



Financial Tip:

Young Workers: Summer Jobs-Summer Money!

Summertime is the perfect time for most teens to get a summer job- learn new skills and gain more responsibility. Without skipping the fun, teens will be taking their first steps into the workforce and parents can help them realize the opportunity to start healthy financial habits. A first job will produce a first paycheck. Parents can help young workers protect their earned money and save for things that matter to them. One of the first things to do is help a young worker set up a safe place for their paychecks. Most employers offer direct deposit, so help them to start a checking and savings account. When researching banks and credit unions, teach them to ask the right questions like what fees are imposed (minimum balance fees?- Direct deposit or overdraft fees? -ATM, check, transaction, or online-use fees?). Look for low-cost or free accounts. Ask employers to split their deposit into a checking and savings account or set up an auto-transfer through their bank. Teaching them early on to save first can help them build confidence and plan for their future or a special purchase like a phone, books for college, a car and its upkeep. Besides saving their money, help them to budget their money too. Having quick access to cash can be very tempting for a young worker and the increase financial independence can create some impulsive choices. Help them to create a spending plan- thinking first of a greater goal – like an important purchase or college. Help them lay out how much money is coming in and show them how to track where their money is going. Instant gratification of spending money on frequent movies or nights out with their friends can be fun but it won't get them closer to earning that phone, car, or attending the school of their choice. Summer is a great time to help them focus on their future, take a lead on what they want and where they want to go, and proudly create good money habits that will set them up to succeed in achieving what is important to them in the future.

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