

Students can begin establishing credit before they leave school

by Melissa Adair
Battalion Staff

To get credit cards you must prove that you are a "good" credit risk. But how?

College students' credit card applications are rejected every day. Usually students can't prove they are a good risk because they do not have a steady income and have not established credit.

Some local bank officers say most students aren't aware of the various ways they can increase their chances of getting credit cards. Consequently, many students think it is hopeless to apply.

Ronald Hale, executive vice president of First City National Bank in Bryan, said students first need to prove they are financially responsible.

One of the best ways to do this is to start a checking and savings account, he said. But this definitely is not enough to establish a person as responsible with a credit card, he said.

"In addition to starting a checking and savings account, you should also get to know someone within the bank," he said. "It is important that someone in the bank knows you and can vouch for your responsibility."

Neil C. Barnhill, manager of Chilton Credit Reporting in College Station, said one of the best references to have when applying for credit is a bank reference.

"First get a checking account ... and then borrow money from your bank with your savings as collateral and pay back each month as agreed," he said. "This is an excellent way to prove that you are responsible enough to handle a credit card."

Barnhill said students have an advantage now that they probably won't have once they leave the Bryan-College Station area.

Once students get away from college, he said, no one cares if they went to Texas A&M, but as students they are usually given special consideration.

"A&M students have a good record of paying their bills," he said. "So many places, especially department stores, will usually give credit cards to them."

"You should take advantage of the fact you are in college and establish credit now. Any credit you establish here will stay with you permanently and help you get more credit in other places."

Rick Welsch, credit marketing manager with Dillard's, said responsible college students should be able to have credit cards.

"As a matter of fact," he said, "we have come to your campus to try to get students to apply for credit cards."

Dillard's usually restricts its solicitation to upperclassmen and graduate students, he said, but this doesn't mean that underclassmen can't get credit.

Welsch said he recently compared Dillard's student accounts to the general public accounts.

"I found that the college students are handling credit cards as well as if not better than the general public," he said.

Bankcard manager Jerry Albright, with First Bank & Trust, said getting department store credit cards is definitely a positive step toward getting other credit cards such as MasterCard and Visa.

However, college students rarely meet qualifications for these credit cards.

The minimum income requirement varies from \$1,200 to \$1,800 a month. Most banks require two years of full-time work, two years of residency in one area, and credit references.

None of the banks in the area have an annual charge. All but one charges interest from the date of posting. In other words, from the date a purchase is recorded on the credit bill, interest is charged until the bill is paid. The interest charge is usually about 1.75 percent a month.

Minimum credit limits range from \$200 to \$500.

John Kuss, assistant vice president of credit at Brazos Savings, said the standards for getting credit cards are high because of the poor economic times.

"Because of the economic times, people tend to use plastic money and then don't have the real money to ... back it up," he said. "And I think the requirements for getting a credit card will continue to get stiffer until unemployment goes down and the economy gets better."

But it isn't impossible for students to get the major credit cards.

One of the best ways for college students to get one of these

is to have their parents sign a guarantee for them, Albright said. The co-signer agrees to pay for any debts the student fails to pay.

"The guarantor process is a good way for students to establish credit," Albright said, "because the credit card will ... be in your name and only you and the credit card company will never know that your parents signed for you."

Kuss said many times a student's pride will keep him from getting credit through the guarantor process.

"A lot of students think it is an insult to have their parents sign for them," he said, "but it really is a good way to establish credit."

But bank officers warn students it's easy to abuse credit cards.

Patrick Siegert, vice president of University National Bank, said plastic money is easy to overspend. "The worst habit a person can get into is overspending with a plastic card," he said. "It's easy to get in over your head."

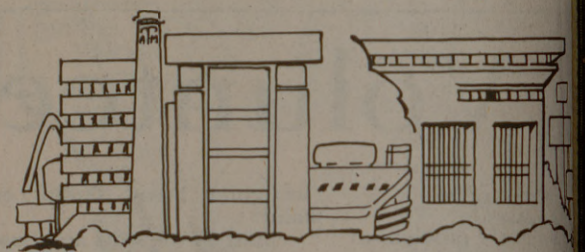
And Barnhill said this overspending can damage a person's credit record for seven years.

"Once you have a few credit cards it's easy to get more," he said. "Then you start to overcharge and get in trouble. And when a charge is delinquent, it will stay on your record for seven years."

Barnhill said students can increase their chances of getting a credit card by not applying for too many cards at once.

"When you apply for more than two or three cards at a time, this scares off firms because they think you may get in over your head if you actually get all the cards you applied for," he said. "They are afraid you'll get over-obligated."

Welsch said people need to remember that if they must be late on a credit card payment, it is important to call the creditor.



Around Town

Math contest winners announced

The winners of the annual Freshman and Sophomore Mathematics Contest, held April 20, have been announced. They are:

- Sophomores:
1st place: Huan Giap Quoc, nuclear engineering
2nd place: Michael K. Ewert, mechanical engineering
3rd place: Charles Bennett, physics
Freshmen:
1st place: Lance Mandell, computer science
2nd place: Edward S. Bolme, chemical engineering
3rd place: Celeste Wilcox, chemical engineering
First place winners were awarded \$100, 2nd place received \$50, and 3rd place received \$25. The prizes were provided by the Hillel Mathematics Award Fund and the Robert Smith Memorial Fund.

Lane wins photogrammetric award

Hal B. Lane III, a former student at Texas A&M, has been awarded the 1982 Bausch and Lomb Photogrammetric Award.

Lane, who has a bachelor's degree in engineering technology from Texas A&M, is presently a surveying party chief at Watson and Associates, a consulting engineering and surveying company in Midland. He was presented with the award at the national convention of the American Society of Photogrammetry in March.

Photogrammetry is recording, measuring and interpreting photographic images and patterns of electromagnetic energy to obtain information about physical objects and the environment. The award was established to stimulate interest and skills in photogrammetry among college students. Lane receives \$250, a trip to the annual ASP convention and three years paid membership in the society.

EDCI opening summer math clinic

The Department of Education and Curriculum Instruction is opening a summer math clinic for area elementary and junior high school students. The clinic will be held July 11-29. The deadline for registration is June 1. For more information, contact Dr. Clarence Dockmeier at 845-8389.

If you have an announcement or item to submit for this column, come by The Battalion office in 216 Reed McDaniel or contact Cheryl Burke at 845-2611.

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DPS chase ends in wreck; 4 dead

United Press International
TAYLOR — Four people died Saturday in a high-speed, head-on collision between a car carrying three teenage girls and an auto fleeing with police in hot pursuit.

The Department of Public Safety listed the dead as Gay Brinkmeyer and Donna Kay Hobbs, both 19, and 18-year-old Cheryl Wade, all of Taylor and an unidentified victim in a car driven by 20-year-old Jesus Estaban Arellano of Houston.

Arellano was listed in critical condition at Scott and White Hospital in Temple, Texas.

"Taylor police and a DPS trooper were pursuing the vehicle, and it crossed the centerline into the oncoming lane and hit the other vehicle head-on," said DPS spokesman Larry Todd.

Troopers said the accident occurred at 12:10 a.m. about 6 miles south of Taylor on Texas Highway 95, ending a chase that reached 100 mph.

Waco man sentenced in girlfriend's murder

United Press International
BOSTON, Texas — A Waco man who attacked his own lawyer in court has been sentenced to life in prison for murdering his girlfriend in a grocery store shoot-out that also injured one man.

David Leslie Culverhouse, 27, was convicted Friday and taken to the Texas Department of Corrections prison at Huntsville.

Culverhouse shot and killed Donna L. Ray of Grand Prairie after chasing her into a north-east Texas grocery store Jan. 9. He is to be tried later in the wounding of Layton Cummings, 30.

He was arrested the following day after spending several hours barricaded in a motel room with several weapons.

Culverhouse, who Wednesday went berserk in the courtroom, attacking his attorney, Joe Shumate of Henderson, testified in his own defense and refused to answer attorneys' questions.

Rusk County Judge Don Henderson said Wednesday because of extensive publicity.

Witnesses said Wednesday an outburst came after the presented Cummings as his witness.

Culverhouse lunged toward Shumate with a stainless water pitcher and struck him the face several times, breaking his nose.

He was restrained by more than a dozen deputies at the incident.

Lobby groups to pay concert security costs

United Press International
AUSTIN — The University of Texas agreed Friday to reconsider a request to permit Willie Nelson to perform on campus after two parimutuel betting lobbies agreed to pick up the \$10,000 tab to provide security for the country music star.

Nelson had offered to perform a free concert May 25 at Memorial Stadium to open the Texas Special Olympics for mentally retarded athletes.

UT denied the request last week because the Special Olympics could not pay security costs, and university officials said it would be inappropriate for the school to pay it.

The Texas Horse Racing Association and the Texas Greyhound Association, both trying to push parimutuel wagering bills through the Texas Legislature, offered Thursday to donate \$10,000 for security.

"If that's the problem, it's solved," said Bob Johnson, a lobbyist for the Horse Racing Association.

Denis Poulos, state director for the Special Olympics, earlier UT officials rejected the concert because of security and because they believed the school would attract "unintentional" fans.

UT officials denied they barred Nelson from performing, and expressed admiration for the performer Austin.

"The Special Olympics are the ones who withdrew the quest to have Nelson come," they heard of the cost involved," said Dr. Ronald Brice, UT vice president for student affairs.

Brown said other offers would have to be worked out but that the biggest barrier appeared to be cleared with offer of money from parimutuel sources.

Poulos said he was thrilled by the offer, adding, "This is a place where we put aside our politics and other associations and work together for the betterment of mankind."

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