

# ROTARY YOUTH EXCHANGE

## BUDGET, FINANCE AND MANAGING YOUR MONEY

Cowboy Country Rotary Youth Exchange

# TRAVELING WITH MONEY

## CHOICES:

- ▶ Cash
- ▶ Debit Card
- ▶ Credit Card
- ▶ Prepaid Travel Cards
- ▶ Travelers Checks (we do not recommend these)
- ▶ Should know that any bank accounts should be set up as joint ownership with parent. Why?

# ROTARY SUPPORT

- ✓ Someone in Rotary will be there to help you with questions & get set up in your new country
- ✓ Varies greatly on the amount of allowance in each country and district
- ✓ Will still have many expenses you will need to pay for once you arrive

# EMERGENCY MONEY

- ✓ You will be expected to bring about \$400 (in their currency) to leave with Rotary Club Officer for emergencies (varies by host District)
- ✓ Will get this back at the end of the year once all bills have been accounted for at club
- ✓ Lagging medical or phone bills?

# BUDGETING YOUR YEAR

- ✓ Rotary allowance will not cover all of your expenses or needs.
- ✓ Make a financial plan for the year.
- ✓ Track expenses.
- ✓ Have scheduled financial check-ins with your parents.

# BUDGETING YOUR YEAR

- ✓ Rotary trips - know what these will cost as soon as you can and budget accordingly.
- ✓ You will not, you will not, you will not leave your host family or host club or host district with unpaid debts when you leave.
- ✓ Above all, take financial responsibility for your exchange

# UPON ARRIVAL . . . .

- ✓ Discuss with your host family and counselor how to open a bank account
- ✓ Give your counselor your emergency fund money and get a receipt (usually \$400)
- ✓ Locate a good ATM that charges the least amount of fees
- ✓ Keep copies of your passport, credit cards, debit cards, etc. in a safe place at your home with your parents.

# THE PROS AND CONS

## Cash:

- ▶ Pros:
  - ▶ Convenient
  - ▶ Best exchange rate
- ▶ Cons:
  - ▶ Easily lost and cannot be replaced
  - ▶ Bulky
  - ▶ Makes you a security risk and a target
  - ▶ Hard to track expenditures



# THE PROS AND CONS

## Debit card:

- ▶ Pros:
  - ▶ Helpful in budgeting - parents can load the debit card with set incremental amounts
  - ▶ Requires a pin
  - ▶ Usually a good conversion rate
  - ▶ Comes directly out of an account and expenditures are easily tracked
  - ▶ Must be in joint name with parent
  - ▶ Can be replaced when lost
- ▶ Cons:
  - ▶ Limitations on the amount and frequency of withdrawals
  - ▶ ATM charges

# THE PROS AND CONS

## Credit card:

- ▶ Pros:
  - ▶ Good as a backup
  - ▶ Better security against fraud
  - ▶ Can be replaced when lost
  - ▶ Good for tracking expenditures
  - ▶ Foreign transaction fees
- ▶ Cons:
  - ▶ High interest rates if not paid monthly
  - ▶ Less accountability and no automatic shut off

# PROTECT YOURSELF AGAINST STOLEN CARDS AND IDENTITY THEFT

- ✓ Carry your card only when you need to use it
- ✓ Safeguard your pin
- ✓ Careful making purchase on the internet
- ✓ Monitor online activity regularly

# IF YOUR CARD IS STOLEN

- ✓ Contact your bank. You will have this information readily available if you have copied your cards and the information on the back of the card.
- ✓ Parents will have to pick up new cards and send them to students. Most banks will not send cards over seas.
- ✓ Make friends with the Rotarian in your club who is a banker 😊

# STUDENTS:

- ✓ Be financially responsible for your exchange and be financially responsible while on exchange.
- ✓ Practice budgeting before you leave - get a debit card now, practice tracking expenses and being accountable for expenditures.
- ✓ Prioritize choices in advance, such as making trips a priority over purchasing consumer goods such as clothing.

# STUDENTS:

- ✓ Be sensitive to how your expenditures may reflect upon you as an ambassador
- ✓ How you spend and manage money creates an impression.
- ✓ Examples: asking rotary for financial assistance for a trip but then purchasing unnecessary consumer goods, or purchasing consumer goods for yourself that your host parents could not afford to purchase for themselves.

PARENTS:

Try to breathe...