



Financial Lessons Your Teen Won't Learn in School

National nonprofit credit counseling agency Take Charge America helps parents prepare their children for financial responsibilities as a young adult

PHOENIX – (Aug. 6, 2019) – School is back in session, but is your teen getting the financial education they need? Even if communication between parents and teenagers can be challenging at times, it's a critical age to learn practical financial lessons that are essential in adulthood.

"From getting their first part-time job to choosing a college, teens are faced with some pivotal decisions," says Michael Sullivan, a personal financial consultant with Take Charge America, a [national nonprofit credit counseling and debt management agency](#). "Parents can offer valuable insights and lay the foundation for financial independence – all while giving their teens enough space to find their own way."

Sullivan outlines opportunities to impart valuable financial lessons:

- **How Credit Cards Work** – Show your teen how credit cards work (and the importance of paying off the balance on time), by allowing them to purchase an age-appropriate big-budget item – such as music festival tickets or a new smartphone – with a secured credit card. With parental guidance, they can learn how to pay the bill, how interest works and the importance of building credit.
- **Wise Comparison Shopping** – Teach smart, cost-effective shopping by giving teens the responsibility of shopping for a weeks' worth of groceries for the family within a strict budget. With this activity, teens will learn how to comparison shop, allocate money according to necessity and distinguish between needs (milk, bread) and wants (ice cream, expensive snacks).
- **Budgeting for College** – If college is in your teen's future, have them research salary expectations in their desired field. Then, help them set up a budget for their first semester of college: how much money do they have for tuition, housing, books, food and entertainment? Do their funding options cover these initial costs, or will they need to take out student loans? Upon graduation, can they pay off the loan reasonably with their expected salary?
- **Avoid Online Comparison** – On social media, it's easy for teens to get caught up in comparison. When parents notice their teen fixating on others' online lifestyles, start an open dialogue about reality vs. the curated aspect of someone's life. Teens need reminders that attempting to match another's lifestyle can lead to frustration and debt.

Visit the [Take Charge America Financial Education Center](#) for more financial tips and resources.

About Take Charge America, Inc.

Founded in 1987, Take Charge America, Inc. is a nonprofit agency offering financial education and counseling services including credit counseling, debt management, student loan counseling, housing counseling and bankruptcy counseling. It has helped nearly 2 million consumers nationwide manage their personal finances and debts. To learn more, visit www.takechargeamerica.org or call (888) 822-9193.

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