

# Make a Smart Start Toward Financial Success 2015

Student Support Services  
Halifax Community College

**MANDATORY IF APPLYING FOR GRANT AID!!**

# A College Education is a Smart Investment

|                        |          |
|------------------------|----------|
| ● High School Graduate | \$25,000 |
| ● Some College         | \$30,000 |
| ● Associate Degree     | \$32,000 |
| ● Bachelors Degree     | \$41,000 |
| ● Master Degree        | \$51,000 |
| ● Doctorate Degree     | \$67,000 |
| ● Professional Degree  | \$77,000 |

# Start Smart By Avoiding Pitfalls

- Too Much Credit Card Debt
- Little or No Savings
- No Short and Long Range Plan

# The Credit Card Debt Picture

- Among college students, 76% have credit cards and 43% have four cards or more
- 7% of college students carry a credit card balance of \$7,000 or more; 16% owe between \$3,000 and \$7,000
- The average credit card balance among college students is \$2,169



# Six Steps For a Smart Start After College

- Establish Financial Goals and a Plan for Getting There
- Separate Needs from Wants
- Create a Monthly Spending Plan
- Start Saving and Bank Wisely
- Stay on Top of Your Student Loan Obligations
- Use Credit Wisely

# ESTABLISH FINANCIAL GOALS

- SHORT TERM
  - Buy a car
  - Buy new furniture
  - Be debt free
  - Vacations



# ESTABLISH FINANCIAL GOALS con't...

- Long Term
  - Buy a home
  - Start a business
  - Start a family
  - College tuition for children
  - Pay off student loans
  - Retirement



# NEEDS VS WANTS

| ITEM           | NEED                        | WANT                      |
|----------------|-----------------------------|---------------------------|
| FOOD           | Groceries                   | Eating out                |
| SHELTER        | Dorm/Roommate               | Apartment/House           |
| TRANSPORTATION | Public transportation       | Gas, Car insurance, etc.  |
| CLOTHES        | The Basics (No Name Brands) | Trendy styles/Name Brands |
| CELL PHONE     | Straight Talk               | IPhone, Samsung Galaxy    |



# CREATE MONTHLY BUDGET

- Start at the beginning of each month
- Pay yourself first (open a savings account)
- Keep track of everything you spend: coffee, newspaper, magazines, etc.
- Record all of your income
- Pay your bills on time

# BANKING

- Choose a bank in a convenient location with good hours
- Accounts
- Interest rates
- Low service charges
- Available ATM's
- Secure online services

# BANKING continued....

- Avoid overdraft fees
- Balance your account monthly
- Debit cards are not credit cards
- Record all purchases
- Utilize bank bill pay

# Use Credit Wisely

| ADVANTAGES                  | DISADVANTAGES               |
|-----------------------------|-----------------------------|
| Build credit                | Negatively affect credit    |
| Rent a car                  | Debt accumulation           |
| Emergencies                 | Years to repay debt         |
| Online purchases            | High interest rates         |
| Immediate cash availability | Immediate cash availability |

# MANAGE CREDIT CARDS

- Choose credit card with no annual fee
- Use credit cards conservatively
- Charge only what you can pay at the end of the month
- Make payments on time
- Always pay more than the minimum requested



# Protect Your Credit

- Reduce access to your personal data
- Always take credit card receipts with you
- Order your free credit report once a year
- Never allow anyone to use your credit card

# What's My Credit Score?

## Three National Credit Bureaus:

Equifax

[www.equifax.com](http://www.equifax.com)

(866)640-8873

**EQUIFAX®**

Transunion

[www.transunion.com](http://www.transunion.com)

(800) 888-4213



Experian

[www.experian.com](http://www.experian.com)

(888) 397-3742



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