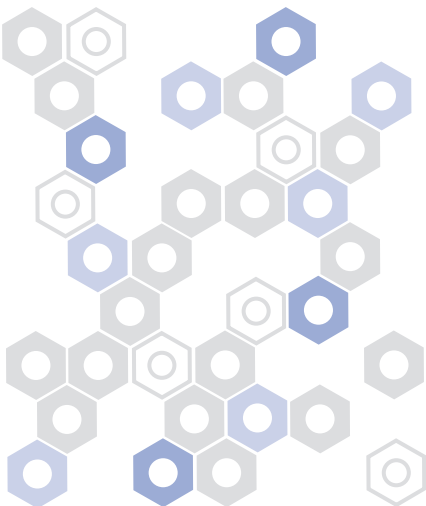
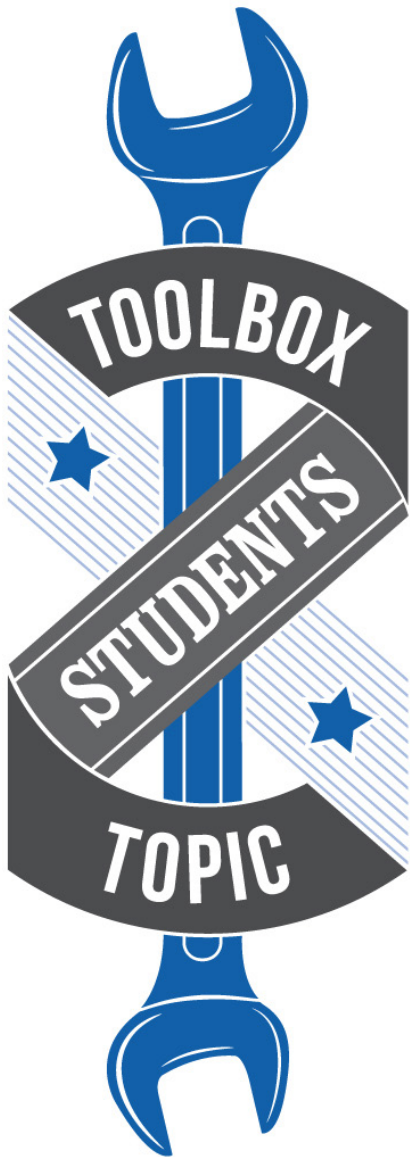




# Money Management for Teens



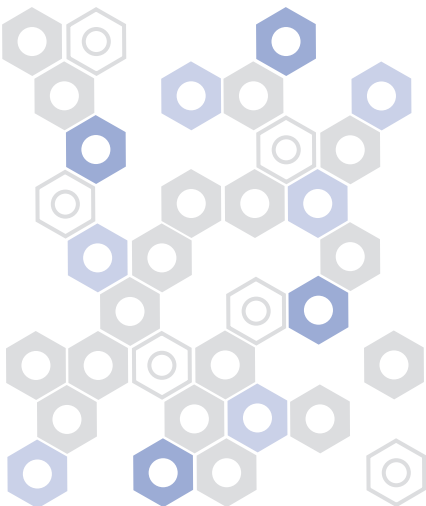
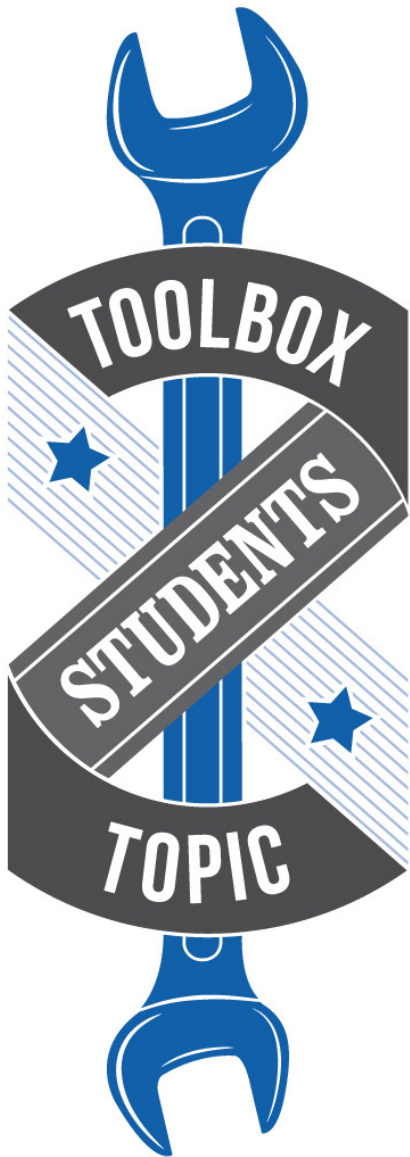
Teenagers are expensive.

How can you help your teen learn responsibility in managing money? What are limits should you place on their spending? How much of their social life should you finance? How can you help them to learn principles for budgeting, tithing, and saving?

There are no one-size-fits-all solutions. This topic demands many family conversations, reflecting the family's size, income, personalities, and priorities. Because money and money management are important to all of us, this can provide many opportunities to explore together what God's Word has to say on the subject. (See Luke 12:15-34; 1 Timothy 6:6-10, 17-19; and Colossians 3:1-2, for starters.) Avoiding covetousness, cultivating generosity, and moving toward independence are admirable goals.

Here are some ideas that might be helpful.

- **An allowance helps your teen learn about budgeting and managing money.** Teens have some legitimate expenses (lunch money, dues, school supplies, grooming supplies, clothing). Both you and your teen will be relieved not to have to deal with repeated requests for routine expenses. Your teen might choose to save for that great pair of shoes instead of buying the new backpack. Those kinds of options are a great learning experience.
- **How much should that allowance be? That depends on you.** Your teens can expect you to care for their basic needs (food, medical care, basic clothing), but you will have to work together to determine anything beyond that. Your teens should *not* expect you to match the allowances of their friends. Every family can decide without feeling pressure from others.
- **Should the allowance be linked to chores?** If it is, the allowance will reinforce the scriptural principle for the value of work and help your teen to learn responsibility.
- **Teach the life routine of tithing 10 percent and saving 10 percent of whatever you earn.** Set up a savings account to help your teen save. Together set a designated goal for the "savings" (such as college or a vehicle, not a designer purse or a new video game system).



- **As your teen gets older, he or she should take on more responsibilities and establish more independence.** Whether this means a part-time job or more allowance, be clear on your expectations. For instance, if your teen is working part-time, you might agree that you will still provide lunch money, but you will not provide money for her to go out with friends after school. Or you pay a basic phone plan, but any overages are your teen's responsibility. Or you will lend the car, but you expect the teen to buy at least one tank of gas each month. There are hundreds of variations on this theme—but both of you should expect a balance of growing independence, responsibility, and safety. Help your teen also balance how to spend time as well as money.
- **Help your teenager plan ahead for both regular expenses and emergencies.** A budget will help your son or daughter prioritize necessities and set limits on impulse buying.
- **There may be times your teen will borrow your charge card or check card out of convenience, but you can put strict limitations on those expenses.** Generally, teenagers do not need their own credit cards. Even if your child is moving away to college, beware of buying anything on credit. Neither you nor your teen wants debt with nothing to show for it.
- **If your teen is working part-time, he or she will probably need a checking account and check card.** A parent may choose to share the teen's joint account, perhaps on through the college years. Set up limits on expenditures, just to safeguard your teen from expensive mistakes. Again, remind him or her of your expectations about tithing and saving. Ask for accountability. Help your teen balance the bank statements and set goals.
- **Almost every teen will make some stupid mistakes with money.** Respond with grace but also with firmness about the consequences. You might help her out of the red ink to protect her credit, but she should not skip away with no consequences.