For students of any age, traveling to another country can be a major learning experience. Whether you are going to spend a semester abroad or heading to another country with your friends, it is important to prepare for your trip and track your spending.

To get some tips for students preparing to travel abroad, we spoke with Jason Alderman, senior director of financial education for Visa Inc.

**Before Leaving Home**

*Take Care of Your Bills and Mail*

While researching places to visit and stay in other countries, it is easy for students to overlook some issues before departure. One important thing to remember is to make sure your bills are paid while you are traveling.

Unpaid bills can ruin your **credit score**, Alderman warns. “Students don’t have 20 years of good bill-paying history. They have probably very little information in their **credit bureaus**, which means one or two negative things like not paying your **cell phone** bill for two months could have a major impact.

“It’s like a **GPA** average. If you are a senior with all As and you get one C, it’s not a big impact. But if you get a C your first semester as a freshman, your GPA is going to **plummet**.”

In addition, Alderman suggests that you forward your mail to your parents’ house or request it held at the post office. “Just letting it go to your last known address or having some **acquaintance** mind your mail is a recipe for **identity theft**,” he says.

*Organize Your Wallet and Photocopy Key Documents*

It’s a good idea to photocopy **essential** documents, including your **credit cards**, **passport**, and some proof of health **insurance** before leaving—just in case your wallet gets lost or stolen on your trip. A trimmer wallet is also easier to carry and means you will have fewer items to replace if it goes missing.

“You don’t need to be carrying your library card with you,” Alderman says. “You don’t need to be—
and shouldn’t ever be—carrying your Social Security card with you.”

Pack Credit Cards and/or Debit Cards
Alderman encourages travelers to take credit cards, but to be careful about which ones. Most credit-card companies charge foreign-usage fees, which usually range from 1 to 3 percent. Look into getting a card that has no fees for using it abroad.

Charging purchases to credit cards rather than converting your money to foreign currency can be beneficial in two ways.

“You get a very good exchange rate,” Alderman says. “You get the best bank rate that the bank is offering. You also get the fraud protections that a card offers.”

One good idea is to get a pre-paid debit card for traveling abroad.

“In some ways, it’s a way to get all the conveniences of a card without the risks of overspending and going into debt,” Alderman says. “It can help force you to stay on a budget.”

In any case, be sure to alert your credit-card issuer that you will be traveling to a foreign country. Otherwise, your card issuer might suspect fraud and halt your purchases.

Create a Budget
You need to create a budget for your trip so you don’t overspend while traveling.

“You really need to go and know exactly how much you can afford to spend,” Alderman says. “And you need to stick to it.”

Limit Posting Information About Your Upcoming Trip On Social Media Sites
It’s not a good idea to let lots of people know that you will be leaving the country.

“If you are essentially telegraphing on the Internet or posting on the Internet for all to see that you are going to be out of the country for three weeks, it is an open invitation for thieves,” Alderman says.

Budget Backup Money For Your Trip
Expect the unexpected while traveling, whether it is missing a flight or encountering some unforeseen expenditures. Alderman suggests setting aside a contingency fund of about 10 to 15 percent of your travel budget for situations that might arise.

Spending Abroad

Track Your Spending
To make sure you stay within your budget, record your purchases while traveling. There are several ways to do this, from smartphone apps like Mint to pen-and-paper.
“You can use an Excel spreadsheet to do it,” Alderman says. “Start with how much your budget is, how much money you have, and track every nickel that you spend.”

**Avoid Questionable Banks and/or ATMs**
Don’t use banks or **ATMs** in places that don’t feel right.

“If it’s a really funky-looking ATM, then be suspicious,” Alderman says. “Try another one.”

**Keep Valuables in a Hotel Safe or With You**
Instead of leaving your laptop or passport with a hotel doorman or **concierge**, make sure they are locked in your room’s safe or that you are carrying them.

**Don’t Devalue the Local Currency**
When a dollar is worth hundreds or thousands of the local unit of currency, it is easy to forget that the money still has value.

“For many of us, when we go to another country where the exchange rate is such that we cannot quickly and easily do the math in our heads, or we are paying with foreign currency, it can very quickly become Monopoly money,” Alderman says. “It loses its real intrinsic value to us, so we disassociate what we are buying from the value. And we react much more impulsively than we would when we are at home.”

**After the Trip**

**Review Your Credit Card and Debit Card Purchases**
When you get home, go over the spending that you did abroad to make sure that certain purchases were not charged twice or that you did not overpay for goods or services.

“You do want to make sure that what you think you were charged is what you actually were charged,” Alderman says. “You can go online and look [at those transactions] if you paid with a card. Or if you get your statement in the mail, you can check there.”

**Get a Credit Report**
Just to make sure your credit was not damaged while traveling, Alderman suggests doing a credit bureau report after returning to the U.S. You can get a free credit report from the three major credit reporting companies every 12 months at [www.annualcreditreport.com](http://www.annualcreditreport.com).

**Vocabulary**

<table>
<thead>
<tr>
<th>Term</th>
<th>Part of Speech</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>acquaintance</td>
<td>noun</td>
<td>person known, but not a close friend.</td>
</tr>
<tr>
<td>associate</td>
<td>verb</td>
<td>to connect.</td>
</tr>
<tr>
<td>Term</td>
<td>Part of Speech</td>
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<td>--------------</td>
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<tr>
<td>ATM</td>
<td>noun</td>
<td>(automated teller machine) electronic device that performs basic banking duties, such as accepting and dispensing money.</td>
</tr>
<tr>
<td>budget</td>
<td>noun</td>
<td>money, goods, and services set aside for a specific purpose.</td>
</tr>
<tr>
<td>cell phone</td>
<td>noun</td>
<td>device that uses radio signals to transmit and receive voice and other data.</td>
</tr>
<tr>
<td>concierge</td>
<td>noun</td>
<td>person who arranges special services for hotel guests.</td>
</tr>
<tr>
<td>contingency</td>
<td>adjective, noun</td>
<td>possibility dependent on something unknown or uncertain.</td>
</tr>
<tr>
<td>convenient</td>
<td>adjective</td>
<td>easy or available.</td>
</tr>
<tr>
<td>credit bureau</td>
<td>noun</td>
<td>organization that investigates and determines a person's credit score, or likelihood of paying back loans.</td>
</tr>
<tr>
<td>credit card</td>
<td>noun</td>
<td>plastic card through which payments are made electronically from the cardholder's account with that credit company.</td>
</tr>
<tr>
<td>credit score</td>
<td>noun</td>
<td>numerical score (in the U.S., ranging between 300-990) measuring the person or organization's likelihood of repaying a loan.</td>
</tr>
<tr>
<td>currency</td>
<td>noun</td>
<td>money or other resource that can be used to buy goods and services.</td>
</tr>
<tr>
<td>debit card</td>
<td>noun</td>
<td>plastic card through which payments are made electronically from the cardholder's bank account.</td>
</tr>
<tr>
<td>debt</td>
<td>noun</td>
<td>money, good, or service owed by one person or organization to another.</td>
</tr>
<tr>
<td>essential</td>
<td>adjective</td>
<td>needed.</td>
</tr>
<tr>
<td>expenditure</td>
<td>noun</td>
<td>cost or expense.</td>
</tr>
<tr>
<td>fee</td>
<td>noun</td>
<td>price or cost.</td>
</tr>
<tr>
<td>financial</td>
<td>adjective</td>
<td>having to do with money.</td>
</tr>
<tr>
<td>fraud</td>
<td>noun</td>
<td>lie, trick, or misrepresentation played to gain goods and services.</td>
</tr>
<tr>
<td>GPA</td>
<td>noun</td>
<td>grade point average.</td>
</tr>
<tr>
<td>halt</td>
<td>verb</td>
<td>to stop.</td>
</tr>
<tr>
<td>identity theft</td>
<td>noun</td>
<td>use of someone else's personal data.</td>
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<td>Term</td>
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<tr>
<td>impulsive</td>
<td>adjective</td>
<td>rash, or influenced by emotions (impulses) instead of logic.</td>
</tr>
<tr>
<td>insurance</td>
<td>noun</td>
<td>money paid in good health to guarantee financial or physical health if injury or damage occurs.</td>
</tr>
<tr>
<td>intrinsic</td>
<td>adjective</td>
<td>innate, or essential value.</td>
</tr>
<tr>
<td>passport</td>
<td>noun</td>
<td>document issued by a national government to its citizens, verifying their identity and outlining their ability to legally travel to and from their home country.</td>
</tr>
<tr>
<td>plummet</td>
<td>verb</td>
<td>to fall sharply.</td>
</tr>
<tr>
<td>purchase</td>
<td>verb</td>
<td>to buy.</td>
</tr>
<tr>
<td>smartphone</td>
<td>noun</td>
<td>mobile telephone with additional features, such as a web browser or music playing device.</td>
</tr>
<tr>
<td>Social Security card</td>
<td>noun</td>
<td>card with a nine-digit number enrolling the person in Social Security, an American social welfare program maintained by the federal government through compulsory payments by specific employer and employee groups.</td>
</tr>
<tr>
<td>telegraph</td>
<td>noun</td>
<td>system of communication involving devices connected through electrical wires.</td>
</tr>
<tr>
<td>transaction</td>
<td>noun</td>
<td>negotiation or actions, usually related to business or buying.</td>
</tr>
<tr>
<td>travel</td>
<td>noun</td>
<td>movement from one place to another.</td>
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**Websites**
- National Geographic Adventure: World Travel
- Practical Money Skills: Financial Tips For Travel Abroad
- Practical Money Skills: International Budgeting