

Live Chat

Color of Money Live: Financial sense for college students



The Discussion



Nov 03, 2016

Join Washington Post nationally syndicated personal finance columnist Michelle Singletary for a discussion with Susan and Allison Beacham -- the co-authors of the October Color of Money Book Club selection, O.M.G. Official Money Guide for College Students.

Michelle Singletary :

Today I have two guests, coauthors of "O.M.G. Official Money Guide For College Students." So let's get started.

– November 03, 2016 12:01 PM

Q: Should niece pick her own battle?

My brother and sister-in-law have notoriously poor money management skills and impulsive spending habits. After many years of helping them with gifts and loans, their immediate families have accepted that they can't be of further assistance and refuse to lend them money. When their 17-year-old daughter was visiting recently, she mentioned that her parents pressure her to lend them money, which they are slow to pay back, if at all. Her parents tell her, my niece says, it is the least she can do considering they support her, provide a place to live, etc. She says they use the money for groceries and gas. With her parents' combined annual income of \$150,000, one would think such essentials would not be a worry. My niece works several jobs and is saving money for college application fees and living expenses. When I asked, she said she didn't want me to mention this to her parents, a wish I would like to respect although I wonder why she mentioned it if she doesn't want help. I've thought through several scenarios of how a conversation might go if I brought this up with her parents, and none of them end happily. Yet I hate to see a young person bullied into parting with her hard-earned savings. Should I drop it? What advice should I give my niece?

– October 31, 2016 8:23 AM

A : SUSAN BEACHAM :

It sounds like your niece lives at home. Is she paying rent? "17 years of age" might mean she is still in high school, so possibly they could agree on a future sum that would be within her means and address her parents request for support. A reasonable sum agreed upon by both parties would address the issue of "support" and give your niece

In This Chat



Michelle Singletary

Michelle Singletary writes the nationally syndicated personal finance column, "The Color of Money," which

appears in The Post on Thursday and Sunday and is carried in more than 120 newspapers.

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Susan Beacham

Susan is the CEO of Money Savvy Generation (msgen.com), a financial education company whose

mission is to help the next generation get smart about money. She is also the co-author of O.M.G. Official Money Guide for College Students.



Allison Beacham

Allison Beacham is the co-author of O.M.G. Official Money Guide for College Students. A recent graduate

of Miami University with a degree in creative writing, Allison works in sales for a Chicago-based products company.

the ready answer next time parents ask for money. I do believe that this is her battle. This is a situation that she will likely face again - so now is the time to acknowledge the elephant in the room and establish a way of dealing with such requests going forward.

– November 03, 2016 12:05 PM

A: MICHELLE SINGLETARY :

Here's where I think you can help your niece.

Help her practice saying, "No." And then help her understand she doesn't "owe" her parents anything for doing what parents are supposed to do. They don't get credit for doing their job!

If they were low income working minimum wage jobs I could see a case being made for her to "help" the household. But she's doing what you guys did and then realized was wrong.

I would not talk to her parents because that has only ending -- BAD!

You be her refuge for financial sanity. And if she caves to give them money help her realize that it's always a gift and if she gets it back fine.

Can she come live with you and go to college?

Sounds like she needs better influences.

– November 03, 2016 12:05 PM

Q: spending

Do you think impulse spend is a major concern for college students?

– November 03, 2016 11:56 AM

A: ALLISON BEACHAM :

Impulse spending- whether it be on a \$50 Halloween costume for a party or a \$5 bag of puppy chow for charity- will always be a front and center temptation- this is where having a budget comes in handy. Knowing what you have to spend on "wants" gives you the ability to treat yourself to puppy chow, or remind yourself to save for that costume.

– November 03, 2016 12:08 PM

Q: Setting boundaries for money requests

Over the past 30+ years family members periodically ask my mother for financial help, "loans" for business ventures that fail, tuition, or credit debt bail out. Each time she explains they can't expect her help, 80-90% of the time she caves and gives some money. Now, as expected, one of these individuals has asked me for money. While I could afford it, given this person's history of irresponsible money handling, perchance for gambling and unstable employment record, I'm concerned it would set me up for the same unending requests from him and open an opportunity for other relatives. I am fortunate to be in a more stable position than them, all of

whom have trouble handling money. While I would not deny someone truly in need, I want to establish boundaries. Any suggestions?

– October 27, 2016 2:10 PM

A: SUSAN BEACHAM :

There is some truth in the "Never a borrower not a lender be..". Knowing nothing other than what you have written here, I think you already know your answer - and the answer is no, do not lend. From what you said, you would not be doing them any favor - you would merely enable them - and while it might feel good to be able to help now, trust me, that good feeling will disappear the next time and the next time they come calling. Ask them if they have approached a bank for the loan. No? Why not? Bank would say no? Okay -why? Do they know why? Get them to articulate for themselves what a risk they are and then give them help not in money, but in money education - as to how to clear up their money problems.

– November 03, 2016 12:10 PM

A: MICHELLE SINGLETARY :

Ditto.

No.

It's a complete sentence.

– November 03, 2016 12:10 PM

Q: Handling debt

If you're in college and you find yourself with a lot of credit card debt, what's the best first step to take?

– November 03, 2016 9:44 AM

A: ALLISON BEACHAM :

Great question- First things first- gather all your statements and determine the total amount of debt you have- this might be scary but like ripping off a bandaid- this will show you what you're really dealing with. Next- Identify what you're spending on that you don't have- aka what are your debt drivers? Next- Identify what you can stop spending money on-and look to increase your hours to boost your income. Once you have a budget in place and have a monthly increment you can chip away at your debt with- you're on the road to becoming debt free.

– November 03, 2016 12:13 PM

A: SUSAN BEACHAM :

I like Allison's approach. I have an acronym for this - ACT! A - Acknowledge the problem. C - Create a budget to make sure you can get out and stay out of this debt hole. T - Trim and/or reduce your expenses. So what Allison said - with a all to action! ACT because ignoring the problem will only let it get uglier.

– November 03, 2016 12:13 PM

A: MICHELLE SINGLETARY :

I would also add, freeze your credit card. Literally!

If you can't pay off your credit card every month then you should not be using a credit card in college. Period.

Can you do that?

Sure you can.

My niece went through underground and graduate school and a semester in South Africa with NO credit card.

– November 03, 2016 12:13 PM

Q: Electronic spending

Is it more difficult for students to understand and control their spending because of electronic devices and debit cards instead of using cash for their transactions?

– November 03, 2016 11:59 AM

A: ALLISON BEACHAM :

While it's true- almost everything from classes down to meal plan cards are electronic these days- everything comes with details. Print your statements and highlight what you're spending on the most- set your budget and only fill your meal plan card with the amount you have to spend on it. Track a weeks worth of food and see what it comes out to- and remember- you're in charge of your money! If you want to withdraw cash weekly and manage your money like that- then do so. You're the boss of your budget.

– November 03, 2016 12:14 PM

Q: Hardest

Allison - what was the hardest money lesson you had to learn while in college? Is there anything your parents could have done (did?) to help you with it?

– November 03, 2016 11:57 AM

A: ALLISON BEACHAM :

This might make you laugh- but my hardest thing to budget was bar cover! \$5 to get into every bar when you're under 21 can add up quickly over a weekend. I had to see where I could cut back to budget for extra cash- and limit myself to \$20 a weekend. At the time I thought this was torture- but man oh man am I glad I didn't spend more than that just to get into a college bar! My friends respected my budget and always managed to meet up with me- so I'd say this was a very money savvy win.

– November 03, 2016 12:17 PM

A: MICHELLE SINGLETARY :

You didn't ask me and it's been decades since I was in college but the hardest thing for me was watching other students who had money or parents with money do things like go to a bar. (I don't drink so that was never a temptation for me).

I would often cry when parents came to pick up their kids to go to dinner and then shopping.

I had to send money home to help with a disabled brother.

But you know what?

It made me stronger and more committed to do my best not to look at what others have and what I didn't have.

I won a full scholarship to college. I had great summer internships. Friends. Met my husband in college. Went to free poetry readings, band concerts.

Never could afford a spring break trip but nonetheless I learned to be thankful for what I had.

– November 03, 2016 12:17 PM

Q: Readership

Who should read your book - college students or their parents?

– November 03, 2016 11:52 AM

A: SUSAN BEACHAM :

Parents and college students. It helps for everybody to be on the same page and the book is just the beginning of the conversation - the rest to be carried on between you and those you trust to take financial advice from - like your parents. Parents - research tells us that "Parents" are the most impactful teachers in a child's life. So for better or worse, it's up to us to keep the money education going through the years. Books like ours get the conversation started and help set a solid foundation. But it's the ongoing conversations over the years that make the real difference.

– November 03, 2016 12:17 PM

Q: Distribution

How do you see this book being used in colleges?

– November 03, 2016 11:52 AM

A: ALLISON BEACHAM :

My freshman year we were all given a book to read before our orientation speech- it probably scares you to know I have no idea what this book was even called. You know what I and all my friends could have used? A book that taught us about utilities, and rent, and budgeting. I was lucky enough to have Mrs. Money on the phone, but my friends? Not so much. I was one of 5 girls in my hall who knew how to write a check, or pay utilities and rent. I was

the only one with a credit card and one of the few who knew how to budget. Having a guide to all your money questions next to your lap top would be 1000% more useful.

– November 03, 2016 12:18 PM

Q: budgeting

Allison - how did you learn all this stuff? In particular, how did you learn to budget your money and be disciplined with your saving and spending habits? How will you teach your future children?

– November 03, 2016 11:55 AM

A: ALLISON BEACHAM :

I was lucky enough to be the daughter of Mrs. Money herself- so I did grow up as apart of the money savvy generation- but I also did a lot of watching and learning when it came to my peers. I had a budget in 4th grade, \$20 a week to divvy up into my 4 choices - Save, Spend, Donate and Invest. And just because I had money to spend meant I had to spend it wisely- did I need a new toothbrush? If so- I didn't get a frozen treat at the beach. If I wanted to go out to breakfast to celebrate my friend's birthday- I packed my lunch from home so that I could spend my money at breakfast. Kids are smart and logical, if you give them their own money and allow them to enjoy it while teaching them their options- they'll surprise you on how responsible they can be.

– November 03, 2016 12:18 PM

Q: Yet I hate to see a young person bullied into parting with her hard-earned savings.

This is why she came to you. Help her figure out her boundaries and then set them. She is being bullied and manipulated. She suspects that, but these are her parents! So she came to you for a reality check. Give her support to say 'no' as Michelle advised or to give a set monthly amount to her parents as Susan suggested. I'm with Michelle - she owes them nothing. But she might feel better about herself if she gives them something. Your role is to help her think these things through and support her as she sets these boundaries. She will get pushback - help her stay firm. As Michelle pointed out, this needs to be sorted out now or her parents will constantly be pressuring her for money.

– November 03, 2016 12:13 PM

A: MICHELLE SINGLETARY :

Love, love, love your input. Thank you.

Couldn't agree more!

I make myself available to all in my family. Many didn't want to listen but most came around. If you are the good money manager in your family provide a safe space for others to vent, get advice and stay strong.

Those of you with the "good" job know exactly what I'm talking about! Can I get an "Amen?"

– November 03, 2016 12:21 PM

Q: Michael & Susan - college now v then

Michael & Susan - having gotten your own daughters through college, what's different (if anything) about what college kids need to know about money now v when you were attending school? Is there anything other parents of soon-to-be-college-kids should understand about how things are different now than when they went through it?

– November 03, 2016 12:01 PM

A: SUSAN BEACHAM :

College is VASTLY more expensive today than it was when Susan and I went to college. Tuition is orders of magnitude higher. And back in our day everyone lived in dorms; apartment living was extremely rare. Apartment living today is so expensive and needs to be factored into the budget. And there are other expenses today that didn't exist 30 years ago, like cell phone bills and laptop computer costs, etc. Parents today need to prepare themselves for these types of costs. Check out the start up costs on page 5 of the book.

– November 03, 2016 12:26 PM

A: MICHELLE SINGLETARY :

Also back in my day -- because I'm old enough to have a back in you day college experience -- parents weren't punks either.

They said, "No" more often to demands that kids go to any school at any costs.

The college decision in my opinion should not be left up to an 17, 18 or 19 year old with no full-time job or means to pay the college bill. There are three votes on where to go. And cost and whether you can afford it should be at the top of the list.

But we tell our kids go where you want and we will figure out how to pay for it.

That's C.R.A.Z.Y.

– November 03, 2016 12:26 PM

Q: college budget

What's a good budget for a college student (percentages?). This is for everything except for academic expenses. I would think a social life would cost something, and we're trying to avoid non-college based social groups that charge a fee to participate..

– November 03, 2016 12:12 PM

A: ALLISON BEACHAM :

Ok- %'s are going to be personalized based off of what is important to you. Figure out what you have to live on for the 1st semester, and divide into monthly amounts. Then create your categories: Social, toiletries, dorm room needs, clothing, etc. Guesstimate what you'd spend monthly on these categories, and then see what the total comes to- are you able to live within your monthly budget with these amounts? If not- adjust. Remember- birthday presents, a flat tire, things come up so always have a portion set aside so that if you run into an emergency situation- you're covered.

– November 03, 2016 12:26 PM

A: SUSAN BEACHAM :

A sample college budget is on pages 10-11 in the book. It's a quick review of all the categories of expense you need to think about and plan to cover if they apply. We sat down at the kitchen table with Allison every August and with pencil and paper in hand, talked about all expense categories and what savings (earnings from summer jobs) she had in hand to cover those expenses. I think we both felt better after that conversation. She went into the year knowing what her money boundaries were, and we knew she knew!

– November 03, 2016 12:26 PM

Q: Millennials are being trained to consume information in the same time it takes to nuke pizza

An Interesting statement...could you expand on this thought a bit? Is this statement primarily focused on the subject of money (financial) or are you saying that this is applicable to all subjects being taught at school (ie the student does not have to know the subject material in depth since the information age now provides anyone with internet connection a deep well of data). Of course, the student has to know the difference between correct info and BS...maybe this is what is being taught? Additionally, is this ability to quickly consume information a bad thing? Do the students (and the parents) know about this philosophical change in teaching? thanks tom

– November 03, 2016 10:46 AM

A: SUSAN BEACHAM :

People's attention spans have gotten shorter. We wanted to create a book that would (actually) get read and we felt that short content sections would get read and get people enough information to help them feel confident asking more questions about their money and any money transactions they enter into.

– November 03, 2016 12:29 PM

A: ALLISON BEACHAM :

For me- this book comes into play when the money question has already been asked. At my university- girls were asked to sign Junior Year leases with sorority mates they'd just met. Having a quick, fact-packed guide to any question you need to know the answer to (like how to split expenses, and cover utilities) is a lifesaver when you are the one accountable for the big decisions in your life. If we wanted to write a text book lord knows we could- but we're here to make money questions digestible- and keep the mind open to learning more.

– November 03, 2016 12:29 PM

Q: Retirement

My parents say I have to put away 10% of everything I earn for retirement. There are so many other things I want to buy. Is this really necessary? What about the student loan debt I'm going to have? Shouldn't I set it aside to pay for that instead?

– November 03, 2016 12:21 PM

A: ALLISON BEACHAM :

I promise you- your parents aren't crazy when they tell you putting away 10% of your earnings is a good idea. Post college I put the max % of my paycheck into a 401K with a company match and already, I have saved more money

than I would have if it had been sitting in my savings account, tempting me to buy all my real life wants- a couch, a tv etc. The money I save doesn't even reach my account- it gets whisked away and I've learned to live without it, so it never even effects my budget. Out of sight out of mind- until we're old and wrinkly and really need the cash. All that being said- you should discuss your student loan debt with your parents and look into financial aid if applicable so that what you do save is allocated smartly to all your post grad needs (and some wants). Your parents sound like they know what's up- I bet they'd love to help you figure it out.

– November 03, 2016 12:41 PM

Q: Education

I recently had dinner with two amazing young college women and was privy to a conversation regarding job opportunities when they graduate in Spring 2018. Both sounded very pessimistic--one because in her field (biology) advanced degrees are pretty necessary and good opportunities hard to find, and the other because, well, her field is journalism and that field seems to be in evolution. One will continue her education, the other can't afford it. I tend to think it's harder to continue your education once you start working. What are your thoughts on continuing straight through and what's the best way to help?

– November 03, 2016 12:31 PM

A: ALLISON BEACHAM :

I was a creative writing major who got a job in industrial sales right out of college- and now my company will pay for me to get my MBA. Sure-I'd have to work the entire time but I'll gladly multitask over footing the bill for post-grad education. I think the mindset, especially as a college senior, is that we want to live our dream right away: Pursue a career in the exact field we studied, or continue education to further promote ourselves towards our dream and avoid a detour, but really- there are opportunities no matter which you choose (job or grad school). Who knows- a couple years out in the world of business might inspire you to study something different down the line, or you might find someone who wants to pay for you to continue your education with them as a company.

– November 03, 2016 12:43 PM

A: MICHELLE SINGLETARY :

Great answer Allison.

I would also caution against taking on debt -- or more debt -- for grad school.

Work some. Save some and maybe, just maybe an employer will help with grad school. Mine did. Got my masters at Johns Hopkins thanks to the Baltimore Evening Sun & The Post.

– November 03, 2016 12:43 PM

Q: Michael & Susan -

What is different about money and college kids now v when you were in college? What should other parents of soon-to-be-college kids understand about what their kids are facing that may or may not be different?

– November 03, 2016 12:04 PM

A: ALLISON BEACHAM :

From a recent grad's perspective- one thing that I experienced a lot of that appalled my parents were all the "free" credit card and bank accounts that were offered to me on campus, via email, even through my university. It's too easy these days to sign up for everything with your college logo on it, and it can definitely get you into trouble. Also- a lot of these cards and accounts pushed towards college freshman come with crazyyyyy fees- the best thing you can do, that my parents did for me- is to set your kid up with a free checking and savings account, and show them how to use and build credit. Also- rent your books online- the new ones cost a fortune and half my teachers didn't even require them.

– November 03, 2016 12:46 PM

Q: Ice cream v toothbrush

Wow - you would really give up buying ice cream for a toothbrush in 4th grade? As a parent that seems unbelievable. I think my kid would just buy the ice cream and say she was fine with using her old toothbrush a little while longer. Susan - how did you handle this if/when it came up (whatever the specifics of the scenario)?

– November 03, 2016 12:25 PM

A: SUSAN BEACHAM :

LOL. Allison is talking about her allowance and clothing budget CONTRACTS. Yes, we had written contracts, that we both signed, that spelled out the expenses she was to cover with that allowance money. Sometimes, she had to make tough choices - but the point was, she had the opportunity to make those choices. She had, with the allowance and the contract, skin in the game. It clearly shaped the way she thought about money. It was more about the education at that point - and to teach her that money was finite and that making choices means sometimes you have to give up one thing for another. Now, I don't remember a toothbrush choice - but I do remember a PURSE choice. ;-)

– November 03, 2016 12:52 PM

A: MICHELLE SINGLETARY :

Can I say, it's also possible to teach your kids about money even without an allowance. Many families can't afford to put their kid on a the payroll.

My grandmother Big Mama couldn't.

But I watched what she did with her money. She talked about saving all the time. She talked about her HATRED for debt ALL the time.

And it stuck.

I got \$10 one Christmas when I was about 10 I think. I remember thinking at the time that I could use the money for Christmas gifts the next year. I kept that \$10 bill for an entire year and did exactly what I had planned.

What Susan and Michael did best for Allison is model good money behavior. That's the key to teaching your kids about money. Set the example.

Some will stray.

But they are always listening and watching.

– November 03, 2016 12:52 PM

Q: Junior Year Leases

Allison - your comment on junior year leases makes me think of pre-cana. In my opinion, most (many??) couples are completely naive about the importance of money discussions -or even what tradeoffs will come up in the future. Sounds like getting it right in college is a good idea. 1 year lease with a sorority sister is a lot lower stakes than marriage.

– November 03, 2016 12:33 PM

A: ALLISON BEACHAM :

Aah the nuances of cohabitation- I don't miss it! But I did learn a lot from it. A friendly tip for anyone who's living with someone, male or female, have a household debit card that's linked to an account where equal mutual funds have been set aside for household items. My junior year, all 4 of us put \$200 into a checking account, and designated me as the card holder. When we were out of something- toilet paper, soap, I purchased it. Was their trust involved in this? Sure- trust the card holder not to spend this money on booze or food. But having a set amount for items like this with everyone's cash involved makes it a lot easier to not sweat the small stuff.

– November 03, 2016 12:53 PM

Q: Re: "it's important to save as much as you can when you can."

Savings = options = freedom

– November 03, 2016 12:41 PM

A: ALLISON BEACHAM :

Preach. Two years into a 401K, I now smile when I see what I've saved without really even

noticing. – November 03, 2016 12:58 PM

Q: SAVE FOR RETIREMENT

I learned a lot of good habits from my parents, and this one was smack dab all the time. They said to do at least 10% if not the maximum amounts in your IRAs/401ks. Learn about compound interest. You don't miss the money if it comes out of your paycheck before you receive it. We may not have had the coolest stuff or did the 'it' things when we were young. But my parents are not a burden to my siblings and me now because they did this their entire working lives. We're jealous of them because they now travel the world and send us photos!

– November 03, 2016 12:54 PM

A: SUSAN BEACHAM :

Right?!? Compound interest. Two of my favorite words.

– November 03, 2016 12:59 PM

Q: Short Attention Spans

Kudos for the success at figuring out the essence of the topics and keeping it so concise. That is certainly a skill that just keeps increasing in value exponentially! As I learned in consulting.....every page of a presentation needs to answer "SO WHAT?" Why are you telling the reader whatever you're saying..... Nice job on that!

– November 03, 2016 12:35 PM

A: ALLISON BEACHAM :

Thank you! I really wanted this to be a book of answers- too many text books give you more information than you want at the moment. Details are great- but you have to understand the basics in order to ask the questions you have, and further look into something you want to know. This will sound bizarre, but my favorite part of this book is the table of contents-because it gives you a straight shot to what you want to know.

– November 03, 2016 12:59 PM

Q: Credit

So how does one build up a credit history without a credit card?

– November 03, 2016 12:49 PM

A: MICHELLE SINGLETARY :

Pay your bills on time.

That is the No. 1 way to build credit.

If you need to have a credit line -- because at some point banks want to see that you can handle consumer credit -- you can start by getting a "secured credit card." You put money in a bank account say \$250 and that becomes your spending limit. Charge something small. Pay the bill off by the due date. Do that a few times and then put the card away. In six months to a year you'll get a "regular" credit card. Use it a few times and put it away.

That's it.

Building credit.

– November 03, 2016 1:01 PM

Q: College Spending

If a student's financial education starts when she goes to college, it's way too late. If good financial habits (saving, not overspending, getting a part time or after school job) are taught throughout life, going away to college is no big deal from a financial point of view. Note that I'm not talking about affordability of college; that's a completely separate issue. As the song goes: Parents, teach your children well.

– November 03, 2016 12:52 PM

A: SUSAN BEACHAM :

Well, this is a good place for one of Michelle's "Amens!" I could not agree with you more. Start teaching your child

about money at the earliest age possible in an age-appropriate way. BTW - younger kids listen. And, younger kids watch our behavior. So, they do more of what they see us do. Anything worth teaching in life, is worth teaching more than once -and that goes for money education!

– November 03, 2016 1:02 PM

Q: College dorm vs. apartment

I've been out of college about 15 years but when I was in school apartments were significantly less expensive than living in the dorms. You didn't have to pay for the required meal plan and rent was cheap. I paid \$325 rent plus food and utilities (lets say total \$800/month) vs. \$2000/month in the dorms with a meal plan. That's why everyone I knew moved into apartments after 1 or 2 years. I guess it depends on where you go to school and what amenities your apartment has. (I was happy when our phone worked.)

– November 03, 2016 12:44 PM

A: SUSAN BEACHAM :

Apartment living on campus has become BIG BUSINESS. At the University of Illinois where my younger daughter attended, there is an entire department dedicated to renters rights. A great tip we got was to take pictures - with a newspaper in the picture to confirm the date pics were taken - when you moved in and when you moved out to assure that you get your security deposit back.

– November 03, 2016 1:04 PM

A: MICHELLE SINGLETARY :

We did both for our daughter -- college & apt-- cost pretty much the same. Plan. Plan. Plan.

– November 03, 2016 1:04 PM

Q: college and credit

It's been some time since college, but for some reason I didn't apply for a credit card in college. After college, I had trouble establishing credit (even though I worked summers and otherwise). My dad had to co-sign a credit card for me to get started.

– November 03, 2016 12:49 PM

A: ALLISON BEACHAM :

I think this is important- almost 90% of my friends in college used a debit card, and not a credit card, and I cringe thinking of my friends who to this day, still only use debit. Debit cards can be good because they set someone up to learn how to treat a credit card- never spend more than you have- but eventually, switching to a credit card is a good idea to establish good responsible credit at a young age. Also- when a debit card is stolen, and money is spent- it's really hard to get it back. Credit cards make fraud a lot easier to deal with- and if they're treated right- they'll get you started in the realm of good credit a lot earlier in life!

– November 03, 2016 1:05 PM

A: MICHELLE SINGLETARY :

Folks these days doesn't take long to qualify for "credit."

I still maintain unless a college student has a full-time job. No credit. No credit. No credit.

– November 03, 2016 1:05 PM

Q: For aunt and Niece Piggybank

I'm going through something similar with my niece (9 years older, though) and modeling sound behavior, financial or otherwise, is what she really needs right now. In addition to helping her say "no" or set boundaries, perhaps part of the conversation she has with her parents is about what she pays and not how much. Meaning, don't give money to mom and dad but fill the gas tank once a week. Buy the groceries once a month, offer to pay her own car insurance or cell phone. I agree that at 17, her parents SHOULD be doing this, but maybe offering to pay certain items will allow niece to be a little more in control of her own finances. Good luck!

– November 03, 2016 12:47 PM

A: MICHELLE SINGLETARY :

Good points. Thanks.

– November 03, 2016 1:05 PM

Q: Thanks

Thanks for the book.... Thanks for the chat..... Thanks for taking up the cause of financial literacy - all of you!

– November 03, 2016 12:57 PM

A: MICHELLE SINGLETARY :

Appreciate that.

– November 03, 2016 1:09 PM

Q: Re: Ice cream v toothbrush

Wow - a contract!? I love that. I was never clear on what would be my responsibility to pay for and what would be the kid's. So, clarifying that line seems really important. I have 2 in college now and one coming up. Got a sample contract that could help? Thanks!

– November 03, 2016 1:04 PM

A: MICHELLE SINGLETARY :

I'll ask the Beachams and get back to you either in the chat or in an upcoming column.

– November 03, 2016 1:10 PM

MICHELLE SINGLETARY :

Thank you all for joining me today. What a great chat with some really good questions and input.

– November 03, 2016 1:11 PM