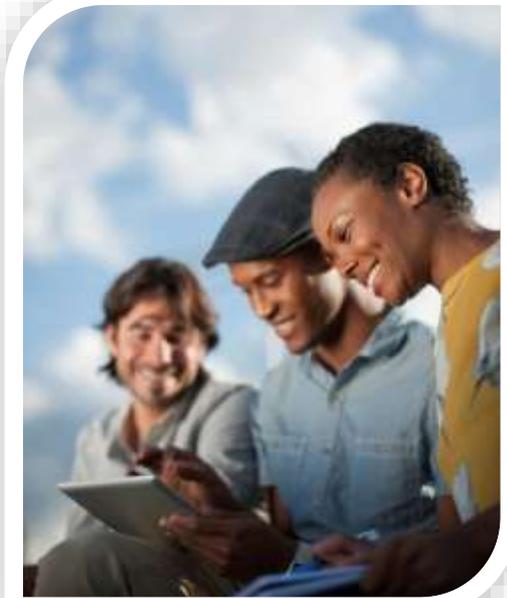


Many college freshmen are moving into their dorms, eager to enjoy the new freedoms life away from home has to offer. However, many college students are also managing their finances alone for the first time. A brand-new credit card, books, and room and board costs are just a few of the financial balls new students have to juggle. Here are a few tips to help freshmen manage their finances away from home.

Create a Budget Before you Leave Home.

Before you get to campus, establish what your income will be each month, whether that's from a work-study stipend, part time job, etc. Then, subtract all your debts, including what you'll need to spend on housing, food, gas (if you're driving), and loans. Once you have a good idea of how much you can spend each month, set aside a portion of that for an emergency fund. Be sure to update and adjust your budget monthly according to your actual spending. Your budget won't help you control your spending if you set aside \$100 per month for groceries but regularly spend \$200. Set yourself up for success with a realistic monthly budget based on your actual spending habits.



Use Credit Cards, but Use them Wisely.

Credit cards aren't evil and they don't automatically trap the people that use them under a mountain of debt. In fact, it's a good idea for students to use a credit card regularly in order to help build a credit history. However, this strategy only works in your favor if you pay off the full balance each month and never use the credit card to buy something you couldn't buy that same day with cash. That approach will keep you from using credit to live beyond your means, while still helping you establish a good credit score.

Look for Student Perks.

Many restaurants and stores have special discounts for students with a college ID. Make sure you take advantage of these extra opportunities to save money. Renting your textbooks or buying them used can also save you hundreds, and many booksellers offer discounts for college students. Finally, don't visit the coffee shop every morning for your dose of caffeine, even if they do have a student discount. Making your coffee in a dorm-sized coffee machine can save you \$90 every month - more if you typically buy expensive coffee drinks.

Save Early and Often.

Retirement may seem like a long ways away, but if you're able to contribute to an IRA now and roll it into a 401k when you start working full-time, it will have a tremendous impact on your retirement savings.

Keep these four tips in mind and you'll avoid major financial pitfalls while in college.