



Your Bottom Line

Your go-to resource for timely information about personal finance, college planning and student loan management



Measuring Your Financial Security

According to Quicken.com, financial security is the feeling of peace you experience when you aren't worried about having enough income to cover your expenses. It's knowing you won't need to rob Peter to pay Paul while hoping there's enough left to make ends meet until payday. Financial stability feels good and is a vital step on the path to financial freedom. Here are eight benchmarks that will help you determine your level of financial security.

1. **Your bank account is healthy.** You may not dive through a money bin of dollars like Scrooge McDuck, but you're financially comfortable. You track your expenses, your paycheck arrives before your account balance reaches zero and you never overdraw your account.
2. **You can handle emergencies.** A layoff, pay reduction or broken appliance doesn't worry you too much, because you've got a healthy financial safety net in place. Enough money to cover three to six months' worth of necessary living expenses is considered a fully-funded emergency fund. Having that much money set aside in an easily accessible account will make unexpected expenses and emergency situations a lot less stressful.
3. **Credit doesn't bankroll your lifestyle.** You use credit for convenience or rewards, not because you can't afford to pay cash for the items you want. If you choose to charge, you always pay the bill on time and in full to avoid paying unnecessary interest charges.
4. **You stick to a spending plan.** You work hard for your money and you work just as hard determining how that money will be spent. A place for every dollar and every dollar in its place, whether that's housing expenses, vacation planning or paying off debt.
5. **You invest in your future.** Whether retirement seems eons away or it's just around the corner, you habitually and systematically save money for your golden years. You seek financial advice from trusted sources, your net worth continues to grow and your investments are diversified to protect your financial future as much as possible.
6. **You pay bills on time.** Your home is a no late fee zone. You

Cont. on page 2

2

Fun Facts About Resolutions
America Saves Week

3

Q&A:
How to Stand Out in the Job Market

4

Upcycled V-Day Crafts/Gifts
Kids & Money

5

Creating A College Planning Binder
On Our Mind

6

Online-Only Banking
Student Loan Management Tools

7

12 Month Money-Saving Challenge

8

Partner News and Events

know when each bill is due and you have a plan in place to pay each one. Whether you set payment reminders or automate payments, when it comes to bill payment, you don't stress.

7. **You don't fear your credit reports.** Many people procrastinate when it comes to reviewing their credit reports, but not you. You're confident in your positive payment history and low level of debt. You know the importance of checking your reports for fraudulent activity or erroneous information on a regular basis.
8. **Your finances don't control you.** You are the master of your finances. You feel good about where you are and where you're headed financially. You have a money management plan that you routinely review and update when necessary to help you reach your financial goals.



Around half of Americans say they make New Year's resolutions, but only 8 percent report achieving their goals. Studies show that, people who plan their resolutions in detail are 10 times more likely to reach their goals.

AMERICA SAVES WEEK
February 27 - March 4, 2017

Pledge
to save
now!

**You look like
you can start saving.**

Put some away
with automatic deposits.



America Saves Week is an annual opportunity for individuals to assess their savings strategy and take financial action. Each year, [America Saves](#) encourages savers – or potential savers – to set a goal, make a plan and save automatically.

This America Saves Week, join the campaign with these tools and tips to save automatically – and successfully:

- [Take the America Saves Pledge](#). Those with a savings plan are two times more likely to save for emergencies and retirement than those without one. When you take the pledge, you can choose to receive text message tips and reminders to help you save toward your goals.
- Assess your savings. Like your health, you should assess your savings annually to make sure your priorities are on the right track. Complete this simple [12-question assessment](#) to determine your current standing and help you plan for the future.
- Evaluate your savings preparedness. Check off your savings accomplishments on the [Saver Checklist](#) to further evaluate how you can strengthen your savings habits.
- Take part in the 2017 [#ImSavingFor](#) photo contest. Share a selfie that shows what you're saving for on Facebook, Twitter or Instagram, and [enter the contest for a chance to win \\$250](#).



Standing Out in Today's Job Market

Tiffany Schilling, Human Resources Director
Oklahoma State Regents for Higher Education

Mrs. Schilling answers our questions about the do's and don'ts for standing out in today's job market.

How has the job market changed for job seekers?

Technology has become a major player in seeking and applying for jobs. If you don't have a professional email address, create one and check it regularly. Social media has become a tool for networking and job hunting. Professional use of social media sites like LinkedIn offers users the ability to network and view new job postings, and allows companies who passively recruit to reach out to you even when you aren't actively seeking another position. However, social media can also be an applicant's downfall. Clean up social media posts or better yet, before posting, think about the long-term impact, since many potential employers view profiles and posts.

How can job seekers gain a competitive edge?

Join professional groups or associations in your field. Those associations often have their own job board, online community, toolkits, local chapters, meetings

and trainings that continue to prepare you for work in that field and may provide a connection you would otherwise miss.

How can potential job candidates stand out to hiring managers?

Responding quickly and professionally to inquiries made by a potential employer is imperative. Strong written and verbal communication skills are a must. Submit carefully prepared documents (cover letter, resume and references) and be ready to participate in pre-interviews. Always provide well-written, error free and concise documentation. Eliminate the smallest errors, as they may have the biggest impact on your ability to move forward. For example; cutting and pasting text in your cover letter to save time, but accidentally addressing the cover letter to the wrong company, does not give a positive, professional first impression. Respect the application process and don't underestimate the importance of every step.

What are common mistakes job candidates make during interviews?

It may seem obvious, but we see it over and over in the industry. Stay

professional - don't be too casual, especially if you're applying for a promotion within the company where you're currently employed or if you have a personal friendship with someone on the hiring team. Use your manners, respect everyone's role and thank everyone who helps you in the process. Read the job posting thoroughly and don't read something into the job that isn't there. An entry-level position is just that - be realistic and accept that there may be no room for advancement at that company. The time and experience you gain may be very valuable for your next step. Don't be afraid to ask questions and keep a positive attitude.

What are some tips that will never change?

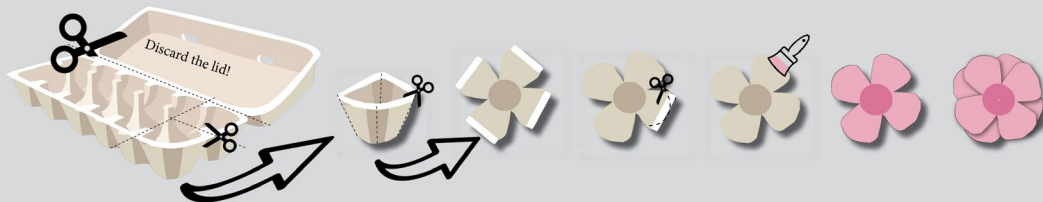
Don't be late. Be aware of your posture, smile and look your interview team in the eye. Shake hands, thanking them for their time when you leave. Send a follow up/thank you email for their time and consideration of you as an applicant, and reconfirm your interest in the position.



**OKLAHOMA STATE REGENTS
FOR HIGHER EDUCATION**

Improving our future by degrees

Upcycling Valentines



Valentine's Day is a great holiday for arts and crafts. Here are a few ideas for repurposing items you might otherwise throw away as adorable gifts and decorations!

- Cut hearts from the pages of old books or magazines to make decorative garland. Use a mix of text and prints, then string with red ribbon.
- If you have a puzzle that's lost a few pieces, use hot glue to create a heart-shaped collage from the remaining pieces. You could save two pieces that fit each other to display in the middle of the heart, representing "a perfect fit."
- Turn a jelly jar into a candle holder. Place heart-shaped stickers all over a glass jar, then spray paint the jar. Once the paint is dry, remove the stickers, leaving behind clear heart shapes.
- Turn broken crayons into heart-shaped, multicolored crayons. Place crayon fragments into heart-shaped silicone molds. Bake at 230 degrees for 15 minutes, or until melted. Allow crayons to cool completely before removing them from molds.
- Turn paper egg cartons into flowers. Cut out each "cup", then cut the walls of each cup into four sections, leaving the bottom of the cup intact. Trim the wall sections to look like rounded petals. Paint the petals and let dry. Stack petals together to form multi-layered flowers. Glue them together or poke a pipe cleaner through them to create a stem and hold the flower together.



Money Lessons for Kids

Some money lessons are best learned at a very early age. Here are some valuable financial lessons that can benefit even the youngest kids.

- **Understanding advertising.** Children experience a lot of advertising. When your child mentions an item that she wants or talks to you about a commercial she's seen, help her deconstruct the commercial to get to the real point of the ad. Ask her what she thinks of the product, the advertising approach and the messaging. Then, take your conversation to the next level when you go shopping. Explain why you're purchasing the items on your list and why you've chosen the brands that you buy.
- **Prioritizing wants.** If your son expresses an interest in more than one item or activity, i.e. buying a toy and ice cream, have him choose one and explain why he can't have both. Since 'wants' are often unlimited but financial resources aren't, it's important to decide which 'wants' take priority. Encourage your child to list all the items he'd like to have, then help him rank them in order of importance. After he's created the list, help him craft a plan for earning enough money to buy the highest priority item.
- **Saving and giving.** Teach your child the 10-10-80 rule. Any time she receives money, whether from an allowance or gift, encourage her to save 10 percent and give 10 percent before she decides what to do with the remaining 80 percent. Beginning this money management strategy at an early age fosters charitable giving and saving while showing her how to avoid spending every penny she earns.
- **Paying bills.** Prepare your child for future independence by demonstrating how to pay monthly bills and handle daily expenses. Small kids may think money grows on trees; prove them wrong by inviting them to watch you as you pay bills online or write out checks for monthly utility payments. If you pay for items at the grocery store with a credit or debit card, explain how the payment system works and show them that a plastic card isn't "magic money."



Make a College Planning Binder

Binders have become the hot organizing item of the day, blending files, planners and ledgers into one simple system. Since they keep documents right at your fingertips, creating a college planning binder is a good way to ensure you're taking all the right steps toward college enrollment.

- Place checklists and guides in the front of your binder. Consider UCanGo2's grade specific [College Planning Checklists](#) and the [ACE Graduation Requirements](#).
- In the second section, store information about your classes and extracurricular activities. You may want to include the [Tracking My Classes and Achievements worksheet](#).
- In the third section, track other valuable activities that aren't directly related to school. This could include time spent volunteering, a Boy Scout Eagle project, or achievements and hobbies like martial arts or music. This is also the section where you'd include your resume if you have any work or internship history.
- In the fourth section, keep information about colleges and academic programs that interest you. Include print-outs of admission requirements and make note of application due dates. Keep a record of any applications you submit as well as communications with schools.
- In the final section, keep track of financial aid and scholarships. It's important not to let due dates slip by and to make sure you submit complete, error free applications. The [Scholarship Success Guide](#) is an essential resource you'll want to include for easy reference.

On Our MIND

What's on the mind of OCAP staff? This month, staff assistant Andrew Boes talks about home warranties.



Owning a home is a wonderful experience. I feel a sense of freedom dreaming of future home renovations while walking around my own home and yard. The price I pay for this freedom is complete responsibility for fixing things that break. One way many homeowners allay this particular worry is by purchasing a home warranty.

A home warranty (or home protection plan) is a service contract that covers many problems around the house that homeowners insurance doesn't cover, usually the repair or replacement of home appliances and system components such as ducts, electrical and plumbing. If something breaks; call the home warranty company, pay a trade service fee for an employee to come to your house (usually around \$100), and they'll fix the problem.

When I surveyed my friends and family at holiday gatherings, it seemed as if everyone but my wife and I had a home warranty. Our home was covered by a warranty for the first year and we never bothered to renew the contract, figuring that we would save the money and make repairs as needed.

Some financial commentators suggest home warranties are a bad investment, saying most of the monthly payment goes toward profit, commissions, overhead and marketing costs. In theory the money you would be spending on monthly payments and service fees could be put into a savings account instead, and this account could fund the inevitable repairs.

We recently had a pipe burst in our foundation and regretted the fact that we didn't have a home warranty to fall back on. After we looked at the fine print for a couple of companies, it seemed likely that our pipe would not have been covered by a standard home warranty, and maybe not even by a more expensive "enhanced" warranty. A few days later in what turned out to be an incredibly frustrating week, we discovered our water heater needed to be replaced, something that almost certainly would have been covered by a standard home warranty.

If you have an old house, old appliances, or just prefer the peace of mind that comes from having a home warranty, research your choices before committing and pay careful attention to what is, and isn't, covered. The most important step for homeowners considering a warranty or protection plan is to become as informed as possible, so they can make an educated choice that's right for their family's particular circumstances.

Is Online-Only Banking for You?

The fast-paced and ever changing world of technology is constantly modernizing the way we live our lives. It seems that literally anything we need is at the touch of a button or at least at the touch of our smartphone. The newest tech capabilities give us the option to order groceries without stepping foot in a store, shop for clothes without going to a department store and even keep in constant communication with distant friends and family without having to travel. Now many financing and banking options are virtual, too. Are you ready to make the switch? Here are some of the pros and cons of digital banking.

Benefits of online-only banking:

- **Convenience.** Online bankers have the flexibility to handle transactions wherever there's internet service, including by phone, making it easy to transfer money, pay bills or monitor account activity. There's no need to get in the car or wait in teller lines, nor are you restricted to regular banking hours, including weekends and holidays. To make check deposits, simply upload images of the front and back of your check.
- **Lower costs.** Since internet-only operations don't spend money on brick-and-mortar branches, they can invest more in services. This may result in better value for customers through lower fees, higher interest rates on deposits and better customer service. Consumers who are accustomed to paying fees for basic checking and/or savings accounts may find relief with online-only providers.
- **More fee-free ATM locations.** With online banking, users may have access to more ATM locations that don't charge a fee for withdrawals. The institution's banking app will most likely provide an ATM finder.

Downfalls of online-only banking:

- **Less direct contact.** If users experience an issue with their accounts, there's nowhere to go to talk to someone face-to-face.
- **Direct deposit only.** Because online banking is still relatively new, only a few states have satellite locations in places like Target to accept cash deposits. Most account holders will still need to use a traditional brick and mortar bank or credit union to make cash deposits, which can be transferred to the online institution.

Your willingness and ability to change course may depend on your banking needs and possibly, where you live. Research all the options available in your area and consider the features that impact the transactions and services you use most, so you can make an educated choice.



Student Loan Management Resources

Whether you're still in college, have graduated and are nearing the end of your grace period, or are making payments on your student loans, there are resources available to help you manage your student loan successfully.

- A loan servicer, guarantor or lender oversees your federal student loan until it's paid. Repayment questions can be answered online or over the phone through the customer service department. For information about your federal student loan servicer, go to the National Student Loan Data System's website, [NSLDS.ed.gov](https://nslds.ed.gov).
- The U.S. Department of Education offers information on repayment options. A repayment calculator, financial awareness counseling, and access to borrower information such as your master promissory note are also available. Visit StudentLoans.gov for more details.
- OCAP's student loan management initiative, Ready Set Repay, helps borrowers through every stage of the student loan process, even if they're behind on payments or in default. To learn more visit ReadySetRepay.org.

TWELVE MONTH MONEY-SAVING CHALLENGE

If reducing debt and building savings are your goals for the coming year, here's a twist on the traditional approach to New Year's resolutions. Instead of focusing on a single cost-cutting strategy, implement a new frugal habit each month and by the end of the year, you'll have practiced twelve money-saving methods that can help you meet your overall financial goals. The key to success is to stash the money you would have otherwise spent in an interest-earning savings account at a federally insured bank or credit union, or commit the "extra" money to go toward debt repayment.

JANUARY	FEBRUARY	MARCH	APRIL
DRINK NOTHING BUT WATER. CUT OUT TEA, COFFEE, SODA AND ALCOHOL.	UNSUBSCRIBE FROM PROMOTIONAL EMAILS THAT ENTICE YOU TO SPEND MONEY.	CANCEL UNUSED GYM MEMBERSHIPS AND EXERCISE AT HOME.	ONLY BUY WHAT'S ABSOLUTELY NECESSARY; FORGO EVERYTHING ELSE.
MAY	JUNE	JULY	AUGUST
DON'T PAY FOR ENTERTAINMENT. LOOK FOR FREE EVENTS AND ACTIVITIES.	AVOID BUYING NEW GAMES, APPS, MAGAZINES OR BOOKS. WHAT'S AVAILABLE AT YOUR LOCAL LIBRARY?	PAY CASH FOR EVERYTHING. AVOID USING YOUR DEBIT OR CREDIT CARD.	BUY GROCERIES ONCE PER WEEK AND PURCHASE ONLY ITEMS THAT ARE ON SALE.
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
AVOID BUYING ITEMS FROM VENDING MACHINES.	AVOID DINING OUT FOR THE ENTIRE MONTH. PACK YOUR LUNCH AND SNACKS TO TAKE TO SCHOOL OR WORK.	CONSTANT COMPARISON LEADS TO DISCONTENTMENT. TAKE A SOCIAL MEDIA BREAK.	INSTEAD OF PURCHASING PRESENTS, GIVE GIFTS OF TIME, TALENTS AND SERVICE.



Partner News and Events



Membership Meeting:
Wednesday, February 22
11:30 a.m. until 1:00 p.m.
Oklahoma City

For more information,
email Pam Campbell at pam.campbell@kc.frb.org
or visit OklahomaJumpstart.org.

Have News to Share?

Let us feature it! Do you have a contest, educational workshop or other event you'd like us to highlight in a future edition of the newsletter? Send a note to bnichols@ocap.org today; space is limited.



Oklahoma Money Matters (OKMM), an initiative of the Oklahoma College Assistance Program and the Oklahoma State Regents for Higher Education, 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.

Visit us online at
OklahomaMoneyMatters.org.

To ask questions or share comments regarding this newsletter, call 800.970.OKMM (toll free) or email OklahomaMoneyMatters@ocap.org.



Follow 'OKMoneyMatters'



Like 'OklahomaMoneyMatters'

