


Presented January 2007

We guarantee it.™

Frugal Living on a College Budget




1

The slide features a blue header with the text "We guarantee it.™". The main content is centered and reads "Frugal Living on a College Budget". In the bottom left corner, there is a logo for the National Student Loan Program (NSLP) with the text "nslp National Student Loan Program". The number "1" is in the bottom right corner.

We guarantee it.™

What you will learn...

- developing a budget
- controlling your expenses
- changing your behavior
- taking responsibility for your own wealth



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The slide features a blue header with the text "We guarantee it.™". The main content is centered and reads "What you will learn...". Below this is a bulleted list of four items: "developing a budget", "controlling your expenses", "changing your behavior", and "taking responsibility for your own wealth". In the bottom left corner, there is a logo for the National Student Loan Program (NSLP) with the text "nslp National Student Loan Program". The number "2" is in the bottom right corner.

Developing a Budget



Your unique plan

- your “budget” is your unique plan for estimating expenses and spending money
 - customize to make your plan work for you



Refer to the *Monthly Spending Plan Worksheet* [Click here](#)

Budget elements

- a budget is made up of three elements (*only* obligate 100% of what you have!)
 - income
 - expenses
 - fixed (rent, car, insurance)
 - flexible (utilities, phone, food, fun)
 - periodic (taxes, gifts, clubs, tuition)
 - debt

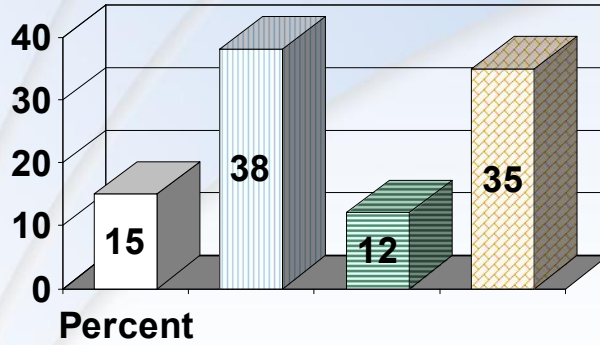


Budget steps

- plan your money by month
- total all stable monthly income you *know* you'll receive
- list every expense you *might* encounter during a typical month
- prorate periodic expenses on a monthly basis



Budget guidelines



- Transportation
- ▨ Housing
- ▨ Food
- ▨ Other



Net income $\overline{\text{Expense}}$ = % of budget

Controlling Expenses



Take control

- needs vs. wants
- reduce cost of needs – compare prices for *everything*
 - cheaper residence hall
 - reduced meal plan
 - buy and sell used books



Changing Your Behavior



Top 10 Money Mistakes

1. making poor credit card choices
 - don't be fooled by campus solicitations
 - read the fine print
 - pay off the balance each month
2. spending money due to peer pressure
 - focus on campus activities with food and t-shirts
 - stick to the meal plan
 - rent movies, campus movies, matinees



Top 10 Money Mistakes

3. not setting a budget
 - plan ahead, know how much money you can spend each month
4. not seeking out the best bank rates
 - research banks with free checking and savings accounts
5. overpaying for school
 - select a smaller meal plan
 - choose a less expensive apartment or residence hall
 - buy and sell used books to friends, Amazon, or bookstore



Top 10 Money Mistakes

6. not keeping track of bank account balances
 - balance your checking accounts
7. lending money to friends
 - this includes picking up tabs
8. failing to research product pricing before purchasing



Top 10 Money Mistakes

9. not planning for the future
 - money invested in retirement funds will grow with interest
 - getting started early will pay off later
10. not having a part-time job
 - earn extra money and prepare for life after college



Dating on a budget

- search for free or low-cost local events
- You don't have to spend a lot of money to have a good time!



Refer to the *Fun on a Dime* handout

Job options

- on/off campus
- no more than 20 hours per week*
- perks
 - meals
 - discounts
 - scholarships
 - time to study
 - experience



*Source: The National Student Employment Association

Resist temptations

- incentives for credit cards (t-shirts, cups, and baseball caps)
- reward programs with fees
- impulse purchases



“You have to learn the simple art of enough is enough”

“Often the most lovely things cost very little or nothing at all”



Take responsibility for your wealth

- your signature means YOUR debt
 - loans (student, car, etc.)
 - credit cards



Take responsibility for your wealth

- future needs
 - emergencies
 - home
 - retirement



Resources

- www.frugal101.com
- check out *Frugal Living for Dummies* from your library



What you learned...

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- controlling your expenses
- changing your behavior
- taking responsibility for your own wealth





Now What?

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