

# Talking Money: Students Reflect on a Year of Spending, Valuing and Socking It Away for College

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Each Christmas, John DePass anticipates the arrival of that holiday card from his grandparents. A few years back, they gave up on trying to figure out what to buy DePass, a 17-year-old senior at Annapolis High School in Annapolis, Md., and instead started giving him money. While DePass was just as eager for their generosity this Christmas, he regarded their \$100 gift with a new kind of appreciation – one informed by financial responsibility. “In previous years, I would use this money to buy things like clothes and iTunes cards. But this year I have a different agenda and a different objective,” notes DePass. “Right now, it’s all about financing college next fall.”

Looking back and planning for the future. We all do this around the holidays and as the calendar flips to a new year – reflections, resolutions, aspirations. Hannukah, Christmas and even Boxing Day are also money-intensive celebrations, and therefore are significant in shaping our views about finances. Like DePass, many high school seniors are gaining a new respect for their money as they become more financially independent. Knowledge@Wharton High School asked several students to reflect on their greatest financial lessons of 2013 and to consider some of their financial goals for the new year.

## Practicing Money Management

DePass’s new monetary priorities are part of a personal financial journey that began in the summer of 2013. He was leaving home for the first time to attend a summer program in Philadelphia and – at the suggestion of his parents – opened a checking account at the local bank. “I’ve had a savings account for a long time, but this is my first checking account,” says DePass, who had to co-sign with his parents on the account because he is under 18.

[“I wanted to have my own debit card, write checks and get into the practice of managing my own money online.”](#)?

A debit card forces users to limit their spending to what they have in their account. Although the debit card is a big draw for teens who open bank accounts, it is also one of the easiest ways to make a financial misstep. DePass watches his spending closely, taking note of certain nuances, like the fact that the restaurant tip he leaves on his debit card is not

deducted immediately from his account. “It has been such a great learning experience and also frustrating at times. I don’t know everything, so I am constantly asking questions. I have a good relationship with the financial advisor at my bank.

[“It was really important to be exposed to this before I go to college.””?](#)

Like DePass, David Howarth, 17, is already considering campus life next fall. The senior at Dr. John M. Denison Secondary School in Newmarket, Ontario, Canada, opened a savings account in May to specifically sock away his U.S. dollars. “I have two currencies, Canadian and U.S.,” notes Howarth. “I want to pursue college in the U.S. I wanted to put my money in the bank where I could earn some interest, even just a small amount, and increase the value of the dollar rather than have it sit around.” Howarth, a visual artist who sometimes displays his work at art exhibitions around Toronto, adds that he always saves at least half of the income he earns from an art sale.

Still, Howarth considers his newfound appreciation for the value of money over the holidays – specifically around Canada’s Boxing Day on December 26 – to be his greatest financial highlight of 2013. He is much more attentive these days to where his money is going. “I wanted to make sure my money was spent well and that I was getting the best value for what I was purchasing,” notes Howarth, who called on friends working in retail to help him identify special promotions. “This was the first time I looked in-depth at promotional activities. For example, Bath and Bodyworks had a certain time from 4:00 p.m. to closing a couple weeks before Christmas when the employees gave out vouchers. The offer was you would get an additional 30% off on certain items. So, three bottles of soap would be \$10, and then you would get an additional 30% off, so they would be \$7. I purchased some soaps for my mother.”

Emily Zhen, a senior at Naperville Central High School in Naperville, Ill., takes a different approach to value, yet with the same eye to making her money work for her. “When I’m out shopping, I like to ask the sales representatives and store employees about the quality of their products and how long they can last,” says Zhen. “I’ve learned over the years that certain cheap products tend to break down in a short period of time and that sometimes it can be more worth it and valuable to buy the more expensive product if it’s likely to last for a longer period of time.”

## **Headbands and Planning Ahead**

Amidst all these monetary considerations, it would be an oversight to deny one holiday tradition so often tied to money – giving. This Christmas, Samantha Grasso, a senior at Immaculata Academy in Hamburg, N.Y., reflected on how her charitable organization, Looking AHead for Kids, has given her keen financial insights, especially as an aspiring entrepreneur. Grasso sews elastic headbands that she sells for \$2 each. She uses all the proceeds to buy toys for underprivileged children in and around her Buffalo, N.Y., community. “I’ve learned that you have to spend money to have a beneficial result,” notes Grasso, who has laid out hundreds of dollars of her own cash since starting her headband business in 2011.

[““You need to invest your resources – your time and your money – if you want to make something work.””?](#)

Whatever your future holds – Grasso plans to study economics and eventually get into business and social entrepreneurship – you will indeed need money and the skills to manage it. All the people interviewed for this article talked about working in 2014 as a way to earn much-needed income. Saving, also a common theme among these teens, is a critical focal point of money management. Take it from Zhen: It’s never too early: “Around Christmas time, my parents and relatives will give me money because they like me to have the freedom to choose how to spend it or save it,” she says. “Every year, I choose to save more than half of it and deposit it into my college savings account. When I give piano lessons or tutor weekly, I usually deposit about 75% of the money I make into that savings account. As a high school senior, it’s nice knowing that

[“putting a percentage of the money I earn every week into a savings account has resulted in enough money to pay for](#)

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[most of my room and board fees.””?”](#)

## Questions

Describe four lessons about money from this article. Can you relate to these financial insights? Why or why not?

Think about your own experiences with money. With a partner, discuss a time when you had to learn about managing money. What did you do? What lessons did you take away? Has it changed your perspective on finances?

Entrepreneurially speaking, what do you think Samantha Grasso means when she says, “You have to spend money to have a beneficial result?”

Who do you turn to for questions about money? Have you started this conversation with your parents? A bank advisor? If so, what have you discussed? If not, would you consider starting to work with a financial mentor? Write down 10 money-related questions you would like to ask that person.

## Related Links

- [America Saves](#)
- [Bankrate.com](#)
- [Investopedia.com](#)
- [CBS MoneyWatch.com](#)
- [Blog: Get Rich Slowly](#)
- [KWHS: Opening a Bank Account: Be the Boss of Your Money](#)
- [KWHS: Why It Pays to Save: Knowing the Time Value of Money](#)
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