

### Family backgrounds

Everyone is profoundly influenced by the financial attitudes of his or her parents and even grandparents. Every family has its own belief system about money and those attitudes frequently cause conflict in family relationships between spouses, siblings, and parents and children.

"We all have our money scripts," says Ted Klontz, who authored "The Financial Wisdom of Ebenezer Scrooge: Five Principles to Transform Your Relationship with Money" with his son, psychologist Brad Klontz and certified financial planner Rick Kahler.

"Many of us never stop to think about where our ideas come from about money and how to go about separating the emotions from the thoughts," he says.

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