Spending smart

Get organized. Set up separate files for your bank statements, household bills, insurance payments, college applications, financial aid papers, loan documents and correspondence with your college and your loan servicer. Keep them in a safe place.

Create a monthly spending plan and stick to it. First, you’ll need to know your income and expenses. To figure out your expenses, write down all your purchases every day for at least two weeks to understand where your money is going. Also, look at your bank or credit card statements at the end of the month. You’ll get a good idea of the number of coffees you bought, how many times you ate out, any clothes, shoes, books or other items you bought, and your regular household expenses, such as rent, utilities and food.

Shop around for textbooks. Research new and used textbooks online. Compare ISBNs (every book has its own International Standard Book Number, located on the copyright page) to make sure you get the right edition. Also, ask if your college has a book rental or buyback program. If you don’t mind reading on a computer screen instead of a printed book, there are several low-cost options for downloading textbooks.

Avoid using credit cards. It can be easy to get a credit card and even easier to get into trouble. Shop around and be wary of low introductory rates that quickly jump higher. Look out for hidden fees. Consider a debit card instead, but you’ll still need to read the fine print. If you have a credit card, pay your balance in full each month. If you can’t, try to pay more than just the minimum payment.

Start saving. No matter how little, set aside something every month. Even $20 a month will get you in the habit of saving and help build a cushion for a financial emergency.

Know how much you need. Your expenses during college amount to more than just tuition and fees. Find out the current costs of nearly every college in the country by exploring the College Navigator website at www.collegenavigator.gov and the College Board’s website at www.collegeboard.org.

Plan to transfer. What can two years and 60 semester units of transferable community-college credit do for you? If you meet the GPA and admissions requirements, you can transfer to a four-year college knowing that you have saved thousands of dollars in tuition and fees. Every California Community College has an agreement with at least one UC or CSU campus, making transferring easier if you meet the requirements. Some also have transfer agreements with out-of-state or independent colleges. Register with your community college’s transfer center—it’s important to know the courses you need so you can meet the admissions requirements and take full advantage of your financial aid options. You can also visit www.assist.org to learn more about transfer opportunities.

Learn to cut costs

As a student, you’ll likely have more independence when it comes to money—but you’ll also be responsible for staying within a budget. Cutting costs is easier than you think:

Save a little:
• Stick to a grocery list
• Don’t shop when hungry
• Clip coupons
• Buy in bulk, then split costs with others
• Bring your lunch instead of buying it
• Leave credit cards at home
• Don’t carry too much cash

Save some more:
• Shop at consignment/thrift stores
• Use public transportation or carpool
• Eat out only once a week
• Rent a DVD vs. going to the movies
• Lower thermostat in winter, raise in summer

Save even more:
• Eat out only once a month
• Share expenses with a roommate or two
Top 10 ways to protect yourself against identity theft:

1. Keep your Social Security number, date of birth, driver's license, passwords, PINs and banking information confidential. Don't leave your personal or financial information lying around in your dorm room or apartment.

2. Never give out any personal or financial information over the phone unless you made the call and know who you're talking to. Be wary of scams preying on your generosity in the wake of natural disasters.

3. Never respond to emails asking for personal or financial information (including your PIN), even if they look like they're from your bank, college or loan servicer. Real companies will never ask you for this information by email.

4. Be careful about sharing personal information online in blogs or social networking sites, including Facebook® and Twitter®.

5. Make sure websites are secure before providing your credit card number or other personal information. Look for sites that begin with "https" or display a small padlock icon next to the address field or on the lower right (but outside the Web page viewing area).

6. Keep your computer current with the latest virus protection software to reduce its vulnerability to online hackers.

7. If you use a shared computer, clear the browser's cache (the temporary Internet files that may contain private information). In the browser menu select the Tools menu and then Delete Browsing History or Clear Recent History.

8. Go to www.annualcreditreport.com and get your free credit report (you can receive one free annual report from each of these agencies: TransUnion, Experian and Equifax). Check it at least once a year. Look for unfamiliar accounts and incorrect addresses—signs of identity theft.

9. Shred all documents with your Social Security number, bank account numbers and other personal information before tossing.

10. Throwing out your old cell phone or computer? Be sure to destroy any stored information about yourself first.

To learn more, go to www.idtheftcenter.org and www.ftc.gov/idtheft.

How much will it cost?

You know the price of a music download and a latté, but how about the cost of items you'll need to buy as a college student or to set up an apartment?

- The average cost of a college textbook is around $100; you can expect to spend about $100-$600 or more each semester on books, depending on your course of study. By the time you graduate, your total book bill could be as high as $3,500. Purchase used textbooks, download e-texts or borrow books from others who have taken the same classes.

- Plan to pay about $115 per month for utilities (gas and electricity).

- You'll probably spend up to $400 a month on food, including snacks and eating out.

- The average washer takes about $2 in quarters for a single load and drying can cost another $2. Even if you only do one load a week, that's more than $200 a year, without counting laundry detergent.

- You could spend $2,500-$3,500 annually on gas, insurance and other costs if you own a car (not including car payments). And with gas prices always changing, this amount could be even higher.

- Household cleaning supplies could cost you around $230 per year. Even the most frugal person still needs to buy soap, dishwashing detergent, paper towels and other essentials.

Thinking about using your credit card to pay for college? Think again.

Borrowing $1,400 on a typical credit card will cost you $714 in interest and take 97 months to pay off. The same $1,400 borrowed with a federal student loan will cost you $129 in interest and be paid off in 31 months.