

Dear High School Graduate:

A note of financial advice from college seniors to their freshman selves

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Dear (Younger) Elise,

So you just graduated from high school and probably feel super cool to have your own debit card, be able to spend money independently, and feel somewhat financially liberated from your parents. You might not be an avid spender, but there are definitely some things that you should know about managing money in college.

First, creating a budget is really not as hard as it seems. You might be inclined to excuse yourself from budgeting because you don't "have a steady income," which is a big mistake. Once you start setting a limit for yourself—for how much you eat out, spend on clothes, or anything else spontaneous—it definitely pays off and you will save a lot of money while still not completely depriving yourself from what you want/need.

Second, a great habit is to put half of your paycheck right into your savings account (if possible). This stops you from spending a lot of it without realizing. I wish I had started doing this

sooner, because once I did I really started to feel good about the savings I acquired and I felt more accomplished about my work. This works really well for summer jobs, because you can save up grocery and gas money for the coming school year, in addition to tuition.

Last, you will thank yourself later if you save in small ways and financially prepare for the unexpected. Even if you think you have a plan, things can change and having some wiggle room in your savings can save your life. When I found out I would be graduating in five years instead of four, I was glad that I had saved money in the past, because it would help me to complete that fifth year even though I wasn't expecting that cost.

To My Younger Self Ayanna,

Your life is about to change in so many ways that you won't possibly imagine, but trust me- it's all for the better. I'm here to let you know that although you might feel like you have no idea what you are doing, you are going to find your way. We graduate in three years without student loans- Girl you are going to do your thing! Now let us talk about what I'm really here for; tips and advice on managing money in college.

First things first, credit cards. I know we have this irrational fear of credit cards because of that one finance

class that showed you how Americans love debt. Credit cards are a GOOD thing (when done properly). It really is essential to have good credit, and building it up now will help you in the long run when you graduate. A good credit score can help you rent an apartment, lower mortgage, car loans, and other things. So for that apartment we are about to get, the process would've been a lot easier if you would've gotten that credit card. So my point is, manage a credit card and build good credit!

Next is your savings. I know you really don't want to because you want to buy all these things that you 'must have. I'm telling you right now you can live without it, and won't even remember those things in a few years. With the money that you get, save half at minimum. You are going to much rather want to use that money for a rainy day, or save up for a trip you have coming up. You'll be traveling a lot and it's better to have and not need, instead of need and not have. Save your money. We both know you enjoy experiences way more than material things.

In addition to saving money, my last piece of advice is to invest. That may sound intimidating right now, because you feel like you have no idea what it is. Maybe you feel like you don't have the money due to being in college and not having a large sum of money. At this point, I've met a variety of people from all walks of life, and noticed a pattern- successful people have made

investments. They make their money work for them, instead of working for money. The investments you make now puts you ahead of the game, and can even help you retire earlier in life. You can do it simply for right now, with apps that are set up for investing. One I recommend is Acorns. It invests your spare change, allowing you to save and invest automatically. It uses loose change that you won't even miss. Just look into it.

Destiny , Destiny , Destiny....

Three years ago if someone mentioned managing finances, you would look at them like they were crazy. But as time passed and you had different financial experiences, you will learn the importance of setting yourself up early for financial freedom.

One thing I want to say is congratulations on attending the right college for you and managing those costs. This allowed you to go to college without taking out any student loans!! Hopefully, as you further your education, you can use these same steps in lowering your costs as you have saved a good amount of money through your resources.

Furthermore, congratulations on getting your first credit card and building credit. You have researched for

months for the right credit card for you and decided on a student credit card. In the span of two years you have been able to obtain a credit score of about 745 which is something you probably never pictured yourself obtaining at 21 years old. My one piece of advice is to continue to stay disciplined with the spending and to not splurge buying things “just because you have the money”. Honestly, it is vital to remember that the money you spend is still owed back and increases with interest every billing period.

Last but not least, continue to learn about your interest in investments. As you have discussed with your financial literacy coach (yes, you will have a coach for your finances), you will learn the importance of choosing the right investments for you, even if you have to start small by investing on different apps. Eventually you will build your way up and learn how to get bigger shares in different companies. Investing is a long term goal of yours, so just know that you’re starting off small and building as you continue to grow.

Dear Young and Naive Arianna,

Isn't it exciting to be able to move onto the next chapter of life? You should be proud of yourself for everything that you have achieved in high school and know that you can achieve so much

more in your next 4 years. But, prepare yourself for a journey of ups and downs and challenges you have never faced before because living off of your own income and spending wisely is a learned skill.

When I say spending is a “learned skill” I don't mean that you need to learn how to spend money. Sadly that's the easy part. You need to learn how to save money and spend on a budget. First of all, if you have a meal plan USE IT! Don't go crazy just because there are so many options to eat... unlike Salem County. Use your meal swipes that way you can splurge with your friends every once in a while. We all deserve to treat ourselves just make sure your way of coping with stress is not online shopping every day.

Also, just because you have a job on campus doesn't mean that you have to spend all of the money that you make. Make sure to put a percentage into your savings if you have direct deposit. It feels good to watch the savings increase... maybe you can use that for a new car in the future *hint hint*. While we're on the topic of the future; get a credit card or two. Start building your credit so that when you make your first large purchase you have the reliability from the bank. Of course make sure to spend only money that you have. It's never a great feeling to live paycheck to paycheck and depend on the timing of the bank systems.

Lastly, learn how to outsmart the system. If your school is handing out free items, take it! There's not many free things in the real world, so when something is happening take advantage of it. Use the various resources that you have on campus to find weekend excursions, or join clubs that take trips. Just make sure to explore and live your life to the fullest while also learning about yourself and your spending habits. You're off to a great start once you're aware of your needs versus your wants.

To the girl who will always think she needs more, young Emily,

First off, congratulations, you're about to enter the real world. You've always heard "horror stories" about how it's nothing like you think it will be, and as hard as it is to hear it, those stories are true. Life is going to throw you some serious curveballs, and you WILL eventually knock them out of the park, but you need to learn how to take a strike or two. A lot of these curveballs have to do with money, yes, money.

Now I know you have a lot of money right now, you've worked for every penny and you deserve it all, but you are about to realize that college isn't all peaches and cream. YOU CANNOT DO EVERYTHING. You have always been

very independent and I am so proud of you for that, but you'll soon see that school comes first and you won't be able to find a job that likes to work with college students due to your hectic schedule with all of your activities. You have to learn to save what you have. Just because you have the money now, doesn't mean you'll have it forever. Every iced coffee you buy will add up, especially if you have no income, and just because you're in school, doesn't mean life comes to a stand still. You will want to go out with your friends every single weekend, and you will want to be able to buy new clothes and go out to dinner, but you have to learn to settle down. No income does not equal no expenses. You have school supplies, books, rent, bills, etc. that you will still have to pay for. Your life will not end without Starbucks everyday. You never know when you might need those six dollars.

Next, credit. Credit cards have always scared you, and quite frankly they always will, but you'll learn that credit cards can be a GOOD THING! That really nice car you want? Yeah, you can't have that with no credit. That wonderful apartment you'll be living in all by yourself in three years, yup, you need good credit for that too. Now, this doesn't mean when all of the stores you shop at offer you 15% off if you get their credit card, to get it. You have to do a little research and find a good card that will help you in the long run. This also

doesn't mean that you can just go spend money you don't have everywhere. My advice is use it for gas and groceries, this way you'll be able to pay it off each month and get your score up.

I don't want you to think that this is your future self trying to act like your mother when it comes to finances, but you're going to make mistakes that you wish someone was going to be able to warn you about, and that is all I'm doing. I am so proud of you for always stepping up to the plate, you're going to do amazing things, congrats girl!

- The girl who finally learned her lesson, future you.

