



# Your Bottom Line

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

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## Transition to Independence

Graduation is right around the corner. Whether you're graduating from high school or college, it's important to consider these steps to ensure you'll be on the right financial path as you move toward life's next milestone.

**Submit the FAFSA:** If you're graduating from high school and planning to transition to college, it's important to file your Free Application for Federal Student Aid (FAFSA). The FAFSA is used to determine your eligibility for financial aid, including federal grants, work-study, and student loans. The FAFSA should be completed every year you need money for school. Many state aid programs and scholarship providers also require FAFSA completion. Don't forget to apply for as many scholarships as possible, because they don't have to be repaid. For tips and resources on finding free money, check out [UCanGo2's Scholarship Success Guide](#) and [OKcollegestart.org](#).

**Double-check your resume:** Whether you're going straight into the workforce after high school or applying for your first job after earning your college degree, putting your best foot forward with your resume is an essential step to success. Your resume should identify you, state your job objective, list your educational and work experience, and include key skills, honors and volunteer activities. Find helpful resources under the Career Planning tab at [OKcollegestart.org](#).

**Evaluate every job offer:** Your salary isn't the only thing to think about when evaluating a job offer. Consider the fringe benefits available to you, such as medical, dental or vision insurance, as well as access to a 401(k) or other retirement plans. Perks like this can have an added financial value that may outweigh positions with higher salaries that don't include benefits!

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**Budget for your life:** Most everyone dreams of being wealthy, or at least financially stable. The first step on your road to financial security is [creating a budget](#). Whether you're independently wealthy or paying your dues at an entry-level job, everyone needs a spending plan to meet their financial goals. It's important to know how much you have coming in and going out every month. Create expense categories, set limits for each category and review them regularly to make sure you aren't overspending.

**Save for emergencies:** Before spending a single dollar of your paycheck, set aside a portion as savings. Whether it's \$10 or \$100, every dollar you have in savings will prevent those unexpected life emergencies from depleting future funds. Treat savings as a fixed expense in your budget, just like rent or a student loan payment. Paying yourself first should be a priority, not something you do if you have extra money at the end of the month.

**Repay your student loans:** If you borrowed money to attend college, paying back your student loans is an important responsibility. Your monthly payment should be a part of your budget, just like rent or your car payment. While you're still in your six month grace period, update your contact information at [StudentAid.gov](#), review and [choose a repayment plan](#) and estimate your student loan payment so you can add it to your budget before repayment begins.

For more tips to master your transition to financial independence, be sure to check out [OKMM's Transition to Independence learning module](#).

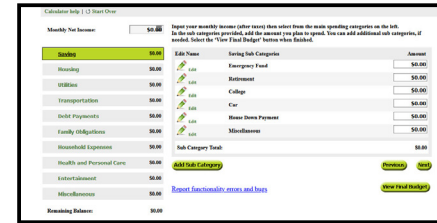


## Calculators & Clearinghouse

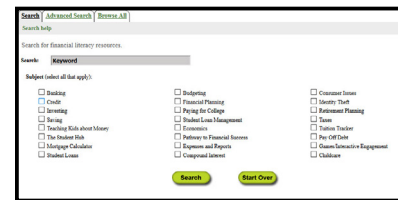
Oklahoma Money Matters (OKMM) is a personal finance education program that helps K-12 schools, higher education campuses, businesses and community partners develop or expand educational services that empower Oklahomans to make positive financial choices. Among the many services that OKMM offers are a variety of online tools and calculators, including the Interactive Budget Calculator and an online resource clearinghouse.

### Interactive Budget Calculator

OKMM's interactive budget calculator allows you to customize categories



to track your expenses. As you enter your information, your remaining balances are automatically calculated to let you know how much you have left to spend. Afterward, you can even export your final budget to a spreadsheet to save or print.



### Online Clearinghouse

Looking for educational materials that

address personal finance topics? OKMM's online clearinghouse is a database featuring hundreds of free resources covering a variety of topics like investing, paying off debt, student loan management and more. Users can search resources by key word, subject area, audience, and type (e.g. publication, lesson plan, game).

For more information about OKMM's online tools, visit [OklahomaMoneyMatters.org](#).

**This Memorial Day, we remember all those who made the ultimate sacrifice for their country.**

**In honor of our military, we'd like to highlight some college scholarships specifically for veterans and their families.**

**Freedom Alliance Scholarship Fund**

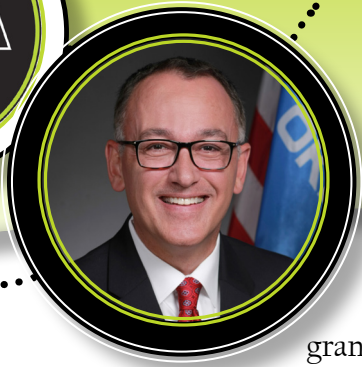
*for the children of military heroes*

**Veterans and Military Family Scholarship**

*for college students*

**Paralyzed Veterans of America Scholarship**

*for PVA members and their families*



# Oklahoma 529 College Savings Plan

Randy McDaniel, Oklahoma State Treasurer and Chair of the Oklahoma 529 College Savings Plan

Randy McDaniel is the Oklahoma State Treasurer and Chair of the Oklahoma 529 College Savings Plan. In this month's Q&A, McDaniel answers questions about the Oklahoma 529 College Savings Plan.

## *What is a 529 college savings plan?*

A 529 college savings plan offers tax-advantaged accounts to encourage investing for future higher education expenses. Funds from a 529 account can be used for qualified expenses at universities, colleges and technology centers nationwide. It can also be used toward K-12 school tuition.

Section 529 in the Internal Revenue Code is where special provisions for the plan can be found. While contributions to 529 accounts are after-tax dollars, there are state and federal tax benefits. Notable benefits include tax-free growth and withdrawals when the money is used for a qualified educational expense, and often contributions provide a state income tax deduction.

The Oklahoma 529 College Savings Plan (OCSP) began in 2000 and reached over \$1 billion in managed assets in 2020.

## *Who can open an account?*

While 529 accounts are most commonly used by parents and

grandparents to save for their children and grandchildren, nearly anyone 18 years of age or older can open a 529 account. We encourage parents, grandparents and guardians to plan for the future and open an Oklahoma 529 College Savings Plan account today.

## *Who can be a beneficiary of an account?*

Typically, the beneficiary will be a child, grandchild or close relative of the account owner. However, we see some account owners that are also the beneficiary when they plan to return to college to pursue an advanced degree.

## *What does it cost to open/maintain an account?*

An OCSP account can be opened with a \$25 deposit. OCSP offers convenient automatic contribution options that can help families save consistently. Recurring contributions can be set up with as little as \$25 per month and do not incur any additional processing fees. Learn more about [contributions here](#).

## *Which educational institutions are eligible to receive payments from a 529 account?*

An OCSP account can be used at most higher education institutions, including colleges, universities and technology centers. Payments can be made to many excellent institutions located in the state of Oklahoma or throughout the

world. OCSP funds also can be used toward K-12 school tuition.

## *What counts as a qualified expense?*

Qualified expenses include tuition, certain room and board costs, fees, books, supplies and equipment. Technology related items, such as computers, internet access fees, software and printers used by beneficiaries are also considered qualified expenses.

## *What if my child decides not to go to college?*

Plans sometimes change. So, OCSP accounts offer flexibility. Account owners can change the beneficiary to another eligible family member if the original beneficiary decides not to attend college. If funds are used for non-qualified expenses or simply withdrawn, there are tax consequences on any potential earnings. However, it's important to note there is no time limit on using funds in an OCSP account.

## *What are the tax advantages of a 529 account?*

Account earnings in an OCSP account grow free from federal and Oklahoma income tax, if the withdrawals are used for qualified education expenses. Plus, OCSP is the only direct-sold 529 plan to offer an Oklahoma income tax deduction for contributions up to \$10,000 per year for single filers and \$20,000 per year for joint filers.





# No-Clean Spring Cleaning

Spring cleaning articles are everywhere this season! But relax—this one's not about scrubbing the grout in your bathroom or 100 ways to use coffee filters. Let's talk about cleaning up what visitors won't see when they come over for dinner.

## Your Schedule

How often have you felt your schedule controls you, instead of the other way around? Yes, work and school take up a lot of your day, but they don't have to fill every waking moment. Plan some time for you—for something you truly enjoy. The possibilities are endless; hobbies, books, movies, family time, writing poetry and outdoor activities are just a few.

## Your Finances

Do you have a plan for financial fitness? Take some time for a checkup on your checkbook. Are you surprised by the amount of money you're pouring into a certain category? Are you making regular deposits into one or more savings accounts? How's that debt snowball going? Review your habits in light of your priorities and adjust as needed. Visit [OklahomaMoneyMatters.org](http://OklahomaMoneyMatters.org) for more information about successful money management.

## Your Passwords

In spite of all the excellent guidelines that are available, many of us still tend to use weak passwords or use the same password for multiple accounts. After all, it's such a burden to create lengthy passwords for each account, and then we have to keep track of them. But since we rely more and more on technology every day, it's important that we protect ourselves from identity thieves. Passwords should contain:

- 10 or more characters—the longer the password, the better
- A mixture of upper- and lower-case letters
- A mixture of letters and numbers
- At least one special character

Don't use any personal information in your passwords, and avoid using any words that can be found in a dictionary. You could create a password by using the first letters of a phrase, song lyrics or a poem. For example: "Oklahoma! Where the wind comes sweeping down the plains" can become OIWtwcsd+p.

## Your email

Unwanted marketing messages can take over your digital mailbox. Before you delete them all, scroll down to the bottom of the most recent message from a vendor and click 'Unsubscribe.' In a week or two, you'll be very pleased with the results.



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.

