

FINANCIALLY FIT

OSPREY \$



Money Basics



- Tips to Save Money
- Financial Aid and Paying for College
- Maintaining Good Credit
- Good credit vs Bad Credit
- Debt repayment
- Credit Report and Credit Scores
- Balance your bank account
- Investing

Easy Tips to Save Money:

- Save your change; it adds up quickly
- Maintain good grades; most car insurance companies offer a “good student” discount
- Ask businesses if they offer a student discount
- **Reduce the amount of loans you take out**—you have to repay them—
with interest



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Money Saving
Tips for
College Students

- Comparison shop—use an app to find the store with the lowest cost
 - Stock up on products you use when they’re on sale
 - Cut back on eating out
 - Do NOT use income tax refund loans to get our refund quicker; some interest rates are as high as 775%!!
 - If you smoke—quit; a pack a day habit will cost well over \$1000/year
 - Cut back on Starbucks—a latte/day will total well over \$1000/year
- **Remember the message in “*The Millionaire Next Door*” wealth is accumulated, not spent. It’s the result of a lifestyle of hard work, planning, and self-discipline with money**

Financial Aid and Paying for College

- **Apply early;** you can apply/complete your FAFSA in October
 - Early applications will be considered for institutional aid when the Financial Aid Office begins disbursing; and once it's gone, it's gone
 - Remember to apply online to the free FAFSA application; apply at <https://fafsa.ed.gov/>
- Look for grants & scholarships first—**APPLY EARLY**
 - Look for institutional scholarships
 - Go to <http://www.unf.edu/onestop/finaid/Scholarships.aspx> and review the Internet section to search for scholarships
- Avoid non-government backed loans if possible
 - **Only take out the amount you absolutely need** – avoid large refunds
 - Loans must be repaid. **Do you want to graduate with \$30,000 in debt?**
 - Begin a repayment plan as soon as you graduate



Paying for College BETA

COST COMPARISON TOOL

- Look for employment opportunities that offer tuition reimbursement or will pay part or all of your tuition
- Begin volunteering with organizations that offer scholarships and grants to participants
- Apply for graduate assistantships & grants through the institution
- Get a part time job or summer job to pay for college
- Pay your bill on time and avoid paying an additional \$100 late fee

Good Credit vs Bad Credit

Good Credit:

- Pay bills on time
- Use credit cards for convenience and don't have more than 25% of your credit limit outstanding
- Don't have more than 2 cards
- Pay credit cards in full each month (saves penalty and late fees, too)
- A good credit score will save you money on insurance and give you better interest rates on a car loan or mortgage



Bad Credit:

- Not paying bills on time
- Checks returned NSF by your bank
- Consistently spending more than 25% of your credit card limit
- Having too many credit cards
- Changing credit cards often to get good interest rate

Total Cost if you do not Pay your Bill in Full each Month

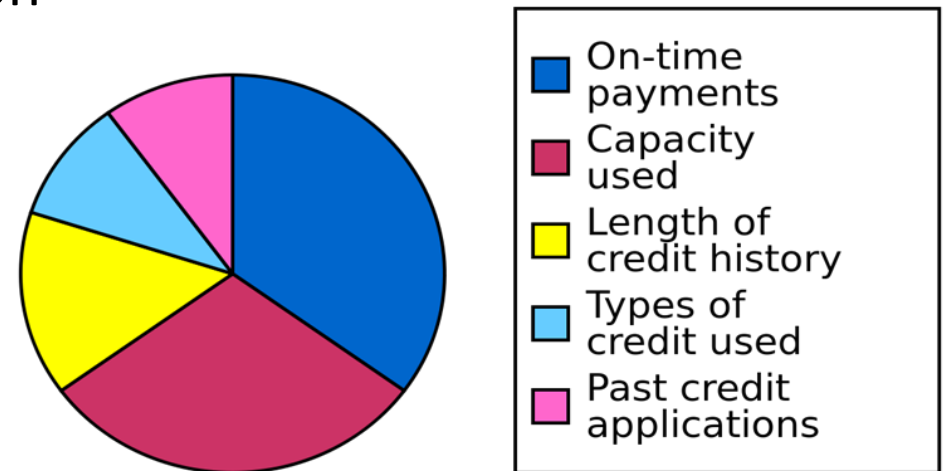
Credit Card Balance	Interest Rate (%) Charged	Monthly Payment	Months to Pay Off Balance	Years to Pay Off Balance	Total Cost (Balance + Interest)
\$2,000	18%	\$40 minimum	94	7.8	\$3,760
\$2,000	18%	\$50	62	5.2	\$3,100
\$2,000	18%	\$150	15	1.3	\$2,250

Compound Interest is calculated on both the principal amount and the accumulated unpaid interest.

Credit Score

- Go online and check your credit score regularly; Credit Karma(<https://www.creditkarma.com/dashboard>) is a free site that provides your credit score from Transunion & Equifax
 - This site shows the factors that impact your score and the impact on your score
 - Be ware of the credit cards that are offered on the site!
- Maintaining good credit will boost your credit score
 - Paying bills on time and the percentage of your credit limit that you use **are the 2 major factors of your credit score**
- Your credit score is what companies use to determine your credit-worthiness—your ability to repay the debt
 - A lower score indicates you may not repay the debt so your interest rate will be higher to protect the creditor
 - It will also impact your insurance premiums
 - A low score means you are paying more for the same loan or insurance as someone else –could that money be better spent?

CREDIT SCORE FACTORS



Checking Your Credit Report

Annual Credit Report

www.annualcreditreport.com

- It's important to check your report for inaccurate data
 - Inaccurate data may impact your credit score, which impacts what you pay for insurance, interest rates and whether you qualify for a loan or mortgage
- You can get a free report annually
- Fill out one form to request reports from all three agencies
- Immediately dispute any information that is not correct
- Freeze your credit if you don't plan to use it and remove yourself from auto mailing lists



Begin Investing

- It's not too early to think about retirement! Saving a little now reaps big rewards due to compound interest
- Retirement Accounts such as Roth IRA
 - \$50 a month for 4 years invested in the stock market would be worth \$139,000 at retirement
- How much risk do you want to assume?
 - Things like CD's, money market mutual funds and federal savings bond have lowest rate of return but also the lowest risk
 - Stocks, bonds, mutual funds and other securities fluctuate, may take a longer time period to generate a bigger return, but the gains are usually higher

