



Graduation Checklist

GRADUATION? JOB? HOUSING? LOAN PAYMENTS? Transportation? Credit Score?

Congratulations! All your hard work and late night studying is about to pay off. Graduation is just around the corner. Understandably, it might feel overwhelming, but with a bit of planning, making the transition from school to full-time work can be smooth.

The following is a checklist with some important tasks to consider:

- **Take the last few months seriously.** Yes, you may be in the homestretch but be sure to study hard. This is not the time to coast.
- **Have you applied to graduate?** Chances are your school has sent you graduation information but if not, you should contact your school's registrar or graduation office to discuss this requirement.
- **Pay a visit to your school's career services.** They can assist you to develop your cover letter, resume, and portfolio as well as teach you how to prepare for an interview and begin your job search.
- **Develop a list of references and letters of recommendation.** As this may be your first job, ask your instructors for permission to use them as a reference or for those letters of recommendation. Potential employers will ask for this information if you are a serious candidate for the job.
- **In preparation for interviewing, you will need to look the part.** Many colleges sponsor dress for success events where students are able to score a gently used dress or suit.
- **Figure out where you are going to live after college.** You need to think about if you are going to move back home with your parents on a short-term basis or if you're going to live on your own.
- **What about transportation?** If you currently have a car, you're probably good to go. If not, you'll need to carefully consider affordable options including public transportation, at least for the short term.
- **Will you be going to grad school?** Ask yourself: what school will you be attending, how much will it cost and how will you pay for it?
- **Check your consumer credit report.** No matter what your plans for living and getting around, you'll want to check your consumer credit report at www.annualcreditreport.com for errors and to see where your credit score stands.
- **Most importantly, start planning to repay your student loans.** Six months after graduation, you'll be expected to begin repayment on your federal student loans. For other loans, check your promissory notes and contact your lender(s). Be sure to inventory your student loans. For federal loans, visit www.studentloans.gov. There you will find a complete list of how much you borrowed, your interest rates and your loan servicer information. Contact your servicer(s) to update your contact information and to discuss repayment options.

Top six 2017 reads for taking control of your financial life

To start 2017 off in the right direction, the FAB team has compiled a short list of must-read books on financial literacy. Add these to your reading list to gain the confidence to become the boss of your personal finances.

Easily overlooked budget busters

1. **The Money Book for the Young, Fabulous and Broke** by Suze Orman
Orman provides the uninformed the knowledge needed to understand the basics of credit, home ownership and the stock markets.
2. **You're So Money: Live Rich Even When You're Not** by Farnoosh Torabi
Torabi gives practical advice for splurging without racking up credit card debt, and living your life in a way that allows you to hang out with your friends, while still planning for the future.
3. **Total Money Makeover** by David Ramsey
Ramsey's advice is compiled into seven easy steps, which will help you get out and stay out of debt, invest, save, increase your cash flow and change your attitude about money.
4. **Personal Finance for Dummies** by Eric Tyson
Tyson offers easy-to-understand explanations of financial concepts you need to know in your adult life, including investing, budgeting, debt and taxes. It's a must-read for major life events, like buying a home or starting a family, or if you feel like your finances are getting out of control.
5. **Your Money or Your Life** by Vicki Robin
Robin discusses the reasons why we spend (and overspend) and reframes our pursuit of financial independence as not a mission to afford stuff, but to have a happy, good life of health and security.
6. **The Behavior Gap: Simple Ways to Stop Doing Dumb Things with Money** by Carl Richards
Richards addresses the most common, repeated financial mistakes that we make—such as buying things that aren't meaningful—and why we make them, along with tips and suggestions for how to avoid these mistakes.

Now is a great time to save money!

IF YOU'RE 25-34, NOW'S A GREAT TIME TO SAVE. SO WHY AREN'T YOU DOING IT?

There are lots of reasons for not putting money away: For retirement, for personal goals, for the unexpected, for the chance to stop worrying about finances so much. For many of us, though, the task seems overwhelming. Here's a look at some easy ways to get started—and to put ourselves in better financial shape in the future.

WE'RE ALL ABOUT SAVING. IN THEORY.

Most Study New Year's Resolutions among 25 to 34 year-olds

Being actively saving 25 to 34 year-olds in 2015

AND IT'S POSSIBLE. IN REALITY!

Maybe you actually can have everything. Just not at the same time. By balancing splurges and keeping the big picture in mind, it's possible to get on track toward a future that's financially secure (and relatively break-out-free).

Keeping in touch
For 7 out of 10 people aged 25-34, a smartphone with a data plan is a must-have. But make sure you've recently done a data audit to make sure you're not paying too much.

Watching the tube
70% of subscribers in 2015 watched TV. And there's probably no chance of going to the movies from the tube. But do you have the optimal arrangements for our time and budget?

Setting the table
More than half of us did not or get take out at least 3 times a week. How much would it help our bank accounts if we could work that back?

Tackling debt
Slightly more than half of Americans carried a balance and were charged interest in a credit card in the past year. Which is definitely not affordable and not fun. Paying more than the interest each month—and remembering that every credit card makes a charge any more affordable—is a clear path to getting yourself back on track.

Desirability vs Affordability

Item	Desirability	Affordability
Smartphone	High	Low
Smartphone with data plan	High	Low
Smartphone with limited features	Low	High
TV	High	Low
Basic cable	Low	High
Streaming with service only	Low	High
Dining out	High	Low
Grabbing take out	High	Low
Cooking at home	Low	High

BESIDES, LOOK WHAT HAPPENS IF YOU START NOW.

Save	\$25 / wk	\$50 / wk	\$100 / wk
In 5 years	\$6,362	\$12,724	\$25,448
In 10 years	\$13,238	\$26,477	\$52,955
In 20 years	\$49,708	\$97,416	\$194,832

Getting ahead starts with the right strategies today. And by starting now, you get the added benefit of knowing you're getting your finances in order. Please if you can't just give a price on that. Get more free tips and advice at FeedThePig.org

Source: AICPA Insights. "Feed the Pig: Great Time to Save Money.", <http://blog.aicpa.org/2012/01/feed-the-pig-great-time-to-save-money-infographic.html#sthash.nhordnma.50rq1qQC.dpbs>. January 20, 2012.

What is an income-driven repayment plan?

Still confused about the various income-driven repayment plans? Here's a snapshot of the plans.

An income-driven repayment plan is a type of repayment plan for federal student loans that can help make your monthly student loan payments more affordable by basing them on your income and family size, instead of on how much you owe. There are four income-driven repayment plans:

- Pay As You Earn Repayment Plan (PAYE Plan)
- Revised Pay As You Earn Repayment Plan (REPAYE Plan)
- Income-Based Repayment Plan (IBR Plan)
- Income-Contingent Repayment Plan (ICR Plan)

The REPAYE Plan, the PAYE Plan, and the ICR Plan are available only to borrowers with loans made under the Direct Loan Program. The IBR Plan is available to borrowers with loans made under the Direct Loan Program or the Federal Family Education Loan (FFEL) Program.

To compare the major features of the different income-driven plans [view this chart](#).

Do income-driven plans offer additional benefits?

- Income-driven plans offer the following benefits:
- If you actively repay but still have a loan balance after 20 or 25 years of qualifying repayment, the remaining balance will be forgiven (this time period varies depending on the plan and other factors).
 - The REPAYE, PAYE and IBR plans offer an interest benefit if your monthly payment doesn't cover the full amount of interest that accrues on your loans each month.

Are there any disadvantages to income-driven repayment plans?

Whenever you make lower payments or extend your repayment period, you will most likely pay more interest over time—sometimes considerably more—than you would pay under a 10-year Standard Repayment Plan.

Also, under current Internal Revenue Service (IRS) rules, you may be required to pay income tax on any amount that is forgiven. So you want to carefully consider whether an income-driven plan is the best plan for you based on your individual circumstances

How can I learn more?

Contact your loan servicer or contact the Federal Student Aid Information Center (FSAIC) at 1-800-4-FED-AID (1-800-433-3243).

Stuff that's FAB!

- Track your student loans: www.studentloans.ed.gov
- Check your credit for free: www.annualcreditreport.com
- Getting real about your career after graduation: www.igrad.com/articles/getting-real-about-your-career-after-graduation
- ECMC FAB: www.ecmc.org/students/financial-awareness-basics-FAB.html

FAB Bits

Webinars

Did you know that Outreach and Financial Literacy hosts a FREE weekly national webinar? It's TRUE! These are turnkey presentations delivered in a "Train the Trainer" format. Once completed, we share the presentation with you, including all speakers' notes.

Check out a sample of our upcoming topics and register at ecmc.org/schools/training.html.

We also share important money management tips on social media. To stay up to date, Like our [Facebook](#) page and follow us on [Twitter](#).

Looking ahead

April is National Financial Literacy Month. Are you prepared? In the next issue of FabGab your FAB team will be sharing some help tips on how to prepare and we'll host a special webinar where we will discuss all aspects of celebrating on campus.

Contact ECMC's Outreach and Financial Literacy team at financialliteracy@ecmc.org.