

Students warned of pitfalls of easy credit

BY SHANNA SCHOCH

The Dickinson Press

Sanyika Calloway Boyce got a financial reality check when she graduated early from college with top honors and a debt load that would prove to limit her choices and take years to pay back.

Boyce, an author and public speaker, shared her hard-earned insights with high school students at Business Challenge on Wednesday.

"The choices you make will follow you," Boyce said. "One opportunity after another passed me by because I chose to live like a college graduate while I was in college."

Boyce acquired her first credit card in college "for emergencies," she said. Instead, she used her credit card for shopping, spring break vacations and eating out.

"I had a lot of friends, or so I thought, because I was willing to spend money I didn't have. I was the one with the golden charge card. When I got out (of college), I got a huge reality check," Boyce said.

By graduation, Boyce had racked up \$15,000 in debt on 10 different cards. After spending eight years paying the debt back, Boyce made a commitment to help others avoid the problems and lost opportunities she endured, she said.

"We use credit so absolutely casually. If credit is so easy to get, why doesn't anyone tell us how to use it?" she asked.

"I made a commitment to turn my mess into my message," she said. "I want to make every teenager a saving-savvy, money-minded, financially fit and seriously successful adult."

There are seven common money mistakes students make during their college years, Boyce said, adding that she made them all.

Thursday, July 14, 2005



Author and "Financial Fitness Coach" Sanyika Calloway Boyce spoke to students about financial responsibility at Business Challenge on the Dickinson State University campus Wednesday.

See **EASY CREDIT** on Page 2

Press Photo by Shanna

know what it's saying about you."

Boyce gave an example of a company she interviewed with and wanted to work for. The personnel manager at the company told her that her bad credit showed a lack of responsibility and she was not hired, she said. Another common mistake students make is mixing romance with finance, she said. It is easy when a student is in love to make the mistake of co-signing a loan with a boyfriend or girlfriend or signing a lease on an apartment together, she said.

"There is no romantic time to discuss money. But remember, you marry your spouse's debt," Boyce said. She added that 65 percent of divorces in this country are caused by financial problems or disagreements.

A final mistake students make is not asking for help before financial problems become overwhelming, Boyce said. "When you are in debt, the pressure is enormous," she said. "You feel desperate and make decisions that don't make much sense."

Boyce said the best way to handle finances in college is to be as knowledgeable as possible about them. "College is about testing how strong you are and how willing you are to make sacrifices for your future," she said. "Credit is not evil, but it's not cash. You have to pay it back."

The first of these is choosing to live off-campus. Living in the dorms may have disadvantages, but it keeps students connected to campus life and saves money, she said. Walking to and from class also saves gas and vehicle upkeep while providing exercise.

"There will be plenty of time after college to experience total independence," she said. "You have to ask yourself, 'Right now, does it make sense to live off-campus?'"

Unrealistic expectations are another mistake students make, Boyce said. The temptation to live beyond one's means and the pressure to have what others have is enormous, she said. Falling to set a realistic budget is setting yourself up for problems, she said.

"A budget is a way of telling your money where to go before it's gone," she said. Included in the budgeting process is the need to save money.

"You cannot afford not to pay yourself first," she said. The fifth mistake students commonly make is being careless with credit. Students do not realize that what they do financially in college will affect their future career choices, she said. "Seventy-two percent of companies are considering your credit report when they are considering employing you," she said. "Your credit report is your financial resume. Make sure you