

This topic is one of several in Access Group's WiseBorrower® Education Series.

# Make the Money Last

## Create a Holding Account

It's hard to make the money last. This is especially true if you receive funds only once every three, four, or five months. And that's exactly what happens with your financial aid funds. These funds generally are disbursed to you only once at or near the beginning of each term.

It's your responsibility to make sure that you budget your funds so that they last until your next disbursement. This can be very difficult. It's like getting paid once a quarter by your employer. Although your financial aid funds should never be confused with earnings, they still may be the main source of money you use to pay your expenses. And if you run out, the Financial Aid Office may not be able to let you borrow additional funds. So how can you make your funds last?

### Set Up a Holding Account

One way to make your funds last is to open a savings account just for your financial aid funds. In this **Holding Account**, you can save your funds until they are to be used, based on your monthly budget. Follow these three steps:

**Step 1.** Open a savings account that will serve as a Holding Account for your financial aid funds.

**Step 2.** Calculate your monthly spending plan (your budget) to know how much you can afford to spend each month. Use the Calculators at [AccessGroup.Org](http://AccessGroup.Org) to develop your in-school budget plan.

**Step 3.** Ask your bank to automatically transfer, at the beginning of each month, the funds you have budgeted for that month. This electronic transfer should be from your Holding Account into your checking account.

Avoid getting an ATM card or checks for this **Holding Account** so you won't be tempted to withdraw funds ahead of your monthly budget schedule. Be careful! If you withdraw funds before the automatic transfer occurs, you're probably exceeding your spending plan, and you might run out of funds before the end of the term.

**Access Group**  
5500 Brandywine Parkway  
Box 7430  
Wilmington, DE 19803  
800-282-1550

**AccessGroup.Org**

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