



Your Bottom Line

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



Celebrate College Savings Month

Many festive things happen in September – the first day of fall, the beginning of football season and Grandparent's Day, just to name a few. Another event worth celebrating is College Savings Month, a national campaign that focuses on encouraging people to save for higher education.

The more a family can save for their future education needs, the less they'll need to rely on financial aid (grants, scholarships, work-study opportunities and student loans) to help foot the bill.

Consider the following tips to help boost your college saving efforts.

- **Set a goal.** It's hard to hit a target if you're not sure what you're aiming at. To help you set a realistic saving goal, explore the Financial Aid 101

section at OKcollegestart.org. This resource explains financial aid options and the average costs associated with attending different Oklahoma colleges and universities.

- **Engage friends and family.** When it comes to birthday and holiday gifts, you can usually count on friends and family to stock your child's room with toys, clothes and other goodies. This year, encourage them to give a gift that keeps giving by contributing to your child's college fund.
- **Get your children involved.** Cultivate a college-going culture in your home and a sense of ownership in the educational process by encouraging your children to help with the saving effort.

Ask them to set aside a percentage of their allowance to contribute to their college fund. As they get older, encourage them to work during the summer and put their earnings into savings.

- **Maximize windfalls.** Bonuses, rebates and tax refunds make saving easy. You know you can live without the extra cash to meet your day-to-day needs, so instead of spending it, put the money into savings so it can help boost your bottom line.
- **Put savings in the parent's name.** Many families don't think about account ownership when they open a savings account for their child, but that

cont. on page 2



Subprime Auto Loans
Money Talks



Q&A: Repaying
Student Loans



Affordable Hobbies
Costuming on a Dime



Items to Buy
On Our Mind



Debt Reduction
Scams
At Your Service



Fall Crafts
Savvy Savings



Partner News
Calendar

simple decision can have a significant impact on financial aid options in the future. Under the current federal financial aid formula, a child must contribute 20 percent of their assets to college costs, whereas parents are only required to contribute 5.6 percent of their assets. To learn more about account ownership and how it affects financial aid, explore the savings section at FinAid.org.

- **Reduce future costs.** There are many steps you can take today that can result in deep discounts in the future. Encourage your child to study hard, earn good grades, take the right classes, and explore advanced placement classes, concurrent enrollment and CLEP tests. Another option worth exploring is pre-paying your child's tuition now. Some colleges and universities will allow future students to lock in today's tuition rates for tomorrow's education.

Ideally, college savings should begin at birth. However, if you're a little late to the game, don't fret. It's never too late to start investing in your child's (or your own) educational future.

The best strategy for saving success is to set a goal, make a plan and start saving now!



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

“How do you know when you’ve reached financial success?”

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



Subprime Auto Loans...



The phrase “subprime loan” became infamous after the 2008 recession where some homeowners faced paying outrageous principal balances and interest rates for their mortgages, because they couldn't qualify for loans with more favorable rates. For many, this resulted in financial crisis and foreclosure. Now, many consumers are finding themselves in similar situations with their auto loans.

If you're being considered for a subprime auto loan, here are some tips that may help you qualify for better rates.

- **Check your credit.** Visit AnnualCreditReport.com to request a free report from each of the three major credit bureaus. For a nominal fee, you can also purchase your credit scores. Reviewing your credit reports will allow you to address any errors and give you a preview of what your lender will see when viewing your credit history.
- **Address unpaid debts.** Creditors consider your debt-to-income ratio when making lending decisions. If you have any unpaid bills or collections, work with the creditor to repay the debt.
- **Prepare to make a down payment.** Industry leaders suggest paying at least 20 percent as a down payment. Making this upfront payment could qualify you for better loan terms, reduce your monthly payments and shorten the length of your loan repayment.
- **Pay on time.** Make a plan to pay your loan payments on time each month. If you can demonstrate to your lender that you're a reliable customer, you may be able to refinance your loan. Refinancing at a lower interest rate can save you a significant amount over the life of the loan.



Student Loan Repayment

Mary Heid, Director for Default Prevention, Compliance
and Training Services
OCAP: Ready Set Repay

Tell us about Ready Set Repay and the services the program offers.

Ready Set Repay is the default prevention initiative of the Oklahoma College Assistance Program (OCAP), an operating division of the Oklahoma State Regents for Higher Education. Ready Set Repay works with student loan borrowers and Oklahoma higher education institutions to help students make smart borrowing decisions and successfully repay student loans.

Our website, ReadySetRepay.org, offers a section for school partners which features our publications, products and services, along with great information to help borrowers avoid defaulting on their student loans.

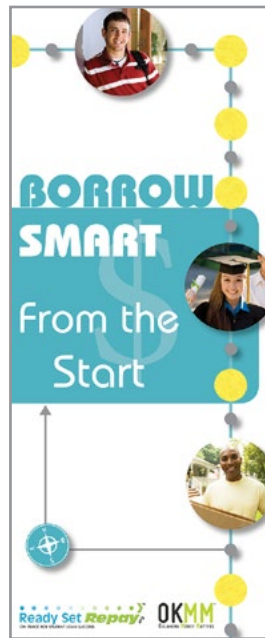
Who can benefit from Ready Set Repay services?

Whether a student loan borrower is in school, has graduated, is in repayment, has fallen behind on payments or is in default, Ready Set Repay has valuable information to help them successfully navigate loan repayment.

Student loan borrowers seeking up-to-date student loan news and resources should check out our Facebook page, [Facebook.com/RepaymentScoop](https://www.facebook.com/RepaymentScoop).

What advice would you give to current and soon-to-be college students about student loans?

It's imperative for students to only borrow what they need to pay educational expenses and to exhaust their federal loan options before seeking private student loans. We also encourage student to be "salary savvy." We suggest students should try to make sure the total amount



borrowed won't exceed their first-year salary after graduation. To find more information, including tips on how to make wise choices when it comes to student loans, Ready Set Repay and Oklahoma Money

Matters encourage you to visit ReadySetRepay.org to download a copy of *Borrow Smart from the Start*.

Current students should do their best to monitor their spending, complete the Free Application for Federal Student Aid (FAFSA) annually and continue to apply for grants and scholarships. The "I'm in school" section at ReadySetRepay.org offers user-friendly information about loans and repayment options, including a calculator that can help students estimate their future student loan payment.

What can students do to prepare to repay their student loans?

Students should contact their loan servicer during their grace period to update contact information and select the best repayment option for their financial situation. The National Student Loan Data System (NSLDS) will help them find their loan information and loan servicer contact information.

We offer a short video that explains how to access NSLDS. To view the video and learn more about preparing to repay student loans, visit ReadySetRepay.org and click "I just withdrew or graduated."



Affordable, Fun Hobbies

A hobby can help you hone your creativity, develop new friendships or simply relax. But if you're not careful, a hobby can also stress your budget. Here are some tips for keeping hobbies fun and affordable.

Choose something free or inexpensive. There are many things you can do to occupy your free time that hardly cost a thing. For example, if reading is your favorite way to wind down, instead of paying for books, borrow them from the library, friends or family. You can also download the free Kindle app to your smartphone or computer and dive into the ever-expanding selection of free digital books at [Amazon.com](https://www.amazon.com).

Turn to YouTube. If you're interested in learning a new hobby, like sewing, cooking or knitting, [YouTube.com](https://www.youtube.com) can be an invaluable source for free tutorials and demonstrations. If you're already a whiz in a certain area, consider uploading your own instructional videos; maybe you'll be the next YouTube sensation.

Shop smart. For hobbies that require special tools or materials, browse sites like [eBay.com](https://www.ebay.com) to buy supplies in bulk for significant cost saving. Garage sales, year-end close out sales and hobby-related websites are also good places to shop for can't miss deals.

Start a business. Explore ways to turn your hobby into a profitable venture. If you like playing guitar, consider teaching lessons. If you're crafty, consider opening a shop at [Etsy.com](https://www.etsy.com). If you're a pro in the garden or kitchen, explore selling items at a local farmers markets.

Crafty Costumes On a Dime

Unfortunately, it's easy to drop a ton of cash on pre-packaged costumes. Here are some ideas for dressing up without those terrifying effects on your budget.

- **Raid your own closet.** Sometimes it's just a matter of putting together a character's signature outfit and finding ways to accessorize it. A little black dress could be the base for a witch costume if you add a pointy hat. Or maybe you could tear up an old, stained shirt if you plan to be a zombie.
- **Hit the thrift shop.** Sometimes you can find ready-made costumes for a few bucks, and with a little creativity regular clothes may work perfectly. It's not difficult to turn a long, frumpy skirt and high-collared blouse into a steampunk dream costume!
- **Buy something you'll wear again.** Maybe it's worth buying a coat just like Neo wore in *The Matrix* if you enjoy it enough to wear it all winter. Similarly, many costume elements can be stored for future costume building.
- **Reuse.** If you dressed up as Rapunzel last year, repurpose the extra-long blonde wig by putting two braids in it and go as a Viking shield maiden.
- **Get crafty.** If your toddler wants to be Thomas the Tank Engine, you may be let down by the costumes available in stores. Instead of settling for something that's itchy or doesn't fit well, find a large cardboard box, cut some neck and arm holes in it, and paint it to look like a blue train. For more fun, let your kids help!

Creativity really is the most fun aspect of costuming, so don't always head straight to the costume shop. You'll be amazed by the number of compliments you'll get just for doing something a little different!

Finding bargains often depends on knowing the ideal time to buy. Here are some items that are particularly affordable during Sept. and Oct.

Home appliances and cookware: With the holidays approaching and new models being released, good deals abound.

October is Fall Car Care Month so look for deals on tires, oil changes and other car maintenance services.

Next year's models will roll onto the car lot in September, so if you're in the market for a new vehicle, look for deals on 2014 models.

There's usually a drop in demand for cruises in October, so take advantage of the travel lull to get great vacation deals.

On Our MIND

What's on the mind of OCAP staff? This month communication specialist Elizabeth Pressler-Henderson talks about maintaining a healthy diet on a budget.



I love food, so it may come as no surprise that nutrition is one of my interests. There's a lot of conflicting information out there on the cost of a healthy diet, but I've managed to make it happen and stay on budget. Here are some surprisingly simple ways to stock up on healthy food without shedding inches from your wallet.

- For maximum nutrition, let fresh produce be the star of your menu. This doesn't have to mean shopping at stores like Whole Foods for exotic fruits and veggies! Instead, eat produce that's in-season. The easiest way to do this, especially during warmer months, is to visit a farmers market where prices tend to be better because you're cutting out the middleman. If you can't make it to a farmers market, just keep season in mind. For example, peaches will be less expensive in early summer, while pears are a better buy in the fall. Bagged produce is also often a better deal than picking individual items from a pile; just check the bag's weight to compare.
- Plant protein is one of the healthiest and most cost effective ways to "beef up" your diet. Skip the processed "meat alternatives" and opt for legumes like beans and lentils. Less common grains like amaranth or quinoa also pack a heavy protein punch, but these may be harder to find unless you have access to a health food store. Dry is usually the least expensive version in these categories. If your store has bulk bins, be sure to compare the price to the prepackaged bags on the shelf. Bulk bins, oddly enough, aren't always the best deal. Bonus: Look online to see if you can order in bulk at an even better price!
- If you're a meat eater, watch for sales on meat that has reached its "sell by" date. Buy and freeze it the same day and it will be good when you're ready to use it.
- Whole grains are becoming so popular that they're competitively priced alongside the refined versions. Just don't be sucked into the "made with whole grains" gimmick, as this label usually means it contains more refined grains than whole. A whole grain should be the first or only ingredient.

The secret boils down to finding deals on real food instead of relying on the health food industry to offer you expensive convenience products. Eating healthy doesn't have to break the bank!

Avoid Debt Relief Scams

In 2011, The Federal Trade Commission (FTC) estimated that 1.5 million people were victims of debt relief scams, 1.7 million people fell pray to credit repair scams and 800,000 people lost out in mortgage relief scams.

These bogus deals typically promise to lower or eliminate monthly payments, stop creditors from calling and remove bad debts from consumers' credit reports. In reality, they leave victims paying outrageous fees without debt relief.

If you're struggling to manage your debt and are considering working with a debt management service, here are some tips to help ensure you're not scammed.

- **Do it yourself.** Many people can successfully manage their debt without the help of a third party. Begin by reaching out to your lender(s) to explore your repayment options. Ask about lowering interest rates, waiving late fees and penalties or negotiating for a lower, lump-sum payoff.
- **Be honest.** The key to long-term debt management is being honest with yourself about your spending habits. Start by tracking your expenses, living within a budget, and being mindful of triggers that cause you to overspend.
- **Do your research.** Staying up-to-date on the latest consumer information can save you from making a costly mistake. The FTC offers *Scam Alerts* (consumer.ftc.gov/scam-alerts) to help consumers stay a step ahead with the latest information and practical tips to protect yourself from scams.

The Better Business Bureau is another valuable resource. Check out *BBB Scam Stopper* (bbb.org/council/bbb-scam-stopper/) to learn about the science of scams, who's typically targeted and how to protect yourself.

- **Seek reputable help.** If you prefer to rely on a professional, work with a nonprofit program affiliated with the National Foundation for Credit Counseling ([NFCC.org](https://nfcc.org)). Affiliated counselors are trained to provide financial education and various debt management services at no cost or for a low fee.

If you've fallen victim to a scam, visit Consumer.FTC.gov to file a complaint and review your consumer rights.



At Your Service

From Cradle to College

It's never too early to start preparing your child for a successful future. The path to academic success begins in early childhood with proper development and continues throughout your child's life as they learn the skills and habits to become successful adults.

As a role model, you help shape your child's future and that future should include higher education. Over a lifetime, college graduates earn about \$1 million more than high school graduates. Any education beyond high school greatly improves your child's earning potential. It's essential to start now by planning ahead, saving up and helping your child set goals for the future.

That's why UCanGo2 partnered with early childhood experts Smart Start Oklahoma to develop *From Cradle to College*—a guide designed to help new parents build a college-going culture in the home by identifying developmental milestones, enriching playtime and maximizing learning opportunities. The guide also offers advice on making learning a priority, discussing college with older children and planning ahead for college costs. For more information or to download a copy of the guide, visit UCanGo2.org.



When grocery shopping, travel left to right.

The majority of shoppers travel counter clockwise in stores. Because of this pattern, stores place the freshest, most enticing products to the right of the doors so customers will be tempted by them on the way to grab the items they came for, like milk, bread and soda, which tend to be at the back of the store.

Crafting With Leaves



Ready or not—cooler weather, pumpkin flavored treats and vibrant fall foliage are headed your way. For some, those brilliant-hued leaves feel much more inviting when they're on the trees—not littering the ground and lengthening your list of chores. This year, instead of (or, in addition to) grumbling about the workload required to bag each and every leaf, get creative and put those leaves to work for you! Here are a few “fun with foliage” projects to brighten your fall season.

- **Home decor.** If you enjoy decorating your home seasonally, leaves can be used in many DIY projects that complement the season. For example, use leaves and “Mod Podge” to create a decorative artifact, bowl or glass jar candle holder. String them together to make garland for the mantel or an outdoor wind catcher. Use leaves and branches to create an autumn centerpiece.
- **Crafts with kids.** When it comes to fall projects, kid-friendly crafts are as infinite as the number of leaves in your yard. Leaves can be colored or painted, glued and glittered, or even turned into critters. No leaves littering your yard? Your children can create “leaves” using grocery sacks, scrap fabric or craft paper.
- **Make lasting memories.** Autumn is a great time to get outside and enjoy what our planet has to offer. This fall, consider taking a day or weekend drive through the Talimena National Scenic Byway or a walk through a local park to appreciate the changing colors. If you have lots of leaves in your yard, partake in a traditional pastime by piling them up for a few hours of safe leaf pile jumping fun. While you're at it, be sure to take some pictures and grab a few leaves to decorate picture frames or create scrapbook stamps and shapes.

The largest pumpkin ever carved weighed 1,818.5 pounds. *VisualNews.com*





Partner News and Events



All Oklahoma financial education teachers (grades 7-12) are eligible to apply for TFCU's

Financial Empowerment Teacher of the Year Award

Entries are due Oct. 31.

Visit tinkerfcu.org for more information.



Coalition Meeting:
Wednesday, October 29
11:30 a.m. until 1:00 p.m.
Oklahoma City

&

The Oklahoma Jump\$tart Coalition and the Federal Reserve Bank of Kansas City - Oklahoma City branch are hosting the 2014 Financial Education in Oklahoma Conference:

Bridging the Gap: Solutions for Oklahomans in Poverty

Wednesday, November 5

Moore-Norman Technology Center (Penn Campus)
Oklahoma City

Participate in an interactive simulation, activities and group discussions that will help you empathize with and better serve your financially disadvantaged clients.

Visit OklahomaJumpstart.org to register.

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 mneal@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 and the Oklahoma State Regents for Higher Education.

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'



OKLAHOMA STATE REGENTS
FOR HIGHER EDUCATION

Improving our future by degrees

