

When you're in college and trying to make ends meet, every precious dollar really counts. Here are some tips to help you manage your money and stay on top of your finances:

- **Develop a budget and stick to it.** A simple budget plan will help you avoid problems like running out of money before the semester is over. Start by tracking your expenses for a week or two to see where your money is going. Make a list of all your expenses for the year and a list of all of your income sources. Then think about what you can afford and come up with a realistic budget, including money for entertainment and eating out. Write out your budget plan, consult it often, and stick to it.
- **Open a checking account.** A checking account will help you keep track of where your money goes. Always keep enough money in your account to cover the checks you write. Be sure to record all your deposits, withdrawals, and checks in the register that comes with your checkbook. Save all your banking receipts and compare them with your monthly checking account statement. Balance your checkbook every month. And hold on to your cancelled checks—they provide a record of your spending and count as proof that you paid for something.
- **Don't go overboard at the ATM.** Many banks have ATMs on campuses, and they can be a real convenience when you need some cash. But ATMs can also be your fast track to financial problems. Because it's so easy to withdraw money, you can overspend almost before you know it. Try not to visit the ATM too often. When you do make withdrawals, you'll waste less money if you take out small amounts—like \$20 instead of \$40. This will also help you to spread your money out over the semester instead of spending it all at the beginning. Save your ATM receipts and record all your ATM withdrawals in your checkbook register.
- **Be smart about student loans.** Apply for financial aid if you need it, but borrow only what you need. Being eligible to borrow doesn't mean you have to take the maximum the lender will allow. Remember, you're expected to repay your loans, plus interest. And, repaying your loans on time will help you establish a good credit rating which is very important when it comes time to rent an apartment or buy a car.
- **Say "no" to credit cards.** Here's where plenty of students get into big trouble. Banks are only too happy to offer you a credit card like VISA or MasterCard. But the fact is, these cards are really loans in disguise because the bank charges you interest if you don't pay the whole bill at the end of the month. When you use your credit card, you must make a monthly payment that includes interest or finance charges of up to 20 percent until your total bill is paid off. You'll probably also have to pay an annual fee just for having the use of the card. This means that if you owe \$300 on your card throughout the year, and your interest rate is 20 percent, and your annual card fee is \$20, you'll be paying \$80 a year in interest and fees alone! You could pay even more if you use your card to get a cash advance (a very bad idea). If you feel you must have a credit card, save it for a real money emergency and make every effort to pay it off immediately to avoid interest charges.
- **Avoid impulse buys!** Often the things we buy are not planned purchases. We see something and we just have to have it. Or, we're hungry and want to buy what's right there instead of eating the food we have in our fridge. Plan ahead for meals and give yourself a day to think about whether you really need to make that purchase, and you'll save yourself lots of money!

- **E-mail!** Those long distance calls to friends and family can really add up fast. Save money by using e-mail instead whenever you can. Also, look into how you can save money on phone costs. A cell phone might be better than a land line if you do most of your talking at night or on the weekend. But it could also be a huge money pit if you go over your daytime minutes!
- **Cut book costs.** Reduce book expenses by buying used textbooks instead of new ones. Check out college bookstores and private bookstores catering to students. Online booksellers like [www.varsitybooks.com](http://www.varsitybooks.com) or [www.campusbooks.com](http://www.campusbooks.com) often have textbooks for lower rates than the campus bookstore. Bulletin boards and ads in the college and local papers are also good sources for finding used books. Just make sure the book is the right edition. Another possibility is pooling resources in purchasing and sharing books with a roommate or close friend. Save more money by reading a library copy of some of the books on your list.
- **Save on living costs.** Unless you commute from home, a big chunk of your educational expenses will go toward room and board. Take a close look at dormitory expenses compared with apartment living. Enterprising students often save substantial amounts by combining their resources and renting an off-campus apartment. If several students room together and split the cost of rent and utilities, the cost per person can be less than in a dormitory. Of course, this all depends on avoiding high-rent districts and finding good roommates, but in the right circumstances it can be a smart alternative. No matter where you live, you can stretch your budget by fixing some of your own meals, avoiding fads in clothes, and taking advantage of free campus entertainment.
- **Think like a consumer.** Save money on computer supplies, notebooks, laundry detergent, and lots of other items by shopping at discount stores rather than on-campus stores. Comparison shop, take advantage of sales whenever possible, and stockpile supplies.