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A **virtual**
Piggy Bank

**that
PAYS!**

Need help getting
your child to save?
Here's an online tool that
just may do the trick...



smartpiggybank.com

Northern California sisters Cate and Allison Alder, ages 8 and 12, now think twice before quickly blowing their allowances. The spending shift happened after the girls started seeing a sizeable return on their savings.

We're not talking a few pennies a month.

They're now enjoying a 1.5 percent interest rate. Dad is the banker and sets the rate.

"It definitely changed their patterns of spending," says Larry Alder, creator of SmartPiggy-Bank.com, a free online allowance-tracking program he designed as a teaching tool for his kids and others.

It's not a bank. The site keeps a tally of what parents owe their kids by tracking deposits and withdrawals; kids are encouraged to make transaction notes. Parents have the option of paying interest and can choose the rate.

Alder felt his girls needed a bigger "wow" factor to inspire them to save their money than the kinds of interest rates offered by traditional savings accounts.

Hundreds of families have become

Smart Piggy Bank users since the site's debut last September. The brainstorm for the site evolved from Alder's desire to teach his children about money management. Alder, who works by day as a product manager for a web based company, also made a 2007 New Year's resolution to teach himself to create a website.

The Alder family previously used a pen and paper to track allowances

and the girls' requests for money.

The site's ability for automatic deposits wiped out some of the regularly encountered bugs such as forgotten entries.

Alders finds that his girls are now better about recording withdrawals as well.

Cate and Allison aren't the only ones who have saved more money. Alder shares one of many parent testimonials he has received: "My sons are now saving their allowance and watching it grow instead of spending it immediately or losing it in their pockets or room."

Alder has no plans to charge users. "I'm doing it right now solely as a public benefit and for my own family." ❖ — RK

