



Money Matters



Be the Master of Your Credit Cards!

There you are, at the bagel shop, ordering your toasted poppy seed bagel with light cream cheese and your tall, skinny, caramel latte. As you make your way to the register, you reach for the plastic. You watch the cashier swipe your card, listen for the “beep” that signals your credit is good, sign the receipt and enjoy your breakfast. You think how paying with plastic is so much easier than carrying cash, why would anyone bother with the paper when you can have plastic!

Credit cards are great ways to access credit immediately! They are convenient, safe to use and make our lives easier in many ways. In some cases, credit cards are not only a convenience; they are necessary to get what you want. From ordering clothes online to renting a car, you need a credit card to get your hands on the stuff you want.

As useful as credit cards are, they can be a real pain! The convenience and easy access to credit has become a money management nightmare for many college students...

Tips for Mastering your credit cards

- It is so easy to use credit cards that it is easy to forget how much they are used. Keep track of your credit card purchases. Make sure you keep receipts, keep a log, and keep these purchases somewhere so you can see them.
- Remember, using a credit card is just like taking out a loan for a purchase. Ask yourself, “Would I borrow the money to buy this?”
- Avoid using credit cards to make big-ticket purchases. Although it is convenient, you will be required to repay the loan with interest. Consider instead, saving the cash for major purchases.
- Use credit cards for “important” purchases. Pay cash for the bagel.
- Shop around for the best rates, annual fees, grace periods and longest billing cycles.
- If you take advantage of a low interest promotion for balance transfers, be sure to close the old credit card account. Open accounts, even if they are not being used, are detrimental to your credit report.
- Consider using a secured credit card (one where you draw directly from a bank account or an account created specifically for the card) to help you manage your credit card spending.