

# OKMM<sup>TM</sup>

OKLAHOMA MONEY MATTERS

Your Bottom Line

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## Are You Protected?

In today's digital world we're so connected that it's revolutionized how we do everything, from shopping to socializing. However, that constant connectivity has also allowed online scams and schemes to become more prevalent.

Do you ever stop to think about what personal information is being shared through our devices and who's using it?

Jan 28 is Data Privacy Day (DPD), an annual celebration promoting privacy awareness and education. DPD empowers consumers to learn the many ways our personal information is collected, stored, used and shared so we can better protect ourselves from identity theft and fraud.

Learning about common threats - such as the scams described in this article - can keep you informed and protected.

**Phishing** uses fake emails or websites from recognizable companies to fool consumers into giving out sensitive information like usernames, passwords and account numbers. Remember, legitimate companies won't contact you via phone or email to verify log-in or account information.

**419 Scams**, also called Nigerian scams, are letters from a self-proclaimed foreign official who's seeking help in an illegal money laundering scheme. A percentage of the money is promised in return for helping with the transaction. There are many versions of this scam, so be wary of any message that promises great wealth.

**Advance Fee Scams** claim the recipient has won a fabulous contest that they never entered. The prize is free but to get it, you

must pay the tax and shipping fee. Once the victim supplies their account information, the account is emptied and no prize ever arrives.

**Greeting card scams** arrive in your inbox and appear to be from someone you know. Clicking the link installs spyware on your computer that uses your email contacts to send similar messages.

**Work-from-home scams** offer unsuspecting victims the opportunity to work from home and earn big paychecks. Some work-from-home businesses are legitimate, but if an offer requires you to purchase your own supplies or pay shipping expenses, it's most likely a scam.

**Scareware scams** are bogus antivirus warnings that instruct users to purchase the "full version" of the antivirus software to clean their computer of fictitious viruses. If you get a message that seems

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Tips for Being Frugal Money Talks



Q&A: Invest Ed® STARS Program



Making Finances Fun Poor Money Habits



On Our Mind Tackling Debt



Building a Business Plan At Your Service



Choosing a Tax Pro Go Green, Save Green



Partner News Calendar

suspicious, do a quick Internet search to see if the program is legitimate before purchasing or installing anything.

# CAUTION

Protect yourself by being cautious online.

- Know what you're downloading; read the fine print to make sure you understand the information that online apps share.
- Be suspicious of any emails requesting personal information, even if it's from a company you regularly do business with.
- Never click on links in emails or pop-up ads. Instead, visit websites directly by typing the Web address into your Internet browser.
- Guard personal information such as passwords, account numbers and your Social Security number.
- Remember that if an opportunity appears too good to be true, it probably is.

For more tips on internet safety or to file a fraud complaint, visit [ic3.gov](http://ic3.gov). To learn more about DPD and how you can become involved, visit [staysafeonline.org](http://staysafeonline.org).



Start a conversation with your friends or family about money. Ask them:

“If you had all the money you'd ever need, but still wanted to work, what job would you have?”

Tell us at [Twitter.com/OKMoneyMatters](https://twitter.com/OKMoneyMatters)  
or [Facebook.com/OklahomaMoneyMatters](https://facebook.com/OklahomaMoneyMatters)



## Frugal is Fashionable

If popular shows like TLC's Extreme Couponing are any indication, being frugal is more than a way to save money - it's practically trendy. Thankfully, saving money doesn't have to be as extreme as it seems on TV.

Looking for less intense ways to save money? Check out these practical ways to stay frugal.

- **Join forces.** When possible and practical, partner with a friend or family member to buy items in bulk and divide into smaller portions.
- **Embrace DIY.** Whether it's cooking at home, learning to sew or doing minor car or home repairs, it's generally cheaper to do it yourself.
- **Learn to haggle.** Don't be afraid to ask for a discount. Better yet, offer to trade services. If your favorite hair dresser needs a babysitter, make a trade so you both get a good deal.
- **Reuse and repurpose.** Instead of throwing things out, keep them until they've truly served their purpose. If it's broken, fix it. If it's torn, mend it.
- **Save for it.** Forgo using credit to buy things you want, but don't need. If there's something you really want, make a plan and save until you've got enough to make the purchase with cash.



# Q&A: Invest Ed® STARS Program

Jo Ann Murray, Project Director

Invest Ed®

Jo Ann Murray, Project Director for Invest Ed®, answers our questions about the services their program offers.

## *Tell us a little bit about Invest Ed®.*

Invest Ed® is a multi-component financial and investor education program made possible by a contract between the Oklahoma Securities Commission and the University of Oklahoma Outreach.

We offer free, unbiased investor education along with securities fraud awareness and prevention information.

Our programs include television and radio public service announcements, educational documentaries, fraud prevention for seniors and educational programs for high school students.

## *Describe what you do.*

I manage the free high school program, STARS (Students Tracking and Researching the Stock Market). I train high school teachers to facilitate and implement our investment portfolio project into their existing

curricula and through organizations they sponsor.

Annually, STARS provides eight, one-day training workshops held throughout the state and four summer training workshops held in Norman.

We plan two award ceremonies each year to honor student report winners, their teachers, and administrators. STARS staff also routinely present and exhibit at numerous state and national conferences and we continually research and update resources.

We evaluate student reports and offer ongoing support to all participating teachers, and beginning this month, we'll start implementing pre- and post-learning student assessments.

## *What are some of the unique services STARS provides?*

STARS is unique in several ways:

- Our program teaches securities fraud awareness and prevention and requires students to write a report. Numerous stock market portfolio simulation projects exist, but no other requires these components.
- Students win competitions by writing the best report, not by making the most money. We intend to teach patience, goal setting, delayed gratification, and creative (critical) thinking.

- Teachers receive a stipend to attend a training workshop and participating teachers have immediate access to STARS staff for support.
- Our teachers have the opportunity to attend a free, two-day refresher workshop each summer. This session is conducted by a subject-matter expert, a finance professor who was formerly a stock broker and branch office manager for a financial services company.
- Our program can be customized for every school schedule—semester, trimester, quarter, and custom.
- We offer in-service and professional development presentations for high schools.
- Everything about our program is free!

## *What do you like most about your job?*

I love working with amazing, dedicated teachers and passionate, committed sponsors. But what I love most is impacting students' financial futures. From our program's inception in July 2005, 16,816 students have participated in our program.

## *How can people take advantage of the resources Invest Ed has to offer?*

Information for all Invest Ed® programs is available at [www.investedok.org](http://www.investedok.org).

# Games Put the Fun in Finances

Unless you're a financial pro, you're probably not giddy about budgeting or balancing bank statements. We know that money management skills are essential for our students, and fortunately, there are some great tools available that make teaching and learning about finances more enjoyable.

Financial Entertainment, a series of online games by the nonprofit organization Doorway to Dreams Fund (D2D), teaches consumers how to better manage their money while promoting savings and debt management. D2D promotes financial literacy for low and moderate income consumers by creating innovative and stimulating financial products. Check out their current game selection.

**Celebrity Calamity** gives you the chance to manage the financial lives of three up-and-coming celebrities. It's your job to keep them on the right path financially even though they love to spend beyond their means. (also available as an app for iPhone and iPad)

**Bite Nightclub** is a vampire-themed game where you own and manage a night club. Your goal is to pay off student loans, save for your (eternal) retirement and keep your customers happy; otherwise, things could get a little scary.

**Refund Rush** puts your financial advising skills to the test. In this fast-paced decision making game, you'll help clients decide how they should best split their tax refunds between paying off debt, saving for college and saving for retirement.

**Groove Nation** is a rhythm-based game where you're the choreographer and financial manager for a competitive dancer. Help the dancer stay out of debt and meet her savings goals as she dances her way to L.A.

**Farm Blitz** is a matching game that tests your skills at harvesting vegetables and eradicating pests while successfully investing and managing debt to make your farm fruitful.

A word of caution: though educational, these games are wonderfully addicting! To find more games and tools that make financial education fun, search OKMM's online resource clearinghouse at [oklahomamoneymatters.org](http://oklahomamoneymatters.org).



## 3 Habits That Keep You Broke

- **Forgoing an emergency fund.** If you think major illnesses or natural disasters are the only circumstances that count as emergencies, you're only half right. Flat tires or a busted water heater you can't afford to replace count, too. Aim to save 3-6 months' worth of living expenses so you don't have to rely on money meant for necessities, credit cards or payday loans to make ends meet when the unexpected happens.
- **Paying late.** Late payments mean late fees. Plus, if you're more than 30 days late, your account can go into default - which potentially raises your interest rates and negatively affects your credit rating. If you mail payments, send them 10 business days before they're due or for less stress, consider going paperless with online bill-pay.
- **ATM fees.** If you use an ATM that isn't owned by your bank, you may be charged a surcharge, and your bank may charge an additional fee for using a machine outside their network. On average, these fees can add up to \$6. If you do this often, that's a lot of wasted money.



## Tackle Debt... One Step At a Time

Want to put the debt snowball to work for you?

- 1** Identify extra money you can commit to debt reduction each month. It doesn't have to be a huge amount; anything above your minimum payment due will help.
- 2** Not counting your mortgage, list all your debts from smallest to largest.
- 3** Using the extra money you identified, increase the minimum payment on your smallest debt. Remember to keep making your regular payments on all other debts.
- 4** Continue making this increased monthly payment until the smallest debt is paid off.
- 5** With your first debt eliminated, take the monthly amount you were paying on it and add it to the minimum payment of your next lowest debt.
- 6** Continue this pattern until you've successfully paid all your debts and then strive to continue living debt free!

## On Our **MIND**

What's on the mind of OKMM staff? This month Director Angela Caddell talks about making your home market-ready.



My husband and I have decided to move to another suburb this year, so we plan to put our house on the market in late spring or early summer. Given the economic challenges of the last several years, we know it's really a buyer's market out there – there's a lot of inventory, so buyers can afford to be more selective (and more demanding). We recognize the need to make our home more appealing, but we don't want to spend a fortune on upgrades we won't get to enjoy.

To find out how we can increase our home's value in the eyes of potential buyers and set it apart from the neighborhood crowd without breaking the bank, we asked local real estate experts for staging advice. Here's what we learned.

**Focus on the front.** The first impression of your home is the most important. Be sure your trim paint is in good shape and that the entry is clean and clutter-free. You may also want to paint your front door and install new door hardware.

**Work hard in the yard.** Trim bushes and shrubs, take care of plants and keep your lawn clipped and edged. If you have a small yard, use curving pathways and flower beds; curves make an area look larger and more lush.

**Open a can.** Painting is one of the least expensive ways to change the look of a home. A neutral color palette is best, because it allows buyers to visualize their belongings in your home. Strong colors can cause a potential buyer to keep walking.

**Get cookin' in the kitchen.** The kitchen is the heart of any home, and you don't have to invest in an overhaul to get it right. Breathe new life into an old kitchen by clearing clutter, painting cabinets, and replacing outdated hardware. If the budget allows, consider upgrading your backsplash; that's your kitchen's jewelry.

**Put space on display.** More space means more profit. Pack up knickknacks, collectibles and extra furniture to open up your square footage. As a rule of thumb, remove at least one-third of the stuff in each room.

**Modernize the feel.** Beware if people refer to your home as "retro." Remove outdated wallpaper, pull up shag carpet and update lighting. Consider using a consistent style of light fixtures throughout the house, as well as inexpensive accent lighting over photos, paintings and other wall décor.



## Building a Solid Business Plan

According to the U.S. Small Business Administration, nearly 600,000 new small businesses are launched each year. If your dream for 2012 is to run your own business, consider these tips from the Oklahoma Society of Certified Public Accountants for writing a successful business plan.

- Business plans should be realistic and thoroughly explain your business to potential investors, lenders, vendors and partners. A solid plan will reassure them that your company is valuable and viable. Having a written plan will also help you answer critical questions, identify strengths and weaknesses, and allow you to better understand how this venture will operate.
- Your plan should begin with an executive summary that introduces readers to your business and spotlights key aspects of your company. This is usually followed by a discussion about the industry, the outlook of the market and how that's affected your business plan. Also include a review of your organization and management, including background and experience of company executives and how these attributes will contribute to your business's success.
- Compile product or service descriptions. Be sure to write this portion with the reader in mind, including how customers will benefit from your products and what makes them unique.
- If you're seeking funding, explain how much start-up money you'll need and how it will be spent. If you've already begun operations, include income statements, balance sheets and cash flow statements for the most recent year you've been in business. You should also include future income projections based on that information.
- Keep in mind that business plans aren't just for start-ups. They're useful tools to help established companies better plan for the future. Revisit them often and use them as a blueprint for where you'd like to see your company go.

## At Your Service

### *Self-paced Learning Modules*

Learn how to make your money matter in every stage of life! From buying a car or house to getting married and having kids – our modules walk you through these big decisions and give you the tools you need to make informed financial decisions.

Our current selection of online modules explores:

- **Love & Money:** protecting your financial future no matter your relationship status.
- **Money Management for College Students:** making your money work for you while living the college life.
- **Budgeting:** getting the most out of your money by creating a realistic spending plan.
- **Auto Loans:** learning to look beyond the monthly payment to get the best car for your needs.
- **Transition to Independence:** learning to successfully navigate your financial life after college.
- **Saving & Banking:** exploring how to plan for your future and build wealth.

Each module includes learning objectives, tools, a quiz and a completion certificate.

To learn how these modules can benefit you and the people you serve, visit the Financial Planning page at [OklahomaMoneyMatters.org](http://OklahomaMoneyMatters.org), email us at [OklahomaMoneyMatters@ocap](mailto:OklahomaMoneyMatters@ocap), or call us at 800.970.OKMM (toll free).

## What You're Missing on Twitter



Follow us at [Twitter.com/OKMoneyMatters](https://twitter.com/OKMoneyMatters)

Frugal Dad's 5 smart ways to get through college with less debt, and a scholarship opportunity!

<http://bit.ly/tcEbZZ>

# What to Know When Choosing a Pro

If you're planning to hire a professional to complete your tax return this year, the IRS encourages you to choose that professional with care. Even if someone else prepares your return, you as the taxpayer are ultimately responsible for the information provided to the IRS. Follow these helpful guidelines for choosing a reputable tax preparer.

- Make sure your preparer is associated with a professional organization that requires continuing education and holds its members to a code of ethics.
- Check with the Better Business Bureau to see if any complaints have been filed or if action has been taken against your chosen preparer.
- Ask about service fees. Don't use a preparer who bases the fee on the amount of your refund.
- Don't work with someone who claims they'll be able to get you more money than anyone else. If your return is prepared correctly, any professional should arrive at approximately the same amount.
- Use a preparer you can contact any time and who's open to answering your questions.
- Work with a preparer who asks to see receipts and other proof of your claims; they're looking out for your best interest.
- Don't work with someone who asks you to sign a blank return. You should always review your return carefully before signing it.

Go Green,  
Save Green

## Share the Joy

Once you've read a book or magazine, pass it along to a friend. But first, write a little note in it with your name and the date.

Ask them to do the same when they're finished with it. Not only will more people get to enjoy the book, but there will be a written record of where it's been and who's had the pleasure of reading it.

696

*The average U.S. credit score as of May 2011. This is the highest it's been in at least four years, according to credit-reporting bureau Equifax.*



# Partner News and Events



Next Meeting:  
**Wednesday, Jan. 25**  
11:30 a.m. until 1:00 p.m.  
Oklahoma City

Email Dan at [OklahomaJumpstart@gmail.com](mailto:OklahomaJumpstart@gmail.com) for more details.



NT4CM Workshops for Counselors  
**Thursday, Jan. 26**  
1:00 p.m. until 4:00 p.m.  
Oklahoma City

or  
**Friday, Jan. 27**  
9:00 a.m. until 12:00 p.m.  
Oklahoma City

Email [UCanGo2@ocap.org](mailto:UCanGo2@ocap.org) for more details.

## Have News to Share?

Let us feature it! Do you have a contest, educational workshop or other personal finance event you'd like us to highlight in a future edition of the newsletter? Send a note to [mcrawford@ocap.org](mailto:mcrawford@ocap.org) today; space is limited.



Oklahoma Money Matters (OKMM) is a personal finance education program that helps K-12 schools, higher education campuses, businesses and community partners develop or expand educational services that empower Oklahomans to make positive financial choices.

OKMM is an initiative of the Oklahoma College Assistance Program, formerly known as the Oklahoma Guaranteed Student Loan Program, and the Oklahoma State Regents for Higher Education.

Visit us online at [OklahomaMoneyMatters.org](http://OklahomaMoneyMatters.org).

To ask questions or share comments regarding this newsletter, email [OklahomaMoneyMatters@ocap.org](mailto:OklahomaMoneyMatters@ocap.org).



Oklahoma College Assistance Program

OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION

*Improving our future by degrees*



January						
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February						
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