



OKLAHOMA  
BANKERS  
ASSOCIATION

## NEWS RELEASE

*For Immediate Release – July 29, 2014*

Contact: Kristin Ewing, APR

405/424-5252 (W)

630/815-9085 (C)

[kristin@oba.com](mailto:kristin@oba.com)

## **Establishing financial stability while in college**

OKLAHOMA CITY — With the school year just around the corner, incoming freshmen are finalizing preparations for their new experiences. As a freshman, the new experience of college goes hand in hand with an abundance of freedom.

As college students explore their new freedom, they are faced with making decisions, many which they do not realize can impact their life beyond college. The decisions they make while in college related to finances have the ability to lay a solid foundation for financial success when they eventually enter adulthood.

“With freedom comes responsibility,” said Roger Beverage, Oklahoma Bankers Association president and CEO. “It is important for college students to begin establishing positive financial habits as freshmen. Once those habits are established, they will carry on into adulthood. It can be difficult for students to think long-term while embracing the college experience. If they don’t understand both the positive and negative consequences of their financial habits, they could easily become buried in debt as they transition from college into adulthood.”

Oklahoma community banks, in partnership with the Oklahoma Bankers Association, have advice for incoming college students to help them establish positive financial habits.

- **Create a budget.** Make a list of your monthly income sources and estimated monthly expenses. Use those lists to create a monthly budget and make sure it is realistic. Pay attention to your income and expenses so you are aware if you have extra money to splurge for pizza with roommates;
- **Define your financial goals.** Once you’ve defined your financial goals and created a budget, make a plan to reach your financial goals and begin to take action. Perhaps you want to go on

spring break. Determine how much money you will need and then adjust your budget to make sure you are saving enough to reach your goal;

- **Understand your needs vs. wants.** Clean laundry is a need. Grabbing a large coffee from the local coffeehouse is a want. Recognize your small indulgences and adjust your budget if you can't do without them. Perhaps you can make your own coffee to take with you and only indulge once a week at the local coffeehouse. Indulgences are fine as long as your budget allows for them;
- **Credit cards.** Take time to fully understand credit cards. If you decide to have one in your own name, *only have one*. You can use the credit card to purchase small things to establish really good credit – as long as you pay your bills on time. If you wouldn't be able to purchase the item with cash, don't use your credit card unless it is an emergency;
- **Pay attention to financial aid options.** Have Jan. 1 marked on your calendar as that is the day you can apply for FAFSA each year. Remember to pay attention to scholarships, loans and grants that you can apply for to help with the expense of college. There may be some you didn't previously qualify for but do now;
- **Use your resources.** If you participate in a campus meal plan, make sure you are using it for your meals instead of going out or eating a bowl of cereal in your dorm room. If you don't take advantage of your meal plan, you are wasting money. Also, many businesses near your campus provide student discounts if you show your student I.D. Take advantage of those discounts for food, entertainment and more; and
- **Begin to save.** In addition to sticking to your budget, do what you can to begin saving now, no matter how little you save. Attempt to put a dollar a day in a jar along with any loose change you have before you go to bed. By the end of the month you could easily have \$50. Put that in your savings account and it will grow. Consider putting \$10 or \$20 from each paycheck in your savings account as well.

The OBA conducts more than 70 educational programs and seminars each year, which reach more than 5,000 bankers across the state. The Association represents approximately 230 banks across the state and serves as the primary advocate for the banking industry. It's also heavily involved in fraud training and prevention as well as legal and compliance services and communications for its member banks.

###