

Summer jobs offer teens a head start on saving

By Ken Tarbous

For many teens, summer presents an unbridled opportunity to explore the world of fun and games, but for others intent on looking to the future and planning their careers and lives, it's a time to gain valuable experience – and make some money.

According to a recent study by Junior Achievement and The Allstate Foundation, 98 percent of New Jersey teens plan to go to college. With education costs skyrocketing, landing a job and saving money needs to be a priority.

Dreams and plans are one thing, but when faced with the temptation of the mall, Slurpees and music downloads, teens can use proven strategies, beyond mere discipline, to start on the road to building their financial empires.

"The savings basics for teens are basically the same for adults and everyone in between. You want to start small, you want to start early and you want to pay yourself first," said Paul Golden, spokesman for the National Endowment for Financial Education, a nonprofit that runs the High School Financial Planning Program, online at <http://hsfpp.nefe.org>.

"Even teens who don't have part-time jobs can exercise that concept, because if they're getting birthday money from grandparents, for those that are graduating high school now and are getting a huge windfall as graduation money, they can do the same thing with that as if they had income," Mr. Golden said. "They can set aside a certain amount that they will put into a savings account."

Goal-setting and budgeting hold the keys to future economic success, and whether it's saving for school books, a car or the security deposit on that first apartment, the No. 1 goal for any teen working this summer should be to save at least some of their money, says Don Silver, author of *High School Money Book* and *The Community College Transfer Guide* (www.adams-hall.com).

"As a goal, I would think, if they can save half would be great; that's not always possible of course," Mr. Silver says. "This is a time to have some seriousness about the level of savings."

Financial gurus recommend that teens avail themselves of accounts tailored to young people, or minors, which often have low minimum balance requirements and little or no fees. And direct deposit a set percentage of paychecks

into a savings account, often where the money is out of sight and out of mind, is a wise choice.

"You have to make saving a habit," says Jean Quinn, vice president of community relations at The Provident Bank. "If you wait to pay all your bills and do everything you want to do, there isn't going to be any left over moneys."

As part of its mission to help young people develop financial literacy skills, Junior Achievement's Save USA Interactive Lessons provide free online money management skill-building exercises, at www.ja.org/courseware. High school students can learn about planning to buy a car or pay for college; middle school students can discover the advantages and disadvantages of spending with cash and credit

and elementary school students find out about spending and saving and the differences between wants and needs.

"Students have to own



Catherine Milone,
President of Junior
Achievement for New Jersey

their future economic success," says Catherine Milone, president of Junior Achievement for New Jersey. "Budgeting and learning about budgeting at an early age is probably one of the best ways that a young person can be successful in their lives."

Part of that success lies in being wary of debt and the high cost of credit cards. As part of training to use credit responsibly,

young people can opt for prepaid spending cards to practice using plastic money to get an understanding of account limits.

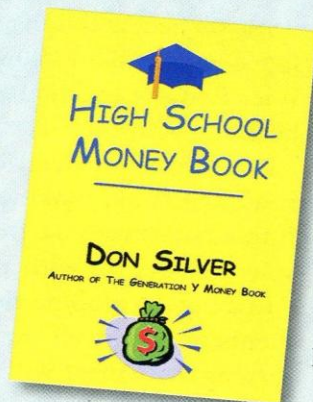
While establishing good habits and a credit rating, teens also must protect their reputation and their assets, because they're not too young to have their identities stolen, personal finance experts say.

"There are instances where a young person has no idea there's any problem until they apply for a student loan, and then they find someone has stolen their identity and run up huge credit card balances," Ms. Quinn said. "They need to protect themselves by safeguarding their information, watching out for shoulder-surfing, Dumpster-diving, pre-approved credit cards that get in the hands of other people, phishing. So it's important that they shred documents, safeguard their wallets, use strong passwords, don't give out their Social Security number."

If all the talk of personal finance and responsibility seems daunting, the pros say teens need to think about retirement ... yes, retirement.

"This is a great opportunity for teens, because the greatest ally for a retirement nest egg is time, and that's one thing

continued on page 42



continued from page 41

teens have a lot of until they'll need to retire or want to retire," says Mr. Silver. "It's probably more important now than within the last 50, 60 years for teens to be thinking about retirement, something that is completely in opposite to instant gratification but we're talking about ultimate survival here, possibly."

Teens themselves don't expect to learn about personal finance on their own or on the streets; however, many parents find talking to their kids about money more intimidating than talking about sex. Ninety-two percent of teens responding to a recent Junior Achievement USA and Allstate Foundation survey said they learn about money management from their parents, but only 43 percent of families discuss money management as a family.

"We have to recognize that parents have the No. 1 influence on how their kids are going to manage money, whether those are positive behaviors or negative behaviors," Mr. Golden said. "So they want to be involved ... in helping them establish goals, helping them establish how much of their pay they're going to save, and just opening the lines of communication and getting involved. (PA)



**Junior
Achievement**[®]
of New Jersey, Inc.

ON THE WEB

JUNIOR ACHIEVEMENT

www.ja.org

SAVE USA INTERACTIVE LESSONS

<http://www.ja.org/courseware>

NATIONAL ENDOWMENT FOR FINANCIAL EDUCATION

www.Nefe.org

HIGH SCHOOL FINANCIAL PLANNING

<http://hsfpp.nefe.org>

SMART ABOUT MONEY

Smartaboutmoney.org

FDIC TEEN CONSUMER NEWS

www.fdic.gov/consumers/consumer/news/cnsum06/sum_06_bw.pdf

U.S. LABOR DEPARTMENT SUMMER JOBS WEBSITE

www.dol.gov/dol/summerjobs

continued from page 40

Thai Beef Salad

Serves 4-6

Note: Ground toasted rice can be found in the Thai food section of Asian markets. F.B.

1 pound beef flank steak
1/4 teaspoon salt
1/8 teaspoon black pepper

Dressing:

1 tablespoon rice
1/2 cup thinly sliced shallots
1/2 cup coarsely chopped mint leaves
1/2 cup coarsely chopped cilantro leaves
1/3 cup fresh lime juice
3 tablespoons fish sauce
1 tablespoon chopped green onion
1 1/2 teaspoons finely chopped lemongrass
(lower stalk only)
1 1/2 teaspoons crushed dried red chilies
1 1/2 teaspoons sugar

3 cups shredded iceberg lettuce
Mint sprigs for garnish

Season beef with salt and pepper. Grill over high heat, turning once, until medium-rare to medium, 3-4 minutes per side. Remove and tent with foil; let stand for 15 minutes. Cut beef into thin slices across the grain.

For dressing, place rice in small frying pan over medium heat, and cook, shaking, until lightly browned, 3-4 minutes. Immediately remove from pan to cool. Grind rice finely in a spice grinder (or with a mortar and pestle).

In a bowl, combine rice with the rest of the dressing ingredients, mixing well. Arrange lettuce on a platter. Just before serving, toss meat with dressing, and place on lettuce. Garnish with mint sprigs.

