



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

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Financial Planning for the Year

This time of year, it's normal to start planning for the months to come. Maybe you've already set goals for a better fitness plan, a more nutritious diet or a way to address your overall mental health, but what can you do to improve your personal finances? By setting aside some time now to work on your money management skills, you may save big bucks in the long run. Check out these tips to get started.

Assess Your Expenses: This is one of the most important things you can do, many times throughout the year. Take a look at all of your expenditures for the past few months by scrolling through your bank or credit card statements, and identify all of your essentials, like your rent/mortgage, utilities, groceries, etc. Then, see what's left and think about what you want to keep. Many people have monthly payments for items or services they don't even use anymore! Do you need all those streaming services? Think about cheaper ways to do

things - for example, have you really spent much time at the gym? If not, try walking or running around the neighborhood, or research cheap or free options for exercise equipment in your area.

Reset Your Spending Plan: After you have a sense of where your money is going and have made conscious choices about each item, prepare or update your budget. Some view budgeting as a stressful, restrictive activity, but in identifying how your money will be spent, you can gain control of your spending, as well as a sense of financial freedom. Make sure to always include line items in your spending plan for entertainment, gifts or other fun activities. A budget that's too restrictive is a recipe for disaster. While you're at it, make it a priority to keep closer track of your expenses throughout the year so you're ready for 2022. You can use a spreadsheet for manual entry, or check out different

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apps you can connect to your accounts for automatic tracking.

Be sure to check out OKMM's [Personal Budgeting Tool](#) at [OklahomaMoneyMatters.org](#).

Gather Tax Documents: Start collecting last year's returns, W-2's, and any other forms you might need for your particular tax situation. File your taxes as early as possible so if you receive a refund, you can get it faster and the funds can spend more time accruing interest in your emergency or retirement savings account, or so you can apply it to your debt before more interest compounds. If you end up owing money, it's best to know early so you can build the required payment into your budget. Also, don't forget to save your receipts and other important information in a physical file or dedicated folder on your computer so it's easy to find and ready to go for next year.

Pay Down Your Debt: No matter what kind of debt you may have or how much you owe, a big part of your success is getting organized: find out who you owe, and how much you owe them. Then, develop a workable repayment strategy. Whether you choose the [Debt Snowball](#) method, or [another method that works for you](#), create concrete goals and celebrate each time you knock one down.

Getting your finances in order this year can open up a world of possibilities for you in the future. For more personal finance tips, tools and resources, be sure to visit [OklahomaMoneyMatters.org](#).

I Lost My Wallet! What Should I Do?

1. Contact your bank to freeze your debit card/report it stolen.
2. Contact your credit card companies to freeze your credit cards/report them stolen.
3. Make a list of everything that was in your wallet, while the contents are still fresh in your mind.
4. If your wallet is misplaced, trace your steps to try and find it. The sooner, the better.
5. If your wallet was stolen, file a police report within 24 hours.
6. Consider identity theft protection or a credit freeze.
7. Don't panic. Focus on the steps required to replace your driver's license, debit card and other important items.



Oklahoma's Promise

Are you or someone you know an Oklahoma eighth-, ninth- or 10th-grader? Do you know about Oklahoma's Promise?

Oklahoma's Promise is a scholarship program for eligible Oklahoma residents that pays tuition at public colleges and universities, as well as certain programs that meet the requirements to be eligible for federal student financial aid offered at Oklahoma public technology centers and a portion of tuition at accredited private colleges and universities in the state. Students in the eighth-, ninth- or 10th grade whose family Adjusted Gross Income (AGI) is under \$55,000 at the time of application are eligible to apply for Oklahoma's Promise (homeschool students must be ages 13, 14 or 15). In addition, family income must not exceed \$100,000 each year of the student's post-secondary education.

Students must take 17 units of required high school courses, achieve at least a 2.50 GPA both in the OKPromise curriculum and overall, and abide by certain conduct standards. Students must also complete a [Free Application for Federal Student Aid \(FAFSA\)](#) for every year they are enrolled in college.

Created in 1992 by the Legislature to help more Oklahoma families send their children to college, Oklahoma's Promise was originally designated as the Oklahoma Higher Learning Access Program. The program is administered by the Oklahoma State Regents for Higher Education and has enrolled more than 190,000 students since inception. Nearly 90% of all Oklahoma's Promise graduates are employed in Oklahoma one year after graduating from college.

To learn more about Oklahoma's Promise, visit [OKPromise.org](#), email OKPromise@osrhe.edu or call 800.858.1840.





Tipping Etiquette

Tipping someone who provides you a service—whether it's food service, grocery delivery or a haircut—is a customary way to show your gratitude. It is also a practice that confuses some people. To make it a bit easier, we've provided some guidelines to help you know when and how much to tip.

Restaurants and delivery drivers: Regardless of whether you're dining in or taking out, if they helped you get your drinks or your food, you should tip them.

Travel: Hotel porters, room service, housekeeping, taxi or ride-share drivers should also be included in your travel expenses.

Special Events—like weddings or funerals: Any wait staff, bartenders, attendants, DJs or officiants should get a tip, too.

Tipping isn't optional: Many in the service industry rely on tips to be able to pay their bills. Tipping should never be withheld for bad service. If there is a problem, talk to the manager—don't take it out on the service person. Additionally, if you can't afford to tip, reconsider using that service until you can.


Default on the side of generosity: The general rule of thumb for gratuity is a sliding scale between 15-20% of your pretax total. Consider giving a little more if the person had to put in extra effort (i.e., they delivered your groceries during a rain storm) especially right now when many in the service industry may be hurting financially.

Tip according to the service provided: The amount you tip can vary depending on the industry but you should never tip less than 10%.

In the end, tipping isn't a perfect science but you should remember that if they make your life easier, they deserve a tip.

On Our MIND

What's on the mind of OCAP staff? This month, outreach specialist Letha Huddleston talks about focusing your eyesight on the financial future.



In November, I had two cataract procedures done, two weeks apart. I spent the week leading up to the first one dreading what I was about to endure, but I'm happy to report both procedures went amazingly well—quick and painless. But here's what I find interesting: Before the procedures I was nearsighted (myopic), meaning I could see things more clearly if they were close, but my distance vision was blurry. Now I'm farsighted (hyperopic). My distance vision is great, but things get blurry when I try to focus on something up close.

So how is your eyesight? Let's think about this another way - how do you see your future? Maybe you have myopia, and you're so focused on your present circumstances that it's hard to see how your plans and dreams can ever be realized. Or perhaps you have hyperopia - you have a clear vision of your future, but you're not so clear about how to get there.

An old proverb says, "A journey of a thousand miles begins with a single step." If you're having trouble seeing your future clearly, your first step might be to take an honest assessment of your current situation and identify the factor(s) that can be changed. Do you want to be in your current job five years from now? Do you need to take courses at a local community college, technology center or university to get the skills you need for the job you want next? What's your dream job? Do you need more cash? [Oklahoma Money Matters](#) offers tips about savings and money management. By taking more control of your current situation, you can begin to envision a more promising future. It all begins with a single step.

If you have a dream or goal in mind but you're not sure how to get there, it's time to make a plan. Read all you can about everything you need to accomplish in order to reach your goals. Do you need to save more money each month? Earn your GED? Research schools that have the courses you need to reach your goals? [OKcollegestart.org](#) is the perfect resource for comparing colleges. You may be surprised to learn what the colleges and technology centers in Oklahoma have to offer! Remember, one small step is all it takes to get you going.



Understanding Your Aid Offer

The **Free Application for Federal Student Aid (FAFSA)** is an important first step in the financial aid process. After you've submitted the FAFSA, your college(s) of interest will process the information you provided and will determine your eligibility for federal and state aid. The college(s) will also calculate the loans and institutional scholarships you're eligible to receive. The summary will be sent to you in an award letter, either electronically or via the U.S. Postal Service. Keep in mind, it takes time to process this information, so most colleges will send out aid offers in late March or early April for those starting school in the fall.

When your offer arrives, it's important to read it carefully. You'll be asked to accept or decline all or some of the offered financial aid. On your aid offer, you'll see several different numbers, which are outlined below.

Cost of Attendance (COA): This is the estimated cost to attend your college for one year.

Expected Family Contribution (EFC): This number is used by the college to determine how much financial aid you're eligible to receive. While the EFC is a calculation of all the information provided on the FAFSA by you and your parent, it's most likely not the amount you'll be expected to contribute.

Award Package: The letter will list the types and amounts of aid the college can offer to you. You may see some of the following:

Grants: These are considered gift aid that can come from federal, state and tribal governments. Grants are usually based on financial need.

Scholarships: These can be based on need, merit or interests. They're awarded by colleges, state agencies, companies, foundations, tribal and private organizations.

Federal Work-Study: This is an opportunity to work on- or off-campus to earn financial aid. Think of it as a part-time job specifically to pay for school.

Federal Student Loans: Loans are borrowed money to help you pay for college. Loans must be repaid, with interest. Regardless, they cost more than their original value due to interest.

Remember, you don't have to accept all of the aid offered to you, especially when it comes to borrowing student loans. A monthly payment of tuition and fees during college may be less expensive than a loan payment with added interest after you've completed your education. Talk with your family about your financial situation and decide how much financial aid and which types of aid you need to accept.



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.

