

Money Talks: An AU Financial Literacy Initiative
Presents:

DO THIS NOT THAT

Do This Not That provides students with practical tips that they can use to help keep college costs down. For more information, go to www.american.edu/financialaid

*American University
Financial Aid Office*

DO THIS

NOT THAT

Housing

- Have roommates
- Live on or off campus with roommates
- Choose your roommates wisely
- Have agreements in writing regarding how expenses are divided
- Look around for the best prices in housing

Food

- Purchase and use an AU meal plan
- In most cases, it's cheaper to eat on campus than off (even at fast food places)
- Buy snacks for your dorm room or cook some meals yourself

Transportation

- The cheapest (and healthiest form of transportation) is walking or riding your bike
- Another good option is using Metro or Metro Bus

Clothing

- Check out some less expensive stores
- Keep an eye out for sales and clearance items

Books

- Rent text books
- If you choose to buy text books, buy used
- Look around to get the best price

Coursework

- Get good grades. Withdrawing or failing courses can be costly

Work

- Work part-time in school or over the summer

Payment Options

- Use Cash! Using a cash budget is always beneficial as it prevents over spending. Knowing cash is finite, once it's gone, it's gone

Loans

- If possible, use payment plans instead of loans. **Federal** loans (Stafford, Perkins, PLUS) can be a good way of helping you pay for college. These loans have lower interest rates and more generous terms of repayment

Bills

- Stay within your budget. When bills arrive, pay in full, on time; this will prevent interest from accruing and fees from multiplying. It will also help establish a strong credit history

Housing

- Pay high rent to live alone
- Fail to consider other living expenses (i.e. utilities, internet, cable, deposit)
- Verbal agreements with roommates can leave you footing the bill

Food

- Dine out frequently
- Under utilize your meal plan
- Have food delivered instead of carryout due to extra cost of tip and minimum purchase requirements

Transportation

- Take a cab
- Have a car on campus or in DC, MD, VA. The costs add up quickly (insurance costs, parking pass, gas, and violations)

Clothing

- Pay full price for clothing

Books

- Pay full price for books
- Give away textbooks instead of reselling

Coursework

- Skip class
- Withdraw from courses
- Fail to meet the minimum requirements for your degree, scholarship, or financial aid
- Go it alone

Work

- Work too many hours

Payment Options

- Use credit or debit cards instead of cash
- Overspend

Loans

- Borrow more than is needed to cover your school expenses
- Ignore loan terms and conditions or statements
- Fail to read and understand the loan paperwork

Bills

- Disregard a bill or its due date
- Allow interest to compound due to non or minimal payment
- Fail to seek help if you feel you are not able to pay