



OFF TO COLLEGE

BOSTON PRIVATE

WEALTH ▫ TRUST ▫ PRIVATE BANKING

INDEPENDENT
MANAGEMENT OF
DAILY EXPENSES

FINANCIALLY-SAVVY COLLEGE YEARS AGE 18–21

SOME QUESTIONS TO HELP GET THE CONVERSATION STARTED:

1. “What do you think are the pros and cons of an unpaid college internship versus a paid after-school job?”
2. “How are your friends saving money while covering rent and daily expenses (car, phone, entertainment)?”
3. “What is your desired career? Will it provide the income you’ll need to live on your own, or will you need to look for roommates?”

FINANCIAL TOPICS TO KNOW:

- Real-world budgeting** – Use spreadsheet programs or expense tracking apps to set a realistic budget and stick to it. Learn how to compartmentalize expenses and put aside money for savings.
- Work** – Weigh the pros and cons of jobs that pay very little but have great resume potential and jobs offering college credit that could lead to early graduation. Consider an entrepreneurial opportunity. Ask yourself: What does wealth creation really mean?
- Managing credit wisely** – Learn the [importance of credit scores](#), how the credit ratings agencies calculate them and where to find them, and how to protect a score by using credit—for example, [leasing a car versus buying](#) one.
- Planning for the future** – Understand the benefits of saving as early as possible, paying off debt or investing through a Roth individual retirement account.

ACTIVITIES TO HELP TEACH:

- Discuss “needs versus wants” by maintaining lists of goals and expenses. Consider priorities and whether some can be eliminated.
- Draw up an entrepreneurial plan for a hypothetical business, including financial statements, a marketing plan, and a presentation to potential investors.
- Order reports from the [three credit reporting agencies](#). Compare scores and examine the scoring criteria.
- Plan, save, and budget for a graduation trip to a dream location such as: Australia, Africa or Europe.

ACTIONS TO REINFORCE FINANCIAL FOCUS:

- Establish a checking account with a debit card and understand budgeting consequences.
- Develop a monthly budget and track your ability to adhere to it. What did you learn? Repeat next month.
- Obtain a credit card and learn how to use it conservatively.
- Meet with the family financial advisor to plan for post-graduation.

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