

Get Financially Savvy: Create a Budget

Make sure there's more money coming in than going out.

Step #1: Assess your income: The goal of a budget is to spend less than what you earn. To begin, identify all sources of income. Break your year into manageable increments, such as months. Make your best estimate when necessary. We've listed some examples below.

Jobs (after taxes)	
Student loans	
Scholarships/grants*	
Financial aid	
Parents	
Miscellaneous income	

Total Income: \$ _____

Step #2: Identify fixed expenses: Certain items, such as your utilities or tuition, cost about the same amount from month to month. Can you do without any of the fixed costs?

If not, plan to cut corners or add to your income through a part-time job or other means. To find scholarship opportunities, do a free search at www.fastweb.com.

Tuition	
Class materials/books	
Rent/room & board	
Cable	
Gas (cooking and heating)	
Internet access	
Telephone (local service)	
Electricity	
Car payment	
Insurance (auto and medical)	
Misc. fixed expense	

Total Fixed Expenses: \$ _____

Step #3: Identify variable expenses: The items in this list are also important, but their cost can fluctuate from month to month. Depending on your budget, they also could be the items you target first when trying to cut costs.

Credit card payments	
Gasoline	
Transportation/commuting	
Groceries/toiletries	
Cell phone/text messaging	
Travel	
Eating out (including coffee)	
Movies/music/magazines	
Clothes	
Entertainment (misc.)	
Misc. variable expense	

Total Variable Expenses: \$ _____

Step #4: What's your balance? Total Income - Total Expenses (Fixed + Variable) = Savings. If the number is less than zero (0), you'll want to rethink your budgeting strategies. Start by adjusting line items in Step 3 to cut costs.

BALANCE (Income minus expenses):	\$ _____
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Extra Budgeting Advice

- * After keeping your budget for several months, you may need to make adjustments such as adding an additional expense, or eliminating an old one. Continue to monitor credit card usage, if possible, do not use cards, rather use cash at all times until your card balances are paid in full.
- * Set goals and experiment with your funds. See how long you can stretch \$20.00 for miscellaneous expenses. When you reach a goal, plan a low-cost reward. Small indulgences will keep you motivated!
- * Stay consistent with your budget and don't give up! Maintaining a budget takes a lot of persistence, and a positive attitude.
- * Additional assistance can be found on FastWeb's College Gold site, www.collegegold.com, which includes budget calculators and other resources to help you pay for your education.

* Need Money for College?

Get your share:

Search \$3 billion in scholarships

www.fastweb.com

Secure Your Finances

Avoid and Prevent Identity Theft!

- ◆ Remove your contact information from all marketing lists. Contact the National Do Not Call registry (www.donotcall.gov). Also contact the three credit bureaus (Equifax, Experian, TransUnion) to remove your name from lists of pre-approved credit offers: 1-888-5OPTOUT
- ◆ Make a list of all credit card account numbers and bank account numbers (including customer service numbers) and keep it in a safe place. You can even photocopy the front and back of your cards and store them privately.
- ◆ If you're expecting a new credit or bank card, make sure you receive it within the allotted time. If not, contact the issuer immediately and make sure the card was sent.
- ◆ Notify your credit card company if you are missing a statement in the mail and suspect it was stolen.
- ◆ Memorize your social security number and important passwords. Do not carry your social security card or birth certificate with you.
- ◆ Be careful when selling or discarding an old computer. All data must be permanently removed from your hard drive. Software programs are available to help you erase and delete files.
- ◆ Make sure your postal mailbox is secure - either with a lock or by having a P.O. box. Purchase a cross-cut paper shredder to destroy important mail and other documents.
- ◆ Order your free credit report at least once a year by calling: 877-322-8228 or on the Web: www.annualcreditreport.com. For any fraudulent items on your report, call the three credit bureaus immediately and place a fraud alert on your file.

Beware of Phishing & Pharming!

- ◆ "Phishing" refers to unsolicited emails that bear the logo of your bank or credit card. They appear legitimate, but are traps to lure you into giving out your account numbers. Never give out identifying numbers such as social security number, credit card or bank account numbers to an unsolicited emailer or caller.
- ◆ "Pharming" refers to a virus or program planted on your computer that takes over your browser. When you type in legitimate sites, you are then taken to false copies that capture your usernames and passwords. Install virus protection software and run it often!

Steps to Follow If You Become a Victim of ID Theft:

1. Contact your bank and credit card issuers.
2. File a report with your local law enforcement.
3. File a report with the Federal Trade Commission at: www.ftc.gov/idtheft.
4. Contact the main credit bureaus (Equifax, Experian, TransUnion) to place a fraud alert on your file.
5. Notify your post office (if mail was stolen).
6. Notify your phone company (if ID stolen over the phone).
7. Notify the Social Security Administration, if SSN was compromised.

Manage Your Finances While in School...

Spend Within Your Limits: Don't run out of money at the end of a semester because of poor spending. Try to avoid overusing credit cards to cut corners on expenses.

Personal/Living Expenses: If you live in campus housing, save money on eating out and use your meal plan.

Transportation and Travel: If you have a car, figure in gas, insurance and parking fees. If possible, take advantage of the campus shuttle and public buses.

Entertainment: Prioritize your recreational activities and take advantage of free activities on campus. Bands and comedians, local and well-known, frequent college campuses. As a student you can see many for free (or discounted with a student ID)

Books and Course fees: Budget for extra costs that can arise for a class or lab. Book costs vary, depending on the course. If possible, always try to purchase used books at a campus bookstore or online!

...And For the Rest of Your Life

Maintain a budget. Keep track of how much you're spending versus how much you're making. Stick to the budget.

Pay bills on time. Pay loans and other bills on time. You can hurt your credit if you are consistently late making payments. The consequences are very serious and can include a damaged credit report, garnished wages, collection costs, loss of deferment or forbearance eligibility, inability to make large purchases like a car or home, and it can even affect your ability to get a job!

Take advantage of all banking services offered. If your budget allows, split up your money between a checking and savings account. Deposit paychecks directly into your bank account and make sure you can utilize online banking and bill payment features without attached fees. Participate in a 401(k) program; most companies will match your contribution.

Decide how you will use a credit card before you apply. If you can pay off your bill in full each month (recommended), look for a card with no annual fee or one that offers rebates. If you will carry a balance from month to month, look for a card with the lowest interest rate.

Don't be a social spender. Don't let friends pressure you into spending money. If you can, always avoid lending money.

Have a substantial cash emergency fund. You never know when you may have to pay for an unexpected expense or a minor emergency. Keep at least \$500.00 in a savings account.

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www.fastweb.com