



FINANCE AND ADMINISTRATION CABINET
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

Steven L. Beshear
Governor

P.O. Box 798
Frankfort, Kentucky 40602-0798
Phone: 502.696.7381
Fax: 502.696.7574
www.kheaa.com

Jonathan Miller
Secretary

Edward J. Cunningham
Executive Director

Contact: Lori Powers
Phone: (502) 696-7378
E-mail: lpowers@kheaa.com

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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. 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 Kentucky scholarships and grants, visit www.kheaa.com; write KHEAA, P.O. Box 798, Frankfort, KY 40602-0798; or call (800) 928-8926, ext. 6-7372.

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