



# **Saving Money While in College:**



It Can Be Done!



# *Start Now!*

- ▶ While you're in college, put away that extra money from babysitting, gifts, and part-time and summer jobs—rather than spending it.
- ▶ It will make a big difference down the road! Potential future expenses, such as the deposit and first month's rent for a new apartment, buying a car, or the expenses of an out-of-state move for a job, can make a big financial impact if not planned for in advance.

# Put Yourself on a Budget...



- First, set aside the needed money for tuition, books, housing, and meals. Then, create a budget, using the amount that's left. Tracking your monthly expenses will give you the information you need to plug those spending leaks and still manage to set aside money to help you move closer to your savings goals.



# Dealing With Spending Leaks

- Spending leaks prevent you from [sticking to a budget](#) and saving. Use the tips below to help plug them:
- Leave your credit card at home.
- Seek out free concerts, festivals, exhibits, in the city you live.
- Use [Hulu](#) or [Netflix](#) to catch up on your favorite shows and movies instead of cable and the expensive movie theater.
- Use your bike instead of your car two or three days a week.
- Pack snacks at home and put them in your backpack so you can avoid vending machines.
- Carry a refillable water bottle instead of purchasing soft drinks or coffee drinks.
- Use your student meal plan.
- Limit the number of movies, ringtones, etc., that you download.
- Carpool with friends to campus or to go out on the weekends.
- Plan a weekly menu and allow for leftovers so that you can freeze what you don't need for another night.
- Meet friends for lunch instead of dinner. Lunch menus are typically less expensive and you can save on not buying drinks.
- Go out less, and on nights you do want to go out, seek out deals at local restaurants and bars for happy hour and "free cover."
- Borrow clothes from friends instead of buying new.
- Go in on group gifts for friends' birthdays and graduations.
- Open the windows, or put on a sweater, instead of turning on the air or heat.

## Cut out nonessentials...

Make a point to stop spending on things you can live without—like meals out, soft drinks, bottled water, and local daily deals. Developing skills in identifying your needs versus your wants can help you establish healthy savings habits for now and in the future.





## Around...

If you need to furnish your living space or replace a broken item, check websites such as [Craigslist](#) or [eBay](#) for deals on televisions, furniture, and more. Often, you can realize savings by purchasing gently used items—but always inspect and test them before buying.

# Get a Part-Time Job



- Try to find the type of work that aligns with your interests.
- For example, if you are planning on a career as a teacher, maybe you can find work as a part-time nanny near campus or as a tutor for younger children.
- Let friends and family know that you're looking for work in case they know of a potential job opening.

# Pay Yourself First...

Set up a rule in your online checking account so that a certain percentage of your earnings—say, 5 percent to 20 percent—is automatically rolled over into your savings account.

If you're not using an online account, move the money to savings in a monthly, in-person transaction at the bank



# 4 Things to Know About Savings Options

## 1. Savings Account

- are offered by banks and credit unions.
- They offer low minimum balances and are considered among the safest places to put money.



## 2. Money market accounts

- Are offered by many banks and credit unions
- They work like checking accounts and typically pay a higher rate of interest than savings accounts.
- *Pro:* You can take out money at any time, usually without a penalty.
- *Con:* They may require a high minimum monthly balance—\$1,000 to \$10,000—to avoid fees. Additionally, you may be able to write only a limited number of checks during each statement cycle.

# 4 Things to Know About Savings Options



## 3. U.S. savings bonds

- ▶ Enable you to loan your money to the government and, in turn, the government agrees to pay you a specific interest rate over a period of one to 30 years.
- ▶ At the end of that period, you get back the full amount of your initial loan.
- ▶ *Pro:* Savings bonds interest rates are typically higher than interest rates for savings accounts.
- ▶ *Con:* If you cash in your savings bonds within five years of purchase, you are subject to a penalty of three months' interest

## 4. Certificates of deposit (CDs)

- ▶ Enable you to loan your money to a bank or credit union for a set period of time—typically three months, six months, one year, two years, or longer.
- ▶ *Pro:* The bank pays a set interest rate on your money over that time, adding it to the initial amount of the CD in increments. When the CD “matures” (reaches the end of the agreed-upon time period), the bank returns the full amount plus the accumulated interest. The rate can be higher than for savings accounts.
- ▶ *Con:* To earn a higher interest rate, you have to agree to a longer maturity date. If you take out money before the maturity date, you may have to pay a penalty.

“

# Any Questions?

”

Contact the CCA Financial Aid Office

[FinancialAid@ccaaurora.edu](mailto:FinancialAid@ccaaurora.edu)

303-360-4709