



**Beth Braverman** (<http://www.forbes.com/sites/bethbraverman/>) Contributor

*I write about the intersection of life and money.*

Opinions expressed by Forbes Contributors are their own.

INVESTING (/INVESTING) 7/12/2015 @ 9:48AM | 543 views

# The One Thing You Need to Talk About Before Your Kid Leaves for College

Edit Post (<http://blogs.forbes.com/bethbraverman/wp-admin/post.php?post=59&action=edit>)

Comment Now Follow Comments

The smoke has barely cleared from the Fourth of July, but for college students, the summer is already winding down. For the parents of rising freshmen, these last few weeks are a time to squeeze in as much quality time as you can between trips to [Bed Bath & Beyond](http://www.bedbathandbeyond.com) (</companies/bed-bath-beyond/>)

[BBBY](http://www.bedbathandbeyond.com) +0.87% (</companies/bed-bath-beyond/>) for dorm essentials.

It's also a chance to impart some advice on how to make the most of college and transition to adulthood and autonomy. One key topic you should put on your list: personal finance. "This is likely the first time a young person has had such responsibility and independence handling money," says Marcy Keckler, vice president of Financial Advice Strategy at Ameriprise.

A recent study by [U.S. Bank](http://financialgenius.usbank.com/sites/default/files/U.S.%20Bank%20Students%20and%20Personal%20Finance%20) (<http://financialgenius.usbank.com/sites/default/files/U.S.%20Bank%20Students%20and%20Personal%20Finance%20>) found that half of college students would give themselves a "C" or below when asked how successful they are in managing their money. That's a scary statistic, given that financial decisions your 18-year-old makes now are building the foundation for his fiscal future. It means that parents need to do much more when it comes to preparing their kids to make financial decisions while they're away.

Nine in 10 students say they learn about money from their parents, according to [U.S. Bank](http://financialgenius.usbank.com/sites/default/files/U.S.%20Bank%20Students%20and%20Personal%20Finance%20) (</companies/us-bank/>), and more than half said their parents are their go-to resource for answers to money questions. Look for a natural opportunity (like when you're paying for all those dorm essentials) to start a dialogue. "You don't have to plan this big, formal, sit-down conversation," says Christine Hobrough, head of metropolitan banking at U.S. Bank in the Twin Cities.

**Discuss expectations for the semester.** Make sure it's clear before junior leaves which of you will pay for which college expenses. In addition to tuition and room and board, you'll need to work out who will cover extras like off-campus food, social activities, and shopping.

Now's your chance to go over the basics of making a budget, differentiating "needs" from "wants," and making some set amount of money last for the entire semester or year.

"Make sure that parents are offering selective financial support," says Sharon Miller, national sales executive at [Bank of America \(/companies/bank-of-america/\)](#) BAC +1.73% (/companies/bank-of-america/) Merrill Edge. "We want to help our children become young, responsible adults, and when you pay for everything, you delay some of that independence.

**Select financial institutions together.** If she doesn't already have her own bank account, now's a good time to set one up—even if it's jointly owned with you—so that she can handle the payment of at least a few monthly bills like car insurance or a [Netflix \(/companies/netflix/\)](#) NFLX +18.05% (/companies/netflix/) account.

Continue

(<http://www.forbes.com/sites/bethbraverman/2015/07/12/the-one-thing-you-need-to-talk-about-before-your-kid-leaves-for-college/2/>)

Page 1 / 2




---

Get The Forbes Investing Digest

*Enter your email*

**SUBMIT**

---

**Comment Now**   **Follow Comments**

**Promoted Stories**



- 1. [New Testosterone Booster Takes GNC by Storm](#) 2 months ago [forcefactor.com](#) [Force Factor](#) [Forcefactor.com](#) (sponsored)



- 2. [And the Best Stock for 2015 is...](#) 6 months ago [venturecapitalnews.us](#) [Venture Capital News](#) [VentureCapitalNews.us](#) (sponsored)

