THE PRINCIPLE
The principle behind the apostrophe is this: use an apostrophe either to make a noun show possession or to take the place of missing letters, as in contractions.

Apostrophes Show Possession
The apostrophe is used with nouns to show possession (ownership). Ask yourself whether or not the noun showing possession ends in “s.” If it does not, add an apostrophe plus an “s.”

Ex: dog ’s = dog’s
Ex: today + ’s = today’s
Ex: children + ’s = children’s
The dog’s house is painted red.
Today’s children watch too much TV.
The children’s movie is a cartoon.

If the noun already ends in “s,” then decide whether it is singular or plural. If it is singular, add an apostrophe and another “s”:

Ex: Keats + ’s = Keats’s
Ex.: boss + ’s = boss’s
We are reading Keats’s poetry.
The boss’s car is parked in a special space by the door.

If the noun ending in “s” is plural, simply add an apostrophe after the “s” to show possession:

Ex: five boys + ’ = boys’
The five boys’ chores are listed on the bulletin board.

Apostrophes in Contractions
For contractions (two words combined to make one word) the apostrophe is placed in lieu of the missing letter(s). For example:

is + not = isn’t (the apostrophe replaces the letter “o”).

THE PROBLEM
Here is a paragraph that violates the principles of apostrophe use outlined above. (Words used incorrectly are underlined.)

Cinderellas stepmother, an ugly woman, has two mean daughters. The daughter’s whining makes life difficult for Cinderella. The women’s jealousy overtakes them because Cinderella is beautiful. Then, Cinderella receives the prince’s invitation to a ball. Every girl’s desire is to attend. The stepmother doesn’t want Cinderella to go, but she decides she’s going anyway.
THE SOLUTION
Here is the same paragraph, corrected, with possessive nouns and contractions in bold type:

Cinderella’s stepmother, an ugly woman, has two mean daughters. The daughters’ whining makes life difficult for Cinderella. The woman’s jealousy overtakes them because Cinderella is beautiful. Then, Cinderella receives the prince’s invitation to a ball. Every girl’s desire is to attend. The stepmother doesn’t want Cinderella to go, but she decides she’s going anyway.

NOW SOME FINE PRINT
1) USE AN APOSTROPHE WITH A PRONOUN ONLY IF THE PRONOUN IS PART OF A CONTRACTION.
   it’s = it is or it has
   you’re = you are
   They’re = they are
   It’s been years since I read the story of Cinderella.
   If you’re a stepmother, you may not like the story.
   Stepsisters may also feel they’re portrayed unfairly.

2) PRONOUNS (unlike nouns) DO NOT USE APOSTROPHES TO SHOW POSSESSION.
   Always write yours, hers, and theirs, NOT your’s, her’s, or their’s
   It’s is correct as a contraction (see above) but incorrect as a possessive pronoun.

   WRONG: After many days, the glass slipper finds it’s way to it’s rightful owner.
           Both stepsisters try to claim its their’s, but Cinderella knows its her’s.

   RIGHT: After many days, the glass slipper finds its way to its rightful owner.
           Both stepsisters try to claim it’s theirs, but Cinderella knows it’s hers.

3) DO NOT OVERUSE APOSTROPHES. While it is sometimes tempting to place an apostrophe wherever you see an “s” (regardless of whether or not it is a noun showing possession or a contraction), resist this temptation. Here are two examples of apostrophes used incorrectly:

   Ex: In many household’s across the country, family’s rely on ABC news for information.
   Ex: Mom say’s ABC news is the best source.

   Note: In the first sentence, the noun “household” does not show possession (ownership). It is simply a plural noun (more than one household); an “s” is needed, but no apostrophe. “Family’s” is the possessive form of the singular noun “family,” but the sentence doesn’t show the family owning anything; instead we need the plural form of the noun: “families.”

   Correct: In many households across the country, families rely on ABC news for information.

   In the second sentence, “says” is a verb ending in “s,” but verbs cannot show possession, so they do not need apostrophes (unless they are part of a contraction — as in “Verbs can’t show possession, so they don’t need apostrophes unless they’re part of a contraction.”)

   Correct: Mom says ABC news is the best source.

4) ONE LAST WORD ON CONTRACTIONS: Keep in mind that contractions do make writing sound somewhat informal. While they are not incorrect in academic writing, you should be careful not to overuse them.