

NEWS FROM

KHEAA–Alabama

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Money Tip for Students, January 2020

Learn the difference between a need and a want

A big step to financial security is learning the difference between a need and a want, according to KHEAA–Alabama. Students who learn that difference will find that their bank accounts grow more quickly.

Needs include clothes, food and, for many students, transportation.

With clothes, a want may mean wearing only designer items that cost more than clothes that last just as long and look just as good.

Students might want to eat a deluxe cheeseburger at a fast food restaurant every day, even though they can save money by making their own sandwich and brown-bagging it.

If a student needs a car, a want would be a new sports convertible instead of a reliable, used car with good gas mileage and less flash.

Before making a purchase, students should ask themselves if they can get by with a less expensive item — or without that item completely. They should save the money they don't spend so it's there when they really need something.

KHEAA is a public, non-profit agency established in 1966 to improve students' access to college. It provides information about financial aid and financial literacy at no cost to students and parents.

KHEAA also helps colleges manage their student loan default rates and verify information submitted on the FAFSA. For more information about those services, visit www.kheaa.com.

In addition, KHEAA disburses private Advantage Education Loans on behalf of its sister agency, KHESLC. For more information, visit www.advantageeducationloan.com.

For more information about financial aid and college planning, visit www.alstudentaid.com.