

More than eight in 10 undergraduates studied in Sallie Mae's 2009 report "[How Undergraduate Students Use Credit Cards](#)" have credit cards. Of these, nearly one-third charged tuition on their card and nine in 10 reported using plastic to pay for some type of direct education expense, such as textbooks or school supplies. College students can be savvy with credit cards and their educational expenses by following these tips:

1. **Build your plan to pay for college.** Plan how you will cover the full cost of attendance for your degree program. Don't forget to include supplies, transportation, and other related expenses so at the last moment you don't have to use your credit card.
2. **Limit yourself to one low interest rate (APR) card.** Use cash or a debit card for daily use.
3. **Charge only what you can afford to pay in full each month.** Don't end up paying interest on pizza and iPod downloads.
4. **Don't accept increases in your credit limit.** Keep it modest.
5. **Keep your card in a safe place** where it's not easy to use for impulse purchases. Keep your number in a safe place in case your card is stolen or lost.
6. **Pay the highest interest rate card first.** If you already have multiple cards, pay off your highest interest rate card first, while making at least minimum payments on the others.
7. **Pay your bill before it's due.** Don't wait until the last minute and accidentally incur a late fee.
8. **Keep copies of sales slips and compare them to charges on your bill.** If you suspect a mistake—or worse, identity theft—contact your card issuer immediately.
9. **Remember that a credit card is a convenience** — not a source of spending money. Ask "Do I need it, or do I want it?" If you don't need it, don't charge it.
10. **Follow the 1-2-3 approach to paying for college.** First, look for financial aid that does not have to be repaid, like scholarships and grants. Second, explore low-cost federal student loans. Third, fill any gap with private education loans.

Resources:

- **Education Investment Planner** (www.SallieMae.com/plan) can help you estimate the total cost for your college degree and build a customized plan to pay for it.
- **Be Debt Savvy** (www.SallieMae.com/bedeptsavvy) offers tips and tools to help you learn responsible debt management practices, starting with student loans and credit cards and lasting throughout your life.