

Budgets, Money Transfer and Banking

The major costs of a study abroad program are typically billed and paid prior to departure or through an extended payment plan. Find out before departure exactly what will and will not be covered in the program fee. This information will assist in determining out of pocket expenses. Some financial strategies to follow are:

Budgeting

Once expenses are identified, setting up a proposed weekly budget will help you to live within pre-established limits. If you run out of money overseas, it is difficult to find a means of replenishment. Suggestions to help stay within budget:

- Make weekly and daily budgets and stick to them
- When traveling, options include hostels or modest bed-and-breakfast accommodations instead of more expensive hotels.
- Plan entertainment and recreation around the availability of free, inexpensive, and discounted events
- Shop in street markets or at major chain markets
- Enjoy eating local foods and using local brands of toiletries
- Look for student rates and discounts and know what is available with ISIC, ISE, or other student cards

Money Transfer

Traveler's checks, credit cards, ATM cards, and cash all have advantages and disadvantages. Much depends on your location. It is best to have several forms of payment available, since some will be more practical in one country than in another. **Never carry large amounts of cash.** Traveler's checks and ATM cards are safe and convenient means of obtaining local currency as needed, but may be hard to use in more remote areas.

Credit Cards

Credit cards are easy to use and are generally widely accepted worldwide. They are also replaceable if lost or stolen. Call your credit card companies before you leave to check on any PIN numbers needed, fees or restrictions. **Let them know when you will be out of the country, so that they won't stop payment thinking your card has been stolen when they suddenly get charges from abroad.** Make a photocopy of credit cards/ATM cards and take one with you and leave one with family in case you need to cancel them quickly. Also, make sure you ask if your credit cards have a daily limit of what you can withdraw.

ATM Cards

One of the best ways of obtaining cash in the foreign currency at good exchange rates is by using your ATM card abroad. There are ATM machines in most major cities (exceptions being in less traveled or more remote areas away from city centers), and you can use your normal account and pin to withdraw money in the foreign currency. Check with your bank – some will waive ATM fees abroad if asked. If you overdraw your account, you may pay major fees and penalties – check with your bank on their policies.

Traveler's Checks/Prepaid T.C. Cards

The great advantage of traveler's checks is that if lost or stolen, the issuer guarantees a refund as long as you report the loss promptly. The disadvantage is that they are used far less commonly these days and for that reason it is more difficult to cash them! Issuers include: American Express, Thomas Cook, Citicorp, and VISA. Always record check numbers and keep them separate from the checks. Leave a copy in the U.S. for backup. Without a receipt and the check numbers you won't be able to get a refund! If you use a pre-paid card, make sure you photocopy it along with your other cards.

Banking

It's difficult to establish a bank account abroad before you arrive in another country, but the on-site program orientation after you get settled should advise you if you choose to open an account abroad. Other ways to have money transferred from home include:

Wire transfers are often quick, but will be expensive and unreliable in some regions. Fees may apply on both ends of transactions.

Cashier's Checks can be drawn against a major American bank, but the process will be slow and local currency exchange rates will apply.

American Express Money Orders are rather quick. This transaction can be initiated at an American Express office in the U.S. and completed at a branch office abroad.