

NEWS FROM

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Money Tips for College Students: How to Make It, Use It and Save It

Pay yourself first as part of your money plan

If you're a college student, the most important thing to do with the money you earn is to pay yourself first by putting as much away as you can into savings, according to KHEAA–Alabama. Financial advisers recommend saving between 10 and 17 percent of your income.

The best way to save money is with direct deposit. The money goes to your savings account before you get a chance to spend it.

Once you've saved a considerable amount, you might want to put some of it into a safe, short-term investment such as a certificate of deposit (CD). With the recent volatility in the stock market, you should be cautious before investing a lot of money into stocks. A stockbroker from a reputable firm can advise you if you're thinking of investing in the market.

Don't think you make enough to save anything? Keep track of what you spend and you'll almost certainly find places you can save a few dollars here and there. Do you really need to buy soft drinks from the soda machine or to grab a burger at a fast food restaurant instead of making yourself a sandwich? If you smoke, you can save quite a bit of money by quitting — and save even more over your lifetime by cutting your health care costs.

When you cut your spending, you can sit back and watch your savings grow.

For more information about financial aid and college planning, visit www.alstudentaid.com; write KHEAA–Alabama, 100 North Union Street, Suite 390, Montgomery, AL 36104-3761; or call 334-265-9720, toll free (800) 721-9720.