

# Financial Tips for College and Beyond

Regardless of age or education level, it's never too early to learn how to manage your finances. Everyone's finances are traceable; banks, car companies, and even schools can check your credit history to decide whether or not to give you a loan. If your credit history shows a lot of debt, too many credit cards, or a history of late payments, they can deny you the financing you need. You therefore *must* learn to manage your money, because the decisions you make now will affect you later.



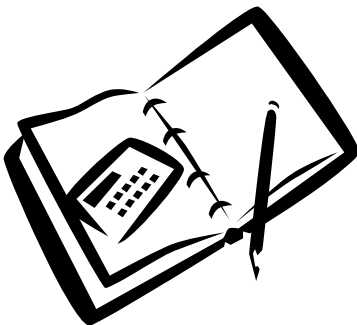
## Basic Budgeting Rules:

1. Set realistic financial goals. Can you save up \$5000 this year from that babysitting job? Probably not. Will you be able to save enough to pay for books and school supplies? Yes, if you budget properly!
2. Distinguish between needs and wants. Face it, you don't really need a caramel macchiato from Starbuck's every morning. What else are you buying that you don't really need? Purchasing something nice for yourself every once in a while is okay, but limit your "wants" purchases and make a conscious effort to eliminate impulse-buying.



3. Save at least 10% of your income. \$100 a month for 10 years @ 10% interest = \$20,000! You saved \$12,000 and earned another \$8,000 in interest.
4. Make sure your savings include an "Emergency Fund". You never know when your car might break down or you might have to take off work for a while.

5. Shop wisely. Shop around, and do a little research. Why pay more at one store if you can buy the same thing for less at another? Also, sometimes paying more for quality merchandise is more money-efficient than buying the cheaper brand in the long run. Do some research to find out when this is the case.



6. Keep accurate records. The number one reason for accidental over-drafts is poor record keeping regarding purchases.
7. Make a list of monthly living expenses. Start by keeping a record of EVERY cent you spend. After a month, review it to see what you can and can't do without each month. Create a list of necessities (rent, phone bill, electricity, groceries, gas, savings, etc.) and a spending plan, then **STICK TO IT!**

## Credit Card Tips:

Once you get to college, tons of credit card companies will send you applications for their credit cards. While credit cards may seem great for those times when you are short on cash, keep in mind that you're literally paying *more* than the cost of the item/service in order to buy it now instead of later. Credit card companies need to make money, and they do it by charging interest for the balance you keep on your card.



1. **DON'T GET MORE THAN ONE**, and use it **ONLY FOR EMERGENCIES**. When you do have to use your card, pay back the **FULL BALANCE** as soon as you can.
2. Credit card issuers offer a variety of terms (annual percentage rate, minimum monthly payments, membership fees, etc.). When selecting a card, compare terms offered by several companies to find the card that best suits your needs.



3. Watch your card after giving it to a clerk. Take your card back promptly after the clerk is done with it and make sure that it is yours.
4. Never sign a blank receipt. Draw a line through any blank spaces above the total when you sign receipts.
5. Open credit card bills promptly and compare them with your receipts to check for any unauthorized charges and billing errors. Report any questionable charges to the card issuer immediately. Make a written inquiry to guarantee your rights.

6. Never give out your credit card number over the phone unless you have initiated the call.
7. Never put your card number on a post card or on the outside of an envelope.
8. Sign new cards as soon as they arrive, or write "See ID" on the signature line. Cut up unwanted cards and shred unwanted credit card applications.



9. If your credit card is missing or stolen, report the loss **ASAP** to your card issuer. For your own protection, send a letter to the issuer as well. Include your card number, the date the card was lost or stolen, and the date you called in the loss. If you report a loss before your credit card is used by someone else, the credit card company cannot hold you responsible for subsequent unauthorized charges.