

Who Teaches Students Financial Know-How?

(NAPSA)—More than just an annual outing, students can get a financial education when they go school shopping. Believe it or not, this pivotal rite of passage affects how young adults will manage their financial practices after they leave the nest. Unfortunately according to a recent survey, students are not getting the financial education they need to succeed when it comes to back-to-school shopping. The study found 87 percent of collegians and 90 percent of high school students surveyed say they rely on their parents and family for financial guidance but only 29 percent of college students nationwide say their parents have given them advice on spending money wisely for school shopping.

“Despite looking to their families for general money management advice, most young adults ‘learn as they go’ when it comes to handling personal finances,” said Diana Don, director of Financial Education at Capital One, which sponsored the survey. “Without ongoing parental guidance and check-ins about money matters, young adults are setting themselves up for missteps that can lead to bad financial habits.”

Today’s students value a paycheck, even those as young as 12 years old. More than 70 percent of middle school and high school students perform odd jobs to earn extra money and 72 percent of college students have a regular full or part-time job. This year students will drive their family’s overall back-to-school budget by not only matching but surpassing their parents contribution (56 percent to 44 percent).

“Earning their own income affords young people tremendous spending power and the independence to make their own financial decisions,” says Dara Duguay, executive director of the Jump\$tart Coalition for Personal Financial Literacy, a non-profit group dedicated to raising financial literacy among young adults. “By supple-



menting their parents’ back-to-school budget, students are demonstrating a vested interest in bridging the financial gap between the ‘I needs’ and ‘I wants.’”

Collegians say they will contribute an average of \$279 to their family’s school budget. Parents are planning to spend \$119, \$159 and \$413 on outfitting their middle school, high school and college-age students, respectively. The majority of middle school students (67 percent) say they want new clothes, followed by mechanical pencils (52 percent) and a backpack—perhaps one with wheels (38 percent). Eighty-four percent of high school students select calculators as an important need this fall over new clothes (75 percent) and a cell phone (27 percent). Ninety-eight percent of collegians indicate a priority need for textbooks, over a computer (75 percent) and a PDA (15 percent).

Capital One offers easy-to-understand consumer education resources on topics such as budgeting and developing spending plans, online at www.capitalone.com/credit101. Parents and students can also visit www.jumpstart.org and search the clearinghouse for curriculum and education materials from the Jump\$tart Coalition for Personal Financial Literacy. Capital One’s school study was conducted by ICR/International Communications Research of Media, PA.