

## **Developing a Realistic Prom Budget with your Teen**

Prom is quickly approaching and chances are your teen has thought more about what to wear to the prom and who will be his or her date than how much the night will cost.

To prevent disappointment and an empty bank account, it's important to sit down with your son or daughter and discuss a prom budget. Regardless of what you are contributing, sitting down and going over every cost from the limo to the dress or tuxedo and dinner can really help your teen become aware of and practice financial responsibility.

Creating an effective budget takes thought and planning. Here are tips to saving financial stress and creating a prom budget:

### **Make a List**

In order to create an effective budget, it's important to determine what will cost what. Sit down with your teen and create a list of all of the items and activities that will have a price tag for the night. The list will usually include:

- Tickets to the prom
- Transportation (i.e. limo, bus or car rental etc.)
- Dress purchase or tuxedo rental
- Shoes and accessories
- Hair and other salon expenses
- Corsage or Boutonniere
- Pre prom activities (i.e. dinner)
- Post prom activities (i.e. after party, taxi etc.)

Once you are done, go over the list together and write the cost per item. Of course some items on your list will need to be estimated (i.e. dress purchase and pre and post prom activities) but it is important to research and record all necessary expenses to establish a proper budget.

### **Divide the Costs**

If you have agreed to contribute to your teen's prom expenses you should go over exactly what you will be contributing. Be up front about what you will or will not contribute to so your son or daughter is clear on what he or she needs to save for and can afford.

### **Start Your Budget Early**

Give yourself and your teen enough time to save for the prom! Set your budget and financial expectations a couple of months ahead of the date so there are no unrealistic expectations and surprises.

### **Let Your Teen Figure it Out**

Let your teen figure out his or her side of the prom expense. It's hard to teach financial responsibility if you are constantly looking over his or her shoulder and providing input. If your

daughter thinks she can save enough money to purchase a \$300 prom dress, let her attempt to save for it with a part-time job or an increase in household chores.