

Financial Tips for College Students

With college move-in days right around the corner, students living away from home for the first time may need to brush up on some financial dos and don'ts as they prepare for the college experience. Here are some basic reminders on how to avoid financial pitfalls during the transition from high school to college.



- **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 loan payments. 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.
- **Look for student perks.** Take advantage of your status as a student! Many restaurants and stores have special discounts for students with a college ID. Leverage 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. Most college and university campuses also offer free or inexpensive entertainment options, too. Look around and see what you can find to keep your monthly expenses down.
- **Use credit cards 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. Without that evidence of on-time payments and available credit on their credit report, students may have a difficult time renting once they leave student housing. Many credit cards also offer tech-friendly budgeting tools that can help college students keep track of their spending. However, using credit cards is 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.

Finally, make sure you protect yourself against fraud. Keep your online banking information secret and monitor your accounts frequently. One convenient way for college students to monitor their accounts, which are often at a financial institution in a different city from where they're attending school, is to use online bank statements and mobile banking alerts. Ask your local banker for more information about these products and services.