



Money Musts for College Graduates During the COVID-19 Pandemic

National nonprofit credit counseling agency Take Charge America explains how the Class of 2020 can gain a strong financial footing in an unpredictable future

PHOENIX – (May 5, 2020) – From layoffs to halted hiring, the COVID-19 pandemic has upended the labor market, leaving newly minted graduates feeling uncertain about their post-college plans.

“The sudden shift in economic outlook for this year’s graduates is staggering,” said Michael Sullivan, a personal financial consultant with Take Charge America, a [national nonprofit credit counseling and debt management agency](#). “Millions of jobs have vanished and it’s unclear when we might see normal again. That makes it critical for grads to get a strong grasp on their finances — not only to survive in the short term but thrive in the future.”

Sullivan shares four money musts for college graduates:

- **(Really) budget:** Consistent and realistic budgeting is the key to financial security. Use an app or spreadsheet to track all your expenses for 30 days to discover your true spending habits (as you might be surprised). Based on what you learn, identify opportunities to trim expenses or reallocate funds to other budget categories. Regularly reassessing your budget ensures you remain focused on your financial goals like paying off debt or saving for a car.
- **Consider gig work:** With the pandemic, delivery services like Postmates or GrubHub are in high demand. You also might consider freelancing via digital platforms like Fiverr or TaskRabbit. Gig work not only can bring in much-needed cash, it also can help you stay busy and teach you new skills that can be leveraged for a full-time job.
- **Be cautious with credit:** New grads often are inundated with pre-approved credit card offers. But don’t be tempted to open multiple cards — during the pandemic or otherwise. One credit card is enough to start building a positive credit history, which is important because good credit plays a role in nearly every life milestone from buying vehicles and homes to even landing some jobs. The best way to build credit is to have one card you use and pay off in full every month. Avoid overspending and carrying a balance, as fees and interest can quickly add up.
- **Don’t forget student loans:** As a new grad, you have a six-month grace period before you must start paying back your federal student loans. Even with government action to assist federal loan borrowers during the pandemic, you still have to select a repayment plan. If you don’t, you’re automatically enrolled in the Standard Plan, which requires fixed payments over 10 years. That may not be the best option depending on your finances — especially during these difficult times. Plus, there’s no guarantee the government will take additional action by the time your grace period is over, so be proactive. If you’re overwhelmed by the options, [contacting an experienced student loan counselor](#) can help.

Consumers who are overwhelmed by debt or struggling to pay bills may find guidance with a [free online credit counseling session](#).

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 or call (888) 822-9193.

###

Contact:

Tim Gallen

Aker Ink

(480) 335-6619

tim.gallen@akerink.com