



Your Bottom Line

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

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Money Management for Incoming College Students

The fall semester is quickly approaching, which means classes will be starting soon. If you're a new college freshman you should have a plan in place for tuition and educational expenses, as well as personal costs. Take charge of your finances now so you can eliminate the stress that comes along with poor money management. Here are some money management tips for those who will be starting college this fall.

Focus on scholarships and grants. When considering the types of financial aid that are available for you to choose from, remember to go for 'free money' first. The more grants and scholarships you can find, the less you'll have to borrow to pay for your education. In fact, you may be able to avoid student loans altogether. Visit UCanGo2.org and OKcollegestart.org to search for scholarships to help with the cost of college.

Plan ahead for campus living. If you're going to live on campus, you may need to get some accessories for your dorm room, especially if you're a freshman. Start shopping now, so you can make your purchases a few at a time rather than spending a lot of money right before getting settled in your new surroundings. In mid to late summer, many stores have great sales on items typically needed for dorm life: bedding, laptop, school supplies, curtains, mini fridges, cleaning products, etc. Resist impulse buying, and compare prices on merchandise from different stores before you go shopping.

Stick to a budget. At the beginning of the semester, determine what your monthly expenses will be. List these items as needs and wants. Some examples of needs are: food, rent (if living off-campus), monthly payments to your school (if you're on a payment plan), gas or public

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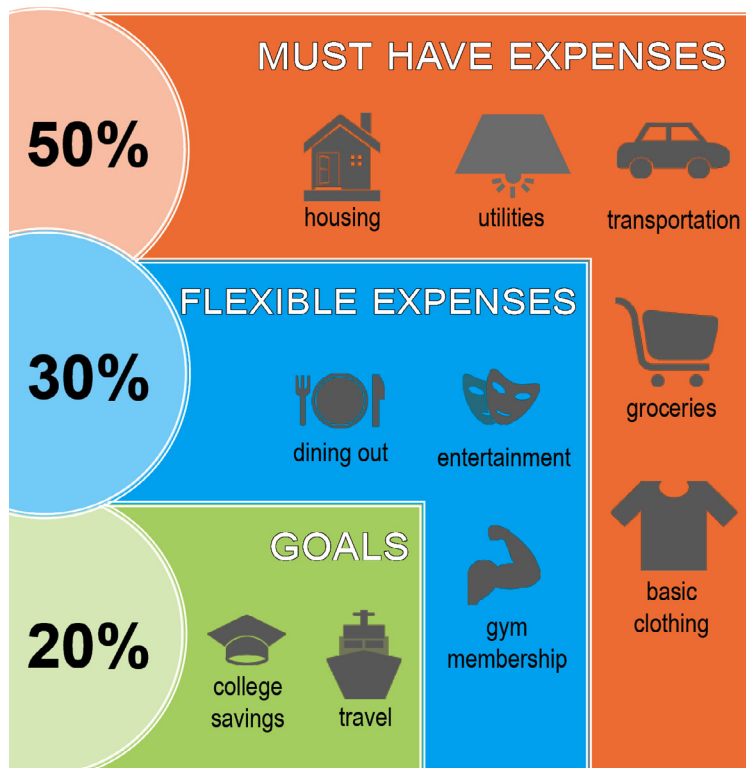
transit and essential personal items/expenses. Some examples of wants include: eating out, campus activities like athletic events, entertainment (such as streaming subscriptions or movies) and money for travel. To be a responsible money manager, always pay for needs first, then see how much you have left to pay for the things you want.

If possible, make interest payments on your unsubsidized loan. Interest begins accruing on a Direct Unsubsidized Loan as soon as the first disbursement is posted to your account. To avoid a larger loan balance when you graduate and start repayment, consider making monthly interest payments while you're in school. See Ready Set Repay's [Capitalized Interest poster](#) to see how much money these relatively small interest payments can save you in the long run.

Be careful with credit cards. They're great for establishing a good credit rating, but if you're not disciplined with your spending, your credit card balance can add up fast. Avoid paying college costs with a credit card; if you need extra cash to cover school expenses, consider a part-time job or a federal student loan with a lower interest rate.

For more tips on managing your money while in college, be sure to visit [OklahomaMoneyMatters.org](#).

THE 50/30/20 SPENDING PLAN



Divide your spending plan into three categories to simplify balancing your budget and prioritizing your needs and wants.

Spending plans are as unique as the user; don't give up if this method doesn't work for you. Keep experimenting until you find the plan that fits your needs.

Individual Career Academic Plans

An Individual Career Academic Plan, or ICAP, is a plan with a series of tasks that students complete throughout their high school years. Students currently in 10th grade and every graduating class following them in public Oklahoma high schools are required to complete an ICAP as a graduation requirement. Throughout the ICAP process, students will learn about themselves, explore careers, and build a plan for life after high school.

State law requires every 9th, 10th, 11th, and 12th-grade student complete career and college interest surveys, update written postsecondary and workforce goals annually, take an intentional sequence of courses in high school that reflect their postsecondary goals, track academic progress through college readiness tests, concurrent enrollment and career certifications, and participate in service-learning or work environments.

[OKcollegestart.org](#) is one of the free online platforms school districts may use to facilitate ICAP efforts in their schools. OKcollegestart includes an ICAP feature that allows educators to customize the activities students should complete on the website as part of the ICAP process. Activities include a resume builder, multiple career and interest surveys, scholarship search, a high school coursework planner to ensure students are on track for graduation, and much more.

As students complete ICAP activities on [OKcollegestart.org](#), educators can track student progress on the Professional Center, viewing individual student portfolios, running reports for groups of students, and managing student accounts.

Parents may also connect to their students on [OKcollegestart](#) and follow ICAP progress and results. Students must send the invitation to connect parents on [OKcollegestart](#). Students and parents also have access to various free test prep materials.

To learn more about [OKcollegestart](#), visit [www.OKcollegestart.org](#). For general ICAP information, visit [www.OKEdge.com](#).



Mortgage Refinancing

Crystal Craig, Mortgage Lender Supervisor
Arvest Bank

Crystal Craig, NMLS 740060, is the Mortgage Lender Supervisor for Arvest Bank in Oklahoma City. In this month's Q&A, Craig answers questions about mortgage refinancing.

What does refinancing mean?

Refinancing is a process where you apply for a new loan to pay off an existing loan (in most cases) or apply for a loan against a property you currently own to either improve your loan terms, such as interest rate, adjust your payment, shorten the amount of time you have left to pay or take equity out for other things. A refinance can apply to a home, a car or other consumer loan you may hold.

Is now a good time to refinance?

There is no predetermined "right" or "wrong" time to refinance. It truly depends on what your main objectives, or goals, are. If you already have a great rate, but your payments are too high for you to handle comfortably, perhaps you need a longer term to stretch out the payments. If you have an interest rate that is 0.5-1% higher than the market rate today, perhaps you may want to consider refinancing to the lower rate to save interest over the term of the loan.

What are the advantages to refinancing?

Longer/shorter term, lower rate, add or remove a person from a note,

possibly take out equity for other things, like home improvements or debt consolidation.

What are the disadvantages of refinancing?

Closing costs are always a factor to consider in refinancing. All mortgage refinance loans will typically have closing costs, because it is a new loan and costs like appraisal, title work and lenders fees are typically incurred during a refinance.

Are there reasons a consumer shouldn't refinance?

Nothing is inherently "bad" about a refinance, but there are instances where it doesn't make financial sense to refinance. For example, if you're only dropping the rate slightly, you're not seeing the benefit in the payment or loan term.

What questions should I ask myself before considering refinancing?

There are a few questions that everyone should consider before refinancing. Do you have enough equity? Have you reviewed your credit history? Have you checked the rates you may qualify for? What's the market like in your area?

What should consumers look for in a refinancing company or bank?

There are three main things I advise my clients to look for in a mortgage company or bank. First, stay local. There is far greater accountability when you are working with a local

lender. If you are financing with an out-of-state lender, the ability for the lender to ignore you goes up significantly. Aside from that, find a lender you can trust, then compare the rate, loan terms and origination charges charged by that bank.

Will refinancing hurt my credit?

A refinance, by itself, does not impact your credit; however, you will be paying off an existing loan with payment history, so your score could dip a bit temporarily due to that. You will have a new credit inquiry for the new loan and when your new refinanced loan starts reporting to the credit bureau, there is no payment history associated with it yet, so that will take a few points off your score – temporarily. Just make sure you make your payments on time on all accounts you have and do not overspend on your credit cards, and you should see your credit score go back to where it was before the refinance.

If you are considering refinancing your mortgage be sure to visit www.consumerfinance.gov/consumer-tools/mortgages/, and for more personal finance information visit oklahomamoneymatters.org.



Extracurriculars

Extracurriculars are a good way to learn new skills and develop your resume outside of the classroom. Extracurricular activities can include school clubs, sports, student government, community clubs and volunteer opportunities, and even unpaid internships. Any experience can show colleges or even potential employers that you can keep a commitment and have developed skills to bring to your new academic or work environment.

Whether you're applying to college or looking for a new job, colleges and employers want to know who you are and what you can do beyond the grades on your transcript.

Extracurriculars can teach you transferable skills. For example, just because you serve in student government doesn't mean you will only ever work in politics. Instead, your involvement shows that you have leadership skills and care about your community, character traits that can lead to success in any field. Maybe you want to participate in a music group. Arts experience shows creativity and a willingness to work as a team player. Even working an internship shows that you are responsible and can manage your time.

So how do you get started? Evaluate your interests and start researching. Want to write or take photos? Try the school newspaper. Want to serve your community and volunteer your time? Look up local charities and organizations. Ask your friends what they're involved in and ask your school counselor if they know of any opportunities. Maybe there isn't a club or organization for your interests yet.

Have you thought about starting your own club or group? Maybe you're interested in veterinary medicine. Does your local animal shelter need volunteers? If they don't need volunteers, maybe they need supplies. Are there groups that work to gather donations? If not, can you start one? Let your interests guide you when researching possible activities.

There are so many different extracurricular opportunities for students. When deciding where to invest your time, make sure it's something you're passionate about. A resume can look impressive with a long list of activities, but when a college admission counselor or employer asks why you chose your extracurriculars, they want to see your passion and personality.

To learn more about succeeding in high school and for resume and career planning tips, visit https://secure.okcollegestart.org/High_School_Planning/_default.aspx.



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.



OKhighered.org