

"If you buy one parenting book this year, make it this one."

—Lana Staheli, Ph.D., Author, Coach on Relationships and Life Strategies

— *Play* —

THE REAL-LIFE

MONEY GAME

With Your Teen

SARAH WILLIAMSON



BOOK SUMMARY

Play *The Real-Life Money Game With Your Teen*

By Sarah Williamson, CPA

Money management is rarely taught in schools. 85% of high school students receive no personal finance education whatsoever. As credit card companies are now targeting teens, resulting in a three-fold increase in credit cards by high school students, what is a parent to do? Where are the “operating instructions” for teens and their parents?

Play *The Real-Life Money Game With Your Teen* gives parents an easy and fun guide to building their teen’s financial skills, resolving conflict around money, and helping their children become financially responsible adults. Written by a mom with a CPA, tested on teens, with lots of real-life examples **Play *The Real-Life Money Game With Your Teen*** includes:

- A five step set of instructions and rules with a simple list of accessories to get started
- A Spending Plan “Playing Board” for financial information
- Scorekeeping Boxes summarizing key concepts and activities
- An abundance of practical tips on allowances, saving, investing, teen jobs and developing the spirit of entrepreneurship in your teenager

Sarah Williamson is a Certified Public Accountant who received her bachelor’s degree from the University of Washington and worked for Ernst and Young. With twenty years in the accounting and financial consulting field, she felt it was time to share some of this expertise with families. Michael, her budding teen entrepreneur, provided the training ground for a teaching system that forms the core of this book, which is the first of a series.

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www.reallifemoneygame.com

BIOGRAPHY

Sarah Williamson, CPA



Sarah Williamson is a mom and CPA who, spurred by a doozy of a fiscal dilemma with her 12-year old son in the aisle of Toys-R-Us, came to the decision that there must be a better way. With twenty years in the accounting and financial consulting field, and after incidentally coaching teens on finances through courses such as “Young Entrepreneurs” and “If Only I Were Rich,” Sarah felt it was time to expand on this expertise to share it in her book, **Play *The Real-Life Money Game With Your Teen***.

Though many parents do think the devil *does* wear Prada, or Abercrombie or Old Navy for that matter, Sarah believes that with the right foundation and lots of practice, teens can learn to be financially savvy. From confrontation to collaboration, folks who use Sarah’s lessons will learn life-long skills and have fun doing it. Her son Michael provided the training ground for a teaching system that forms the core of **Play *The Real-Life Money Game With Your Teen***. Designed as a set of fiscal “operating instructions” for parents, this book shares Sarah’s method for teaching teens financial independence.

Sarah teaches courses designed to help parents foster financial literacy in their teens. She is a Certified Public Accountant who received her bachelor’s degree from the University of Washington and worked for Ernst and Young. A marathon runner who exercises daily, she saves her money for sensible things like maintaining her lifestyle without going into debt, and splurges on things like dreamy vacations. Her son Michael, now 20, has matured beyond that Toys-R-Us battle over Nintendo games and at age 16 purchased his own bright red BMW after two years of saving, using Sarah’s lessons.

BOOK EXCERPT

Practical Tips for Parents from Play *The Real-Life Money Game With Your Teen*

Five Tips To Develop a Teen's Financial Instinct

1. Start early: 12-18 years old is perfect.
2. Have patience — give your teen time to make mistakes and learn from them.
3. Start small, that way the impact of a mistake is not huge.
4. Encourage saving: let your teen identify something that they really want that is easily achievable. On every teen's wish list: a cell phone!
5. Practice, Practice, Practice

Developing the Entrepreneurial Spirit in Your Teen

1. Encourage your teen to look around for opportunities to make money, and stay open to his or her ideas.
2. Support your teen in interviewing local entrepreneurs to find out how they got started.
3. Discuss your teen's ideas about adding to or improving on a simple business idea, how to increase the resource base and create demand for and market his or her money-making idea.
4. Allow your teen to practice from the safety of his or her own home.

Creating Your Teen's "Financial Independence"

1. Start with short-term goals. This will gratify your teen's short-term appetite and allow him or her to practice saving.
2. Work from an organized, "scalable" plan.
3. Talk with your teen about various financial options and promote his or her ability to choose.
4. Allow your teen to make mistakes which are the "mother of all learning".
5. Be open to creative thinking.

BOOK EXCERPT

Common Financial Mistakes Parents Make

Example 1: Overly Excessive Parents

Remedy: Start holding your teens accountable

1. Make sure your teen spends his or her own money
2. Encourage your teen to keep receipts
3. Give exact cash
4. Ask questions following a purchase that will encourage your teen to see the big picture, such as “Will the expenses for the month still be covered?”

Example 2: Secrecy: My teen knows nothing about our finances.

Without sufficient information, teens can't learn money management skills. Instead they learn to be sneaky or bullying, or worse, they learn to ask for handouts from others.

Remedy: Because discussions about family finances can often be sensitive, the best way to avoid this trap of secrecy is to use a model. A pie chart works wonderfully. Parents can show teens their family's financial circumstances without using real numbers. Let your teen become a positive, participating member in your family's finances.

The Top Mistakes Teens Make With Money

Example 1. They lose things they've paid for

Remedy: Hold your teen accountable by making them take responsibility for the things they lose. You do this by either having them find their missing item, or by insisting they use their resource to pay for the replacement. You are letting your teen know that he or she is capable of taking this responsibility and that you expect this from them. In so doing, they have an opportunity to learn from their mistakes and to develop a successful financial mindset.

Example 2. They run out of money

Remedy: Don't bail your teen out. Your teen either needs to come up with more funds or forgo an expenditure. If your teen constantly runs out of money, here is an exercise he or she can use to practice not running out of money. Spending Habits Questionnaire: a) List the five most important things to spend money on between now and the end of the month, b) How much money do I need to spend on each? c) How much money do I have on hand? d) If I'm short money, how can I adjust the dollar amounts listed for each item to make up the shortfall? What items could I eliminate?

REVIEWS

What People are Saying about Play *The Real-Life Money Game With Your Teen* By Sarah Williamson, CPA

"I wish I'd had this book when my own children were teenagers. However, looking it over, I think it's not too late- because I think this book would even work well with college students. Talk about a serious need for a book like this! There is so much we assume that young people will "just know"— and we are so wrong. This well written, user friendly, interactive book is a great service to parents who want to make sure their child understands how to be financially literate and responsible. Helping your child understand the logic and maintenance of money is critically important and I commend the author on doing such a great job of making the transmission of this information easy, fun, and extremely thorough."

— **Pepper Schwartz, Ph.D.**

Professor of Sociology, University of Washington

Author of "Ten Talks Parents Must Have with Children about Sex and Character"

"Assuming you want your children to grow up with 'dollars and good sense,' read this book. Sarah understands how money works. And she makes it fun. Enjoy playing *The Real-Life Money Game* with your teen."

— **Paul Merriman, Best-selling author**

"Live It Up Without Outliving Your Money: 10 Steps to a Perfect Retirement Portfolio"

"Fun with money? Playing with your teen? This book is revolutionary. If you buy one parent advice book this year, make it this one. It will change your relationship and give your teen the gift that lasts a lifetime."

— **Lana Staheli, Ph.D.**

Author, Coach on Relationships and Life Strategies