



## 5 Money Conversations to Have with Your College Graduate

*National nonprofit credit counseling agency Take Charge America guides insightful discussions to help recent graduates embrace financial independence*

**PHOENIX – (May 2, 2019)** – Graduating college represents a pivotal point in any young adult’s journey. While they may be far from the nest, parents can still help steer recent grads toward financial security.

“Making the first moves in their career or moving to a new city are probably at the front of any graduate’s mind,” says Michael Sullivan a personal financial consultant with Take Charge America, a [national nonprofit credit counseling and debt management agency](#). “While all of these changes are exciting, they need to start saving, avoid more debt and live within their means to truly become financially independent.”

These five conversation topics can give recent graduates the confidence and know-how they need in the “real world.”

### 1. The Low-Down on Student Loans

Most student loans have a built-in six-month grace period, but this time goes by quickly. The faster the debt is paid down the better, as you avoid accruing more interest or late fees. Further, too much student debt can negatively impact your ability to qualify for other loans, such as an auto or home loan, stalling other post-graduate goals. You can help recent graduates research the best payment options for their individual circumstances. Overwhelmed? [Contacting an experienced student loan counselor](#) may bring clarity.

### 2. Budgeting isn’t Boring

Gaining the independence that comes with graduating offers the perfect opportunity to learn more about budgeting. There are plenty of smartphone apps and other tools to keep tabs on how much money is coming in and going out. Getting a good grasp on a budget is the first step toward financial security.

### 3. Everything About Emergency Funds

A safety net should be part of any budgeting strategy. This money is kept for true emergencies — when the car breaks down or for an unexpected hospital visit. Stash as much money away as your budget allows until you reach three to six months’ worth of living expenses. Even \$20 a month will add up over time.

### 4. Don’t Forget Healthcare

It’s required by law to have health insurance, so graduates need to include healthcare costs in their budget as well. While they might be on their parents’ plan now, coverage ends on their 26<sup>th</sup> birthday. Sooner or later, young adults will need to choose a plan according to individual circumstances, including what deductible and premium they can afford.

**5. Credit Card Debt? No Thanks.**

Recent college grads are inundated with pre-approved credit card offers. But don't be tempted by deals that seem too good to be true. Having one credit card payment, paid off in-full every month, is the best way to establish a positive credit history. Emphasize that missing even one payment can result in fees and ding their credit score. Carrying a balance, too, can wreak financial havoc as interest adds to the total balance due.

[Take Charge America](#) offers comprehensive financial education to guide recent graduates toward smart and sustainable money management.

**About Take Charge America, Inc.**

Founded in 1987, Take Charge America, Inc. is a nonprofit agency offering financial education and counseling services including credit counseling, debt management, student loan counseling, housing counseling and bankruptcy counseling. It has helped nearly 2 million consumers nationwide manage their personal finances and debts. To learn more, visit [www.takechargeamerica.org](http://www.takechargeamerica.org) or call (888) 822-9193.

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