



# Consumer Tips from Your Community Banker (August 2013)

## Topics for Students Heading to College

Like vacationers packing for a cruise or workers buying a wardrobe for a new job, students beginning their freshman year at college are rightly excited about the journey they are about to begin. In addition to planning their technology needs and dorm room furnishings, new students might consider a variety of financial topics they will possibly face for the first time. During their early college years, students can benefit from setting aside even an hour or two to plan their finances, including these topics:

- **Student loans:** Students who rely on loans to help pay for their college expenses will want to read the fine print and understand when funds are available and all repayment requirements. They will want to balance the amount they accept in loans vs. their future career choice.
- **Part-time employment:** College students who work 10 or 15 hours per week often learn to make effective use of their time; however, those who work 20 or more hours sometimes find it difficult to keep up in their courses.
- **Spending plans:** College can be one of the most rewarding periods of a lifetime, filled with learning, new friends, and dreams to explore. A budget should allow a cushion to participate in new activities.
- **Scholarships and grants:** Once a student has settled on a major, there may be scholarships available within their program. This is a question to ask an academic advisor. Even a small grant can enable a student to commit more hours to study, work fewer hours, or lower the amount of student loans.
- **Credit cards:** College can be a good time to create a sterling record of wise credit card use, though students will want to carefully monitor their purchases, realizing that credit card debt can sneak up on any consumer. This is also a good time to learn about credit reports and begin a habit of checking them several times each year.
- **Housing/rental leases:** When students sign any rental agreement, this is another time to carefully read the fine print. Will they be liable for damage caused by a guest? Are overnight guests permitted? If roommates are involved, all should agree upfront about such issues as guests, cleaning standards, and who is responsible for cleaning, food shopping, meal preparation, and other needs.
- **Identify theft:** Routinely checking credit reports and frequently reviewing check and debit card usage online can help catch unauthorized payments. Remember: the best way to prevent theft is to keep close watch of wallets, cell phones, receipts, laptops and all other items containing personal financial data.

Careful planning during the first year of college can prevent personal financial crises and set the stage for a lifetime of good financial habits.

One useful financial aid resource is the Wisconsin Higher Education Aids Board (HEAB):

<http://www.heab.state.wi.us/>.