



Your Bottom Line

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

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5 Things Included in Every Successful Budget

A recent study by [US Bank](#) revealed that only 41 percent of Americans use budgets to manage their money. While it's great that more people are budgeting their money now than in 2013, when only 32 percent of American households were routinely utilizing a budget, many are still living paycheck to paycheck and ask each month, "Where did my money go?"

Every adult needs a spending plan to manage income and expenses. When crafting your budget, determine how much you can afford to spend for each of your monthly expenses. Below are the five items that make up a great budget.

- **Emergency fund.** An established emergency fund is one of the most important parts of any budget. Life happens and unexpected expenses can pop up at any time. If you haven't budgeted a portion of your monthly income to handle these expenses, you may struggle

to make your budget work. The recommended emergency savings fund is three to six months of monthly expenses. For some this may seem like a daunting amount to put back. Start small by saving enough to repair a blown tire or unexpected doctor visit. Gradually you can add more each month until you reach your total emergency savings goal. While saving a smaller amount each month may prevent you from blowing your budget on trivial expenses, a larger savings fund can serve as protection for major life emergencies such as a layoff or medical issue.

- **Retirement savings.** The key to a successful retirement savings plan is to save early and save often. The earlier you begin your retirement savings, the better chances you have of compound interest working in your favor. Check with your human

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resources department for information on retirement savings options. If available, have retirement savings deducted from your paycheck pre-taxed. Most financial institutions offer automatic savings funds and individual retirement accounts. Even if you're starting your retirement plan late in the game, there's still hope. Talk to a certified financial planner to get on the right track for your retirement savings goals.

- **Special purchases.** Instead of borrowing money or putting purchases on your credit card, set a cap for the total cost of a particular item and begin contributing to an expense fund throughout the year. Paying cash will be less stressful and possibly save you hundreds of dollars in interest.
- **Irregular expenses.** Expenses that you don't normally pay every month such as insurance premiums, your vehicle's tag and registration and even holiday purchases, are considered irregular expenses. When budgeting for these costs, try using the sinking fund method. Determine how much you would normally spend on each item or event and divide that amount by 12. From that point you can spread the entire cost throughout the year. Regularly contribute this monthly dollar amount to savings so you're ready when the payment is due.
- **Fun and entertainment.** It's unrealistic to think you'll never see a movie, have lunch with friends, take a vacation, or do other similar activities that you enjoy. Dedicate a set amount for your favorite activities and stick to it. Determined budgeters have the best intentions when crafting their spending plans, but the reality is, when you leave out the fun, your resolve begins to wane and your plan will typically fail.



HOW FINANCIALLY SAVVY ARE YOU?

How much money should you save in your emergency fund?

\$500

\$1,000

One month's living expenses

Three to six months' living expenses

What website should you use to get a free copy of your credit report each year?

FreeCreditReport.com

AnnualCreditReport.com

INeedMyCreditReport.com

CreditReports.com

What percentage of your available credit should you utilize to maintain a positive credit score?

100%

75%

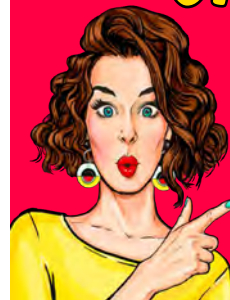
50%

30%



Check page 4 for the answers!

FRESHMAN ORIENTATION



Incorporate financial literacy education into your freshman orientation and new student workshops!

Financial Literacy Supports College Success

New students face a variety of challenges during their college career, including important financial decisions that could follow them for years to come. Incorporating a personal money management session into your orientation program or seminar classes can help students make smart financial choices, which can boost retention at your campus.

Our services are FREE and our program allows you to choose resource options that best meet your students' needs.

- Customizable presentations
- Learning modules
- Downloadable lesson plans and activities
- Interactive budget calculator
- Online resource clearinghouse
- Complimentary publications
- Newsletters
- Train-the-trainer workshops

If you're ready to talk about how OKMM can help your students improve their money management skills, contact us at 405.234.4313, 800.970.OKMM (toll free) or OklahomaMoneyMatters@ocap. Workshops are subject to staff availability, so schedule yours today!



Interview & Resume Tips

Dr. Brett Sharp, Professor Of Political Science
University of Central Oklahoma

Dr. Brett Sharp teaches Human Resources in the Public Sector at the University of Central Oklahoma. In this month's Q&A, Dr. Sharp answers questions about interviewing and resume writing.

What are the biggest mistakes job applicants make on their resume?

The most common mistake is for applicants to send the same resume to each employer. Instead, successful applicants tailor their application materials for each vacancy. Employers can tell if a resume addresses their needs and appreciate those applicants who make the extra effort. Outlining general responsibilities is fine, but more effective resumes emphasize action-oriented accomplishments. An applicant should also be mindful of length. A good rule of thumb is to have about one page for each decade of experience. That means younger candidates should have—at most—one- to two-page resumes. Since hiring supervisors often hurriedly scan incoming applications, the most relevant information should appear on the first page. In fact, human resource professionals usually make decisions by just looking at the top third of a resume, so that's where the relevant and most critical information should appear. Make use of white space. Pick a clear, clean font that looks good both in print and on screen. Calibri is a contemporary

font that was designed for that very purpose. It may be too obvious to say, but simple grammatical errors scream carelessness or incompetence—neither of which is desirable for an employer's first impression.

What are the most important things employers consider when reading a cover letter?

Employers have an instinct for authenticity. Show your best side by including vivid anecdotes about your professional accomplishments. Demonstrate that you've done your research on the organization in which you're seeking employment. The cover letter is often the first application component an employer reads. It's your opportunity to link the information on your resume to the job skills required for the position you desire.

How can a job applicant stand out during an interview?

Be yourself. If asked, admit to mistakes that you've made on the job and then show how you've learned from experiences. Take advantage of every interview opportunity, even if you're not interested in the job. Practice makes perfect.

What should applicants look for when selecting a list of references?

References are often overrated for getting to the interview stage, but these become critical when

you advance to being a finalist. Make sure your references will reliably sing your praises from a professional perspective. Let the people you list as your references know that you've done so. You might even provide them with a list of your accomplishments to reference should they be contacted.

Is the selection process for employees changing at all?

There has been a dramatic change in recent years in how most job applicants are chosen. Resumes and other application materials are now processed through digital automation. More and more, artificial intelligence is assisting in the selection process. Employers are often making use of "people analytics" to help make employment decisions. Be mindful of keywords relevant to the position for which you're applying and be aware of any digital traces you leave on social media. Humans will still make the final hiring decisions, but clearing the digital pathway has become essential to get your foot in the door. To keep up with the current job market, I advise getting the latest edition of *What Color is Your Parachute?* by Richard Bolles. It's not only packed with wonderful information, it helps candidates get to know themselves in preparation for marketing their professional skills.

It Takes More than Luck to Win a Scholarship

Thomas Jefferson said, "I find the harder I work, the more luck I seem to have." It may appear some people have indescribable luck when it comes to winning scholarships, but more often than not they made their "luck" through hard work and preparation. There are certain steps you can take to improve your chances of receiving a scholarship for your college education.

- **Start now.** Scholarships aren't just for high school seniors. There are many scholarships offered to students from middle school through graduate school. Start sending applications as soon as possible and don't stop until you've received your degree.
- **Do your research.** Start talking to people who can help you find and apply for scholarships. Your school counselor or college adviser will have resources available to help you start your scholarship search. You can also check out UCanGo2.org and OKcollegestart.org to find scholarships and other financial aid resources.
- **Go local.** Many organizations like churches, businesses and social clubs will offer scholarships to local students. These scholarships often have fewer applicants, meaning there's a better chance for you to win!
- **Get involved.** Getting involved is one of the most important things you can do to win a scholarship. Scholarship committees want to see that you're active in your community and school. They look for students who see beyond themselves and help those around them. You can participate in school clubs, join church groups or volunteer with local nonprofits. Ask your school counselor or a librarian for help connecting with these groups. Remember, don't overextend yourself. It's better to have quality experiences rather than a large quantity of experiences.
- **Do the "write" thing.** Scholarship essays may be intimidating, but they are the perfect way to express your passion and experience to a scholarship committee. Your essays should reflect who you are and why you deserve to win the award. When telling a specific story, keep it about you. Try to tell a story only you can tell.

Stay persistent. "Luck" comes to those who put in the work. Find scholarships for all ages and interests at UCanGo2.org and OKcollegestart.org.

Mini Quiz Answers:

- Q. How much money should you save in your emergency fund? A. 3-6 months of expenses. Q. What website should you use to get a free copy of your credit report each year? A. AnnualCreditReport.com Q. What percentage of your available credit should you utilize to maintain a positive credit score? A. 30% or less.



The Oklahoma College Assistance Program, an operating division of the Oklahoma State Regents for Higher Education, provides college access and financial aid awareness, financial literacy and student loan management programs and services that benefit students, parents, schools and community partners.

