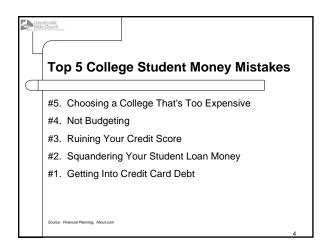


#5. Choosing a College That's Too Expensive
#4. Not Budgeting
#3. Ruining Your Credit Score
#2. Squandering Your Student Loan Money
#1. Getting Into Credit Card Debt



Top 5 College Student Money Mistakes

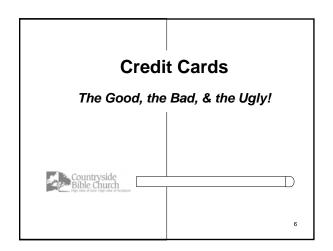
#5. Choosing a College That's Too Expensive

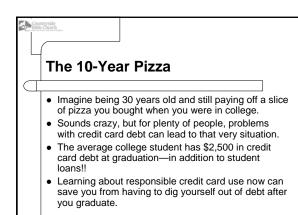
#4. Not Budgeting

#3. Ruining Your Credit Score

#2. Squandering Your Student Loan Money

#1. Getting Into Credit Card Debt





Credit Cards: The Good!

Safer than carrying cash
Low risk if stolen--separate from your other accounts
Can be a free loan for 20 to 25 days; no interest charge if paid in full monthly
Emergency money source
Many companies offer incentives for use (airline miles, etc.)
Automatic record of purchases
Required to rent a car (some exceptions)

Credit Cards: The Bad!

 Significant interest charges if not paid in full monthly
 Potential fees if not managed closely
 Late payment fees
 Over the credit limit fees
 Returned check fees
 Cash advance fees
 Membership fees
 Foreign exchange fees
 Credit card number must be guarded; fraudulent use is prevalent

Credit Cards: The Ugly!

• Credit card debt can become overwhelming
• Easily abused
• Easy to lose control of spending
• Too easy for some to spend more than they should!
• Often used where there are lower cost alternatives
• College tuition (student loans usually have lower interest rates)
• Credit card companies pursue college students!
• Brand-new consumer with no experience and no money
• In a position where the entire world is urging you to consume
• Low minimum payments can keep people paying on credit cards almost indefinitely

Credit Cards
The College Student's Choice

• If you manage wisely, you'll finish college with:

- A discipline of paying off any credit card balance monthly

- NO CREDIT CARD DEBT!

• If you choose the way the card companies want you to choose, you'll finish with

- A high-interest credit card

- Lots of debt

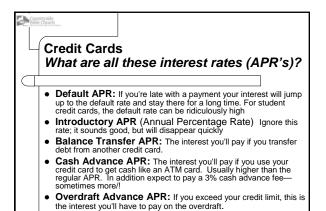
- Staggering monthly payments

- The credit card company's love and attention for the rest of your life!

Proverbs 22:13b And the borrower becomes the lender's slave

Credit Card HANDOUT
What Should College Students Look For?

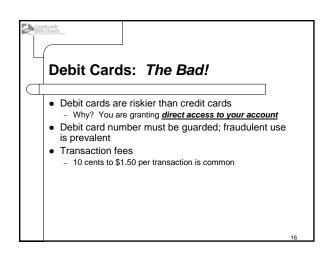
• Ignore the incentives (at least at first)
- Frequent flyer miles - Free gas
- Money off on your books - Free food
• Pick the card with the lowest interest rate and no annual fee
• Variable Rate vs. Fixed Rate: Fixed Rates are better but are harder for students to find. Try to get one if you can.
• Annual Fee: Most student credit cards won't have an annual fee. Make sure yours does not!
• Other Fees: Late payment, over credit limit, etc. Try to get as low as possible, but don't worry too much. Just make all your payments on time and stay under your credit limit.





Debit Cards: The Good!

 Allow quick & convenient transactions
 Safer than carrying cash
 Accepted by most businesses
 Extra protection of a PIN number
 Less chance of excessive credit card debt
 Automatic record of purchases



 Debit Cards: The Ugly!

If your debit card is stolen your loss is limited to:

Notify the card company within 2 days

\$50.00 max loss

Don't notify the card company within 2 days

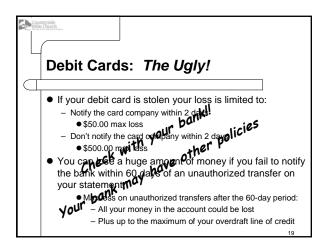
\$500.00 max lass

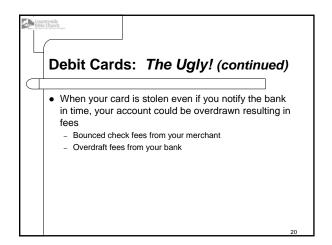
You can lose a huge amount of money if you fail to notify the bank within 60 days of an unauthorized transfer on your statement

Max loss on unauthorized transfers after the 60-day period:

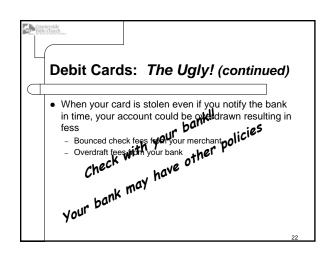
All your money in the account could be lost

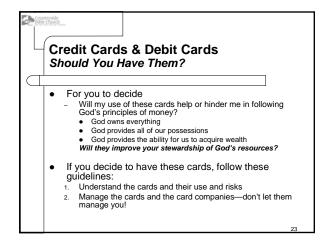
Plus up to the maximum of your overdraft line of credit

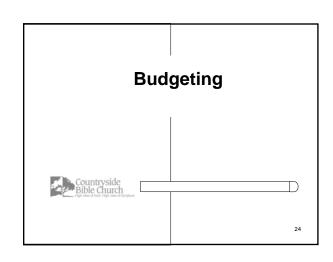


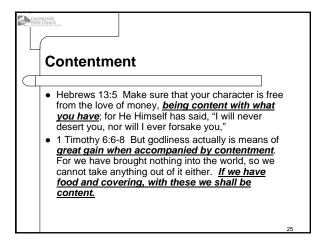


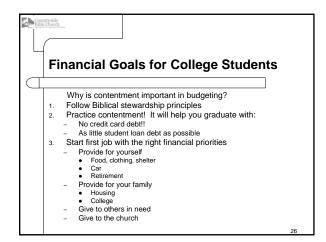








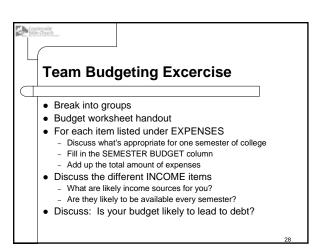




When You Are In College

Plan for the short term—the current semester
Fill out a detailed plan (budget)
Track your spending!
Compare to your plan
Adjust
Plan for the long term—until graduation
Fill out an estimated plan for each semester
Revise the plan at the end of each semester

Proverbs 16:3 Commit your works to the Lord and your plans will be established



Field of Dreams: Unrealistic expectations
Source: Liz Pulliam Weston, MSN Money

• 2005 survey revealed that teenagers expect
unrealistically to earn high incomes:

- Boys' average expected income: \$174,000

- Girls' average expected income: \$114,500

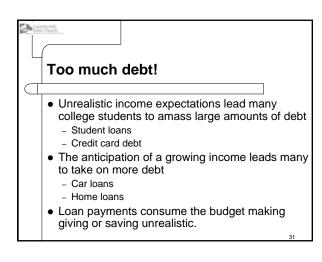
• 2005 reality

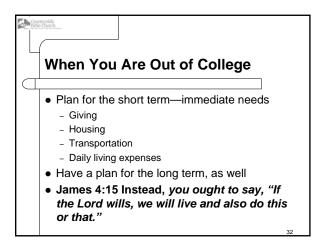
- Men's median income: \$41,386

- Women's median income: \$31,858

- Only 1 person out of 20 earns over \$100,000

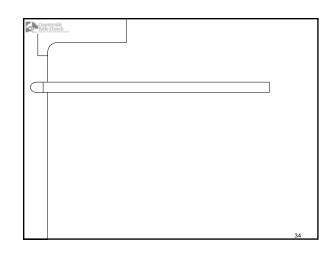
- Only 1 family in 6 earns over \$100,000





Colossians 3:23-24 Whatever you do, do your work heartily, as for the Lord rather than for men, 24knowing that from the Lord you will receive the reward of the inheritance. It is the Lord Christ whom you serve.

Proverbs 22:1 A good name is to be more desired than great wealth: 33



	SEMESTER	SEMESTER ACTUAL	SEMESTER DIFFERENCE
	BUDGET		
NCOME:			
rom Jobs			
rom Parents			
rom Student Loans			
rom Scholarships			
rom Other Financial Aid			
Miscellaneous Income			
NCOME SUBTOTAL			
XPENSES:			
Biving			
Rent or Room & Board		300	1500
Jtilities		100	500
elephone		25	125
Proceries		125	625
oiletries/Makeup		25	125
Car Payment/Transportation		150	750
nsurance		75	375
Gasoline/Oil		75	375
Repairs and Maintenance		50	250
ntertainment		50	250
ating Out/Vending		50	250
Tuition		4000	4000
looks		600	600
School Fees		350	350
omputer Expense		20	100
Miscellaneous Expense		25	125
XPENSES SUBTOTAL			10300