My Money 101
How to Handle Ca$h Money
- and more!

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Asst V.P. for Business & Finance
and Controller

Business Office

- Pay bill – or parking tickets – or fines
- Cash checks (up to $25)
- Printing account
- Questions on student payroll
  - Sign up for your pay/debit card yet?
  - Transfer funds (like direct deposit)
  - Faster payment
  - Easy access
- Filled out a work authorization?

- www.muskingum.edu/home/business
Living on your Own

- College – first time to be on your own
- Learn
  - with a safety net
- Finances, too
  - Checking Accounts
  - Credit Cards
  - Online

Checking Accounts

- Why use them?
  - Safer than cash
  - Where do you buy stuff?
  - Easy for parents to deposit money?
  - Record of your spending
    - Taxes
    - Verify purchases
They told me I had to listen to this?

What’s changed

- Not in the stone ages anymore
  - Electronic/web/phone banking
  - Check 21

- So what?
  - Just look on the web/phone
  - No more float? – NOT
What hasn’t

- Still need to keep track of how much money you have
- Exercise – How much money do you have?

Your first finances - Write these in a check register

- 9/10 Enter opening balance of $400 (from mom & dad)
- 9/10 Buy books from Muskingum University Bookstore for $259 - #101
- 9/10 “Real” food from Riesbeck’s market $19.49 - #102
- 9/25 Late night brain food – Earl’s Pizza $9.50 - #103
- 9/29 Tried to drive to class, $40 to Muskingum University for parking violation - #104
- 9/29 Deposit first paycheck from working in the Mail/Copy Center $41.20

- What is your ending balance?
<table>
<thead>
<tr>
<th>NUMBER</th>
<th>DATE</th>
<th>DESCRIPTION OF TRANSACTION</th>
<th>PAYMENT/DEBIT (-)</th>
<th>v</th>
<th>DEPOSIT/CREDIT (+)</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9/10</td>
<td>Deposit</td>
<td></td>
<td></td>
<td></td>
<td>400 00</td>
</tr>
<tr>
<td>101</td>
<td>9/10</td>
<td>Muskingum Bookstore</td>
<td>259 00</td>
<td></td>
<td></td>
<td>141 00</td>
</tr>
<tr>
<td>102</td>
<td>9/10</td>
<td>Shegog's IGA</td>
<td>19 49</td>
<td></td>
<td></td>
<td>121 51</td>
</tr>
<tr>
<td>103</td>
<td>9/25</td>
<td>Earl's Pizza</td>
<td>9 50</td>
<td></td>
<td></td>
<td>112 01</td>
</tr>
<tr>
<td>104</td>
<td>9/29</td>
<td>Parking violation</td>
<td></td>
<td></td>
<td></td>
<td>72 01</td>
</tr>
<tr>
<td></td>
<td>9/29</td>
<td>Paycheck Deposit</td>
<td>41 20</td>
<td></td>
<td></td>
<td>113 21</td>
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**Don’t forget ATM’s**

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<tr>
<td></td>
<td>9/18</td>
<td>ATM</td>
<td>20 00</td>
<td></td>
<td></td>
<td>98 21</td>
</tr>
</tbody>
</table>
"Balancing" the checkbook

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance per statement</td>
<td>102.71</td>
</tr>
<tr>
<td>ADD deposits not shown</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>102.71</td>
</tr>
<tr>
<td>List checks not shown</td>
<td></td>
</tr>
<tr>
<td>#103</td>
<td>9.50</td>
</tr>
<tr>
<td>SUBTRACT checks</td>
<td>93.21</td>
</tr>
</tbody>
</table>

Credit Cards

- Two types
  - Debit/Check cards
    - Draw right from checking – just like an ATM
    - Keep receipts, write in register
  - Credit Cards
    - Buy now, pay later!
Playing Hard to Get?

- Credit Card Accountability, Responsibility and Disclosure Act of 2009 (CCARD)
- Who can get a card
  - Over 21
  - Co-signer
  - Show ability to pay (J-O-B)
- How to sign up
  - No telephone applications
  - No free stuff for signing up
- Can I still get a card? – yes you can!

Be safe - Don’t get DD!
How it adds up

- Minimum payment
  - Covers interest
  - Very little principal
- So... all charges keep growing
- $100 a month in spending can max out a $1,000 credit limit card in under a year
Paying it back

- Minimum payments will pay off the card...
  - Eventually
  - IF stop making new charges

- $5,000 card balance with only min payments
  - At 19.8% - takes 16+ years and $5,400 in interest
  - One for two deal!

Undergraduate Credit Card Debt

<table>
<thead>
<tr>
<th></th>
<th>Midwest</th>
<th>Nation</th>
</tr>
</thead>
<tbody>
<tr>
<td>% with a credit card</td>
<td>86%</td>
<td>84%</td>
</tr>
<tr>
<td>Avg. number of cards</td>
<td>4.9</td>
<td>4.6</td>
</tr>
<tr>
<td>% with 4 or more cards</td>
<td>54%</td>
<td>50%</td>
</tr>
<tr>
<td>Avg. credit card debt</td>
<td>$3,260</td>
<td>$3,173</td>
</tr>
<tr>
<td>% with bal. $3,000-$7,000</td>
<td>24%</td>
<td>21%</td>
</tr>
<tr>
<td>% with bal. &gt; $7,000</td>
<td>12%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Sallie Mae, 2009
Use Credit Wisely

- An introductory credit-card interest rate can be a trap
- Avoid having multiple credit cards
- Pay in full every month
- Pay on time
- Avoid cash advances
- Stay within your credit limit
- Review your statements carefully

Don’t get DD – Practice safe spending!

- Credit cards are OK if used responsibly
  - Build credit
  - Safe
  - Easy to use
- Simple stuff – no budgeting required
  - Know what’s in your checkbook
  - Know what you’re likely to be paid
  - Don’t spend more than that!
- Make it your goal to always pay off your credit card bill each month – IN FULL
Be smart on your computer
Don’t get ID either!

- Don’t do online what you wouldn’t do elsewhere
  - Don’t open strange attachments
  - Don’t give out personal information unless you KNOW the source
  - Set privacy levels (facebook and all)
  - Scan your computer
  - Run anti-virus software and update your PC
- If it sounds to good to be true...
- ... it is

Phishing for a Muskie

- Phishing?
- Quiz – which of these emails is true?
  - A. You just won the UK lottery!
  - B. Mrs. Assad of Syria needs YOUR help hiding money before her husband is overthrown
  - C. You can make money from your dorm room! They send you money to start. You send them back just part and keep the rest
  - D. Your email is locked/full. Reply with your email name and password to fix it
Phishing for a Muskie

- Email problems
  - You may fill your email
  - You will get a warning
  - We **NEVER** ask for your username password in email – **NEVER**

- Be link smart
  - Look at the link – if you don’t see “muskingum.edu/”
  - It isn’t us

Really, don’t do it
Questions?

www.muskingum.edu/home/business
pnc.financialliteracy101.org
Free (really) credit reports only at FTC
www.ftc.gov/freereports
Or google “FTC credit reports”