

Money tips geared to teens heading to college

Our son is heading off to college next month. Although he's very bright academically, he hasn't been very smart about money. Do you know of any resources we can share with him that might help?

There are many personal finance books and other publications that could be helpful, but the National Endowment for Financial Education has a publication that's precisely what you're looking for.

NEFE's "40 Money Management Tips Every College Student Should Know" is available free to download from <http://www.smartaboutmoney.org/40moneytips>.

And it's a good thing to start talking about this now. The average debt of graduating college students this year was \$22,900, according to the student-aid websites Fastweb.com and FinAid.org — that's up 8 percent over 2010. And, the Institute for Higher Education Policy recently reported that nearly two-thirds of those with student loans had trouble making payments. That doesn't even take into account other debt, such as credit cards and car loans, or other financial obligations.

The 32-page "40 Tips" guide from NEFE, an independent nonprofit foundation, offers advice on a broad array of financial topics, all geared directly to students entering college. Topics include guidance on:

- Organizing financial records (and why it's important to do so).
- Protecting personal information, such as Social Security, credit card and bank account numbers.
- How to find a checking account that will



charge you few or no fees.

- Avoiding bouncing checks, which can damage your credit rating and cost big bucks.
- Finding financial aid, and what you need to know about it — including avoiding scholarship scams and understanding the difference between private loans and federal student loans.
- The pros and cons of working while attending college and ideas on preparing for your career after graduation.
- How to save on food costs, whether or not you use a campus-based meal plan.
- Comparing living costs in a dorm vs. an apartment, and how to talk to roommates about money issues.
- How to save on everyday expenses, such as taking advantage of student discounts and reducing car-related costs.
- Using your college years to build good credit, including the importance of paying rent, bills and other expenses on time.
- How to use credit wisely. Keep just one major credit card, and make sure to shop around for one with no annual fee, a lower interest rate (not just a low introductory rate), and a longer grace period (20-30 days) to make a payment.
- Why it's a good idea to start building savings, even with small amounts.

For more information about NEFE, see its website at <http://www.nefe.org>.

Family Fundamentals is a monthly column on family issues. It is a service of Ohio State University Extension and the Ohio Agricultural Research and Development Center. Send questions to Family Fundamentals, c/o Martha Filipic, 2021 Coffey Road, Columbus, OH 43210-1044, or filipic.3@cfaes.osu.edu.



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Dear Subscriber: This column was reviewed by Nancy Hudson, family and consumer sciences educator for Ohio State University Extension.

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