

Hi Natalie!

This is a guide for you to be able to get a sense of financial stability, especially when going into college. I hope that by the end, you'll be able to feel confident in your ability to budget, build your credit, and have some fun money while in college!

I am hoping that this will serve as a starting point for you. If you have any questions or need any help understanding anything, please text me!

BUDGET:

January 2022 Monthly Expenses

Category	Expected	Actual
Rent + Renters Insurance	\$710	\$710
Utilities	\$50	\$36 (not yet paid)
Delta Zeta Dues	\$207	\$207
Groceries	\$70	(not yet paid)
Subscriptions	\$25	(\$15 paid; \$10 not yet paid)
Gas	\$50	(not yet paid)
Restaurants	\$25	(not yet paid)
Coffee	\$20	(not yet paid)
Total:	\$1,157	Total Unknown

Expected Total Paid By Me: \$397

The tables on the left are an example of my budget when I was in undergrad. Take a look and see how I gave myself limits, they were harsh, but I had to follow them.

Having a budget typed out will help

you understand where your money is coming from and where it is going. I know how scary it can be to open your banking app, but you **need** to do it.

You can also download a finance app, like Mint Mobile, that will give you insights into what categories you spend money. When you have a good understanding of where your money is going, you'll be able to set realistic limits for what you should be spending.

Basic Dos and Don'ts of Budgeting:

Do: set realistic limits, use your on campus financial counseling resources, be honest with how much money you are spending.

Don't: listen to anyone telling you to invest money right now (you only have the money you saved from working part time over the summer and cannot afford to have money that you can't touch), beat yourself up if you overspend, impulse spend.

CREDIT:

Building your credit is hard in college, especially when you're not working. But when you get your job, hopefully on campus, you'll be able to start spending money.

I am going to make a recommendation, with a few stipulations....

Get a credit card!

BUT!

Do not spend more money than you make!

Put a small expense like coffee or gas on there, pay it off before it is due! Making on time payments will help build your credit score. Mom and Dad taught me that you should pay on the due date, and then make a small payment before your statement date, and that it will help you raise your credit score more. It worked like a charm for me!

The statement date is the date when the your credit card company reports information to the credit bureaus - this is what overall will affect your credit score

Good luck sister! Call me if you have any questions!

The original document that I made was a guide for my little sister to have some financial success. Originally, I just wrote it out and emailed it to her so that she could reference it when going to her financial counselor at college. I did not intend on it being an aesthetically pleasing or widely targeted audience at all. I was glad to get a chance to come back to this document, and turn it into a document that I am proud of. The main changes that I made to the document involve the document design and widening the document design.

I changed the document design completely. The document was originally just an email, without any thought for the supertext, aesthetics, or desired impact of the image on my audience. I changed the document to beige and forest green. The beige background is less stark than white, and is warmer, which makes the document appeal welcoming and interesting to the audience. The forest green that I used for the text and design elements is a good contrast to the document, and is also the same color family as money. These colors put the reader in the mindset to receive financial advice. I also made a choice to make my document visually interesting by incorporating two visually interesting, but easy-to read, fonts. By doing so, the audience's attention will be kept, but they will not be overwhelmed by the document design.

The audience for this document changed from my little sister to other first semester college students. My sister is a late Gen Z girl coming from an upper-middle class socioeconomic standpoint with virtually unlimited spending powers that changed to a stereotypical "broke college kid." The new audience for my guide includes all late Gen Z students attending their first semester of college that want to learn basic information about budgeting and building credit. The information comes from my experience being a part of that demographic, so it can be personal. Because of my understanding of the intended audience, I used an informal yet educational tone that seemed more helpful than lecturing. I did make my tone less personal, especially when going from addressing my little sister to addressing an entire audience.

I made several different drafts of the new document in Microsoft Word, Google Docs, and in Canva, but I felt that using Adobe Express offered more creative control and a more user-friendly content creation experience. Because this document is a guide from me directly to the audience, I believe that my tone will become more professional as I gain more professional experience. In the future, I will come back to this document to add on information about my experience in the financial world. Overall, I am very happy with my document revisions.



College kid-o-nomics

BUDGETING AND BUILDING CREDIT

A guide for "broke college kids" by "broke college kids"

Kelsey Caswell

Budgeting

+ Understand your spending

Knowing how you spend your money will help you set guidelines for how you should spend your money.

Start by going through your bank statements for the past month. Put all of your purchases into different categories, such as Gym, Food, and Clothing. If you don't have the time to do this, you can sign up for a **free** budgeting app. I recommend Empower or RocketMoney, because they link to your bank accounts and categorize your purchases.

After doing this, you'll have a good idea of how much money you like to spend.

+ Change your spending

Compare how much money you are spending with how much money you are making. Set reasonable amounts to spend, and don't make changes that are too intense. Drastic change isn't sustainable, and the goal of budgeting is to set sustainable spending practices.

If you are working an on-campus, part-time job where you get paid \$200 every other week, then it would be unreasonable to be spending \$50/week on food. (Especially if you have a dining plan.) But if you are used to spending this much, then it will be hard to not spend anything. Try reducing from \$50/week to \$35/week, eventually you can go from \$35/week to \$20/week.

+ Sample Budget

This is an example of my monthly budget before and after I learned to budget. This was when I lived on campus, had a dining plan, and worked part time.

Dec.
2021

Total income: \$453
Sorority Dues: \$207
Food: \$70
Coffee: \$50
Shopping: \$120

Total leftover: \$6

May
2022

Total income: \$440
Sorority Dues: \$207
Food: \$20
Coffee: \$20
Shopping: \$0

Total leftover: \$193

— ✦ — Credit — ✦ —

✦ What is a credit score?

Your credit score is a score assigned to you by credit bureaus that shows how trustworthy you are with money. Your credit score will impact your ability to obtain a loan, buy a car or a home, and in some cases will affect your ability to get a job.

Credit scores range from 300-850. In the "adult world" you will want your score above 700, but in college as long as you are keeping it above 600, you are doing okay.

Your score is based off of debts and your ability to repay them. Debt sounds like a bad thing, and in general, you don't want to be in debt, but to build your credit score you need a little bit of debt.

✦ Credit Cards

Getting credit card is one of the best ways to build credit. But before you apply for certain credit cards, memorize the following rule.

 **Do NOT** spend money that you do not have! 

When you are approved for a credit card, you will receive a spending limit. This can range from \$250-\$2000. It can be very easy to see all that money that you are able to spend, and then feel like you can use it all. But do not spend what you cannot afford to pay back.

The money you spend on a credit card will gain interest. Different credit cards have different interest rates, and your credit score will affect the interest rates offered to you.

Make small purchases, such as gas or food, and then pay it off before the due date. Keep a balance on your card, but I recommend not going above 40% usage of your available credit.

A hack to raise your credit score quickly, that I was taught by my parents, was to make a payment on the due date, and then pay the interest on the statement date. Doing that raised my score 20 points in one month!

—+— Student Credit Cards —+—

Forbes Recommendations:

This type of credit card will have a lower credit limit and rewards that are geared toward college students. Rewards can include cash-back, entertainment deals, special discounts, and more!

Forbes article, "Best Student Credit Cards of November 2023" gives a list for some of the best credit cards for college students.

Discoverit Student Cash Back



*Bank of America Customized Cash
Rewards for Students*



Capital One Student Cash Rewards



Capital One SavorOne Student Cash Rewards

I agree with all of the cards listed, because of their benefits. I have a Capitol One SavorOne Student card myself because it aligned with my personal spending habits.

When you are going to open a credit card, do your research into welcome bonuses, rewards structure, fees, and APRs. See what aligns with your spending habits and then apply!

Resources

+ On Campus

Most colleges have programs or offices to help students be successful outside of their academic lives. Finding an on campus financial counselor can make budgeting and applying for credit cards easier.

+ Online

There are various websites that provide financial advice. I will always recommend Forbes and other reputable website. I also recommend checking out social media platforms such as TikTok, Instagram, and even Reddit, where financial professionals give free advice to college kids specifically.

+ Face-to-Face

Consulting a family member or friend, whose financial stability you would like to emulate, can be a great way to get real life advice that applies directly to you and your situation.

Works Cited

Advisor, Forbes. "Best Student Credit Cards of November 2023."

Forbes, Forbes Magazine.

www.forbes.com/advisor/l/best-student-credit-cards/?utm_content=147885945050&utm_term=kwd-380762749897&utm_campaign=20475766794&gad_source=1&gclid=CjwKCAiAu9yqBhBmEiwAHTx5pyd3Xb7kpN36ayfyJVLo3_DAlsbj7NnKcl9SDMmWvx7eO723rIVjZBoCa3oQAvD_BwE. Accessed 18 Oct. 2023.