**Natalie Wren:** Hi, my name is Natalie. We're going to do a little presentation for you. This is mostly geared towards upperclassmen. If you're graduating it's going to be a lot of good information. If you're not might be a little bit more than you need to know at this point, but it's also good for you. The end we'll talk a little bit about budgeting. So it will pertain to everyone. This is Darnell, he's going to start us out with the graduating with the loans part.

**Darnell Lee:** Hi, my name is Darnell Lee. I do collections for CSU Chico. I've been working here for like 8 years and we'll go ahead and start with the money101.
Darnell Lee: Today what we're going to do is what we need to know about your loans when you graduate. Couple things like how much do you owe? When will you need to start making your payments and start paying? What are my options for repayment? And what if you cannot pay.
Darnell Lee: And then, are you guys- do you guys want me to- am I going to fast? You guys fine? Ok.

How much do I owe? You can find most of all your federal student loan balances in one place and that's at www.nslds.edu.gov and we have a couple of little pamphlets that we'll probably pass around so everybody, you can have that. And that's where you can see where your loan provider is listed.
Darnell Lee: And then the first thing that I'm going to talk about is your grace period. It is granted, it is a time that is granted by the lender to allow you to get financially settled. To select what type of repayment plan that you're going to be in and a transition into your repayment.
Darnell Lee: And then also going to talk about when will I need to start to pay. The grace period, most of the time, will begin after your last day of classes. Let's say at finals week, the last Friday, you'll start your grace period for your loans.

How long is it? The federal loans, most of the time, are 6 months, the Stafford loan. And the Perkins loans are 9 months. So they are two different loan periods. The Perkins loans is 9 months after the time the last day of your finals. Same thing, but the Stafford loans, most of the time, is 6 months. And then, you do get more than one grace period, if, let's say you come back to school, like you're going to grad school or something like that, and you enroll and then let's say you go to school until December, if you don't come back to school that December, then you'll enter your grace period start in January. And then, you're lenders will begin to contact you during this period of time.
Darnell Lee: Be sure that your address is updated and just let them know where you're going to be because that's where the information is going to come. Some important information here.

Are your loans incurring interest during your grace period? The subsidized loans disburse between 7-1-2012 and 7-1-2014 do accrue interest during the grace period. Subsidized loans disbursed outside of 7-1-2012 to 7-1-2014 do not accrue interest during the grace period. And unsubsidized loans and plus loans do accrue interest during the grace period. So basically what it's saying is that even though you're in your grace period that interest is accruing. That's different from the Perkins loans, which I will touch later. During your grace period you begin to develop financial habits that do not include your student loan payments. So be aware of the fact that you will have to work these payments into your budget at the end of your grace period.

So basically, I think, what we're saying there is that you might not have that payment yet, but I think you should and Natalie will touch on that budgeting part, but you might want to put that money aside like you're paying that money so you can get used to having that monthly payment come out of your budget.
Darnell Lee: And preparation for repayment, borrowers should ask themselves what is or what will be my employment status. So where do you think you’re going to be 6 months from now or 6 months from the end- the start of your grace period and how much can you afford to pay and what type of employment will you do or have and what are your repayment goals. Like what do you, what type of employment will you have? And I will touch on the forgiveness part of that in a minute.
Darnell Lee: What are my options for repayment? There’s a standard repayment based on a 10 year based, 10 year schedule. There’s also an income based repayment. A pay as you earn and an income contingent repayment program
Darnell Lee: And there's a couple of things that you should consider based on those, that handout that Natalie just passed around. Is basically like if you're employed, what can you afford with the standard repayment, the graduated repayment, the income-based repayment

Or pay as you earn. There's also income contingent repayment and there's also stuff in there also if you are unemployed. Like if you can't find a job right when you get there you can have an unemployment. Most loans offer the unemployment deferment, income base, based on your income, what you're bringing in or what you can afford. And pay as you earn, if you are unemployed, the most thing, the most important thing is to not leave it alone. It's not gonna go away.
Darnell Lee: And then how much can I afford to pay. I think what you need to do is like, Natalie will touch on, that, in a minute here, is develop a monthly budget and compare the payment amount under different plans. Like what will be better off for you, because a lot of people will come to you and ask, consolidate your loans together. Or maybe what you should do is probably look at the different interest rates before making that determination. And add the payment into your monthly budget, like I said before, and determine what plans work and if it's not working for you within that grace period then that might be something that you want to change.
Darnell Lee: And then, what type of employment are you going to have? In the public sector, are you going to be working in public service? Because there are loan forgiveness programs for each type of loans that you have. If you're in a teache- also if you're a teacher, there is teacher loan forgiveness program as well. I know for the Perkins loans, especially they have, if you're working in a low income school or if you're working in a specialized subject like science, Spanish, I think, I think that's it, oh math and math also as well. And with the federal government they also have a federal student employee student loan program that you can inquire about as well.
Darnell Lee: And then what are your loan pay--?, what are my loan payment goals? It’s like, maybe you should set yourself a goal of what you’re trying to do? How long you want to get it paid off? If you want to pay it off faster, here, they have this layout here. And there is also a payment in line with your income of what you’re affording to pay at the time. because you might not earn as much as you, once you get in to your job because you might earn, 5 years down the road, or a year down the road, it might go up. And then you can lower that payment as your income also increases and you can also lower your payment so you can afford other expenses, like an extended plan and the federal consolidation like I just said earlier.
Darnell Lee: And then, what can you do if I cannot afford to pay. There are different options. The forbearance, you have a forbearance, you have deferment and there's also forgiveness program. I'll explain a little about the forbearance. Forbearance is just basically that your interest is going to accrue as your payment is on hold for the Perkins loans especially. You can pay the interest each month or you can pay all the interest at the end, but you have that time frame. The deferment, some of the federal loans their interest does accrue, but with the federal Perkins loan it doesn’t accrue. There’s no, your loans, you're allowed to have economic hardship or deferment to be in school. And I will explain that a little bit more later. And you must, just always inquire about the forgiveness, like if you’re working within a certain job, if they offer anything for working that job that we talked about earlier. Postponing payments may not always be in the best interest of the borrower. Explore other options first. Like a reduced payment or an income contingent payment or a different repayment plan.
Darnell Lee: And the deferment, like we talk about before, there's benefit to postpone some payments for borrowers but they need to meet the eligibility requirements. The federal government pays the accruing interest on eligible subsidized loans. The drawbacks are, like I said, the interest accrues on the unsubsidized loans and the plus loans. Interest may capitalize at the end of the deferment which will increase the amount of the loan. So that, you might not be paying it now but you will pay it later.

There's also some, some of the loan programs have some deferment limits. Like example, a Perkins loans you get 3 hardships or forbearance is going through your loans and then there's different kind of deferments. There is unemployment hardship, benefit if you deploy militarily, there's economic hardship and then there's also the in school piece of it. Which is hard, because I have loans and I'm still going to school now and usually the, if you're enrolling in school, you're usually picked up by the clearinghouse report, you will get something in the mail, but a lot of the times, I call just to make sure that they have me picked up for, if I’m enrolled from summer or there’s a gap in my enrollment in school.
Darnell Lee: The forbearance is, it postpones or reduce payments for borrowers if they meet the qualifications and then it's offered at the discretion of the lender and it’s granted up to 12 month intervals if you need that. You may be used to bring a delinquent loans to a current status. If the loan carrier lets you, you guys do that, if you get into some kind of default. And the drawback once again is that interest accrues on all loans during the forbearance.
**Darnell Lee:** And there's different forgiveness programs for direct loans, public service forgiveness, you must work full time in public service or engage in it for like 10 years. This, you cannot, you can't utilize the forgiveness programs with the loans. Perkins and direct loans also, I mean, sorry, with the federal loans you cannot be in default and you must be qualified, making qualified, qualifying monthly payments. What you have to do is verify your employment and payments by submitting this form annually and that's the website, I don't know if it's on the handout, but I think it might be on the handout.

**Natalie Wren:** I think it's on the website.

**Darnell Lee:** And then, with the teacher forgiveness program, if you teach at an elementary or a secondary school that is designated as low income. You are allowed to have that. You must work full time five years and highly be qualified at and be a highly qualified teacher. With the Perkins program, it's different from that, is that each year you have to submit the form to your institution that you are teaching? So it takes off one year at a time. It takes up to five years to completely cancel the loan. And once again you cannot be in default and then you can verify the school eligibility listed here on the website.
Darnell Lee: And this right here, is just a little brief overview of that federal student loan program, federal agencies will repay your federal student loan as a recruitment or retention incentive for candidates or current employees. And I think that’s on that list. It just kind of breaks out the different types of loans

Natalie Wren: is the forgiveness on there?

Darnell Lee: Is it on their at least?

Natalie Wren: I can't remember, I don't think there is, no it's not.

Darnell Lee: Okay.
Darnell Lee: And then once again like I was talking about the federal Perkins loans, it's not just relegated to teaching. You can do nursing, you can do public service, you can do, if you're working on for nonprofit organization that's working with youth or high risk youth, you can get that. It's handled at the school level. So if you have a Perkins loans here, it will be handled directly here and if you went to another school and you got grad school. You go to grad school somewhere else, they would have that same program offered at that school. So you would have to turn in paperwork here and at the other institution. And then it's cancelled, the percentage is cancelled annually. So like I said, you have to make sure you have to turn in that paperwork every year on your anniversary date of your hire date. You have to work a full 12 months to get credit for that.
Darnell Lee: And your job during the grace period. Figure out your employment situation. Maybe you, like I said, put your money aside. I mean that's what I generally do is put money aside, just so I can know how much it’s going to be for me within my budget, and Natalie will talk more on that, and decide on your repayment goals and figure out how much you can afford to pay, because that's the biggest thing is you just want to make sure that you are able to make those payments back from the money you borrowed.

Natalie Wren: So before we start the how much can you afford to pay part, does anyone have any questions? I know that that was kind of a lot of information. Nobody? Does everyone understand it?

Audience: I have some questions about it. So, what kind, are there any drawbacks on not paying off your student loan very quickly? Cause I heard it through to apply for bankruptcy that you can't cancel your student loans. Is there a certain type of...?

Darnell Lee: No, they are not dischargeable.

Natalie Wren: It will follow you.

Darnell Lee: Yea, it's not going anywhere. Yea. They're not dischargeable. I get a lot of bankruptcy notices but
Anna Magana: You know, a lot of those payment options you can look in to because some of them if you’re not making enough money, your loan or repayment can be $0. Now that's, well and good for the time being, but at some point, you know, you have all this money that you’re not paying is gonna grow, grow, grow and you’re paying your loan off double or triple. So, it works, you know, for a short period of time, to help look in to, I don't think that 'oh, hey, after 25 years it will all get cancelled, because guess what in 25 years they'll cancel it and send you t-99 and now its taxable in income tax, so yea,

Natalie Wren: So definitely, if you can afford the standard repayment, [inaudible] you're going to pay the interest off quicker you're going to have less overall payments. We did, we did a couple of webinars about this stuff and it shows us that if you choose one of these other options, basically at the end you're paying tens of thousands of dollars more on your loans. So, you’re best option is to budget that standard payment in and look in to forgiveness options if you're in those fields.

Darnell Lee: And if you do get in default, there are ways in getting yourself out of default as well. There's, both Perkins and direct loans, I mean federal loans, they offer rehabilitation if you make nine consecutive payments or 6 consecutive payments without missing a payment or being late. They can put you back in to good standing because once you get in default it does affect your credit. And you can get that changed by completing that rehabilitation. But just don't leave it alone it's not going to go anywhere.

Natalie Wren: moral of the story, don't ignore your student loans, they're not going anywhere.

Darnell Lee: And always follow up, I just, I make a lot of phone calls. And I have loans and I work and it's confusing for me too so I call, I double check and also when I do make my payments if I make a 20, $10 more than what the minimum payment is its cutting down [inaudible] faster.
**Anna Magana:** That NLDS website that they showed in the front, it's got a lot of useful tools of repayment and giving you some estimates and giving you information about how much money you'll end up paying in the end. A lot of calculators that are useful and keep in mind that it's only federal so you're going to see your direct loan, you Perkins loan, and if you took out private loans through like Chase it's not necessarily going to be there so you need to be conscious of what did I take out during my school year, you know, and be prepared to factor all those in.

**Natalie Wren:** This is Anna, our director of our department, in case anyone was wondering. If you're wondering why someone is pitching in from there.
Natalie Wren: Alright, we're going to move on to the budgeting section. I know it’s everyone’s favorite part, right? Woohoo.

Ok, so basically we're going to come up with a plan. A lot of people, I’m gonna click through one, cause I have a little video that I like to do. So basically budgeting is a plan. I know, it scares people and it sounds like it’s horrible, but I promise it’s not. It’s not so bad.
**Natalie Wren**: So can anyone tell me what the American Dream is? Anybody? I have candy. What's the American Dream?

**Audience**: [inaudible]

**Natalie Wren**: Two cars right? We've upgraded. Alright, here pick yourselves a couple of these. Alright yea, that's the American Dream. That’s what everyone is shooting for is having that nice fancy house, fancy car, family, right? Well this is Stanley who I'm going to show you a little video here. Stanley will like to show you how the American dream can turn into the American nightmare.
Natalie Wren: This is my favorite commercial of all times.

Commercial
Natalie Wren: That is basically, you know, the theme of a lot of the generations before us lately have been. That they are in debt up to their eyeballs. You know, like they have...
Natalie Wren: Everything you want but they can't really afford any of it. So, basically budgeting is how you turn the American dream into a dream and not a nightmare.
Natalie Wren: So I have a personal story that I don't really have time to share, but I was in debt up to my eyeballs for a little while there and I have dug my way out and I can say with, you know, wholeheartedly that it makes a really big difference when you do it. The right way and when you basically pay for everything with a credit card. So, it feels a lot better to do it the right way. So budgeting, 60% of Americans don't track where there money goes and why do people do that? It's crazy.
Natalie Wren: Well, because people have all kinds of excuses.
Natalie Wren: So they don't need a budget,
Natalie Wren: they don't have time to budget, they don't like the restrictions of a budget
Natalie Wren: or they just don't know how to budget. So you have to be honest with yourself and just say you know, I need to have control over my finances. What am I doing wrong? What do I need to fix?
BE HONEST WITH YOURSELF

Give yourself
more control
of your financial future.
Natalie Wren: So if you don't think you have time to budget, it doesn’t really require a lot of time. It’s like a few minutes. Basically just have to do a few steps. It doesn't take long, and it makes a huge difference in the way that you live your life. You don’t have to keep track of every dollar to the penny because that would be really difficult and that would be very time consuming. You just have to make a plan and try to stick to it. You have to keep it simple and allow for changes. I mean, life happens, things come up. You get a hole in your shoes, or a hole in your tire, or you know, things happen you need to be able to have flexibility in your budget.
Natalie Wren: So if you don't like the restrictions of a budget. And I know a lot of people think it's restrictive, but when I started budgeting I actually learned that I had more money than I thought I did. And when you write it all on paper you realize how much money you're actually just throwing away because you're not paying attention to where it's going. So it's really not that restricting, it's actually pretty awesome.
Natalie Wren: Don't like the word budget, the b-word, you just call it a plan. Just tell your money where to go and you can stop just spending it and wondering what happened.
Natalie Wren: So if you don't know how to budget. I'm going to show you guys how to budget. It's very, very easy. So there's sort of a different one for people who are graduating and people who aren't. So this is the graduating one, so if you want to grab the seniors who are going to be graduating and I'll do the freshmen. So if you, anyone here who is not graduating, would you raise your hands.
Okay. So it's very, very easy. I kind of developed this 1, 2, 3 method.
Natalie Wren: So first you're going to identify your income. So identify your income. For graduate, graduating students a lot of that is going to be job income probably. For those of you who aren't graduating, it could be from your parents, could be student loans, scholarship. Could be lots of things, but you identify all of your sources of income and you list them and total them up.
Natalie Wren: And then next, you're going to identify your expenses. So one thing we do, kind of need to touch on with expenses is basically there's four major things that you always need to care for first. So that's you housing, your transportation, your food and your basic clothing. So, transportation is not necessarily a sports car, but just how you get to and from work. It doesn't have to be something amazing. But these four things are your most important factors because they keep your life rolling and they keep you healthy and warm and all the important things. Then after that is like those are the next expenses. Those ones go below, so cover those first four first if you're low on cash. We always budget on fun. It's very important. I think people look at budgets as being something that are not fun and don't leave room for fun. But I guarantee if you budget in the fun you'll still have it. I have like a recreation fun. My children go look in the envelope and see if there's any so we can go do something fun. So you totally have to budget for it.
Natalie Wren: So set 3 is evaluate and adjust. So if you have extra money. If you’re the lucky ones with extra money in your budget you can start paying down your student loans. Start pushing that money towards something that will give you some freedom. If you’re in the negative there’s options as well. You can reduce your spending or increase your income.
Natalie Wren: So ways to reduce spending. I'm sure we all know that conveniences are expensive. So if you do a lot of take-out food or if you use ATMs that actually don't belong to the bank that you belong to. You’re spending money that doesn't necessarily need to be spent. Bottled water habits, specialty coffee, there’s ways to make that cheaper. Buy the bottled water in bulk or get a Keurig or whatever you need to do to make it a little cheaper.
Natalie Wren: Just recognizing your wants versus your needs and knowing which is which. I think, in our school I know we have a bit of an epidemic with the manicure pedicure thing. It seems that students are running out of money for food, but they have very nice nails. So I think there's something we need to do here to remember what a want and a need are and maybe put those in the right order. So that your bills can get paid and you can be fed and everything gets taken care of.
**Natalie Wren**: If you have extra money at the end of the month, use it to pay down debt. That is definitely priority one. Start paying back your student loans. There is on campus, we have if you get a student loan disbursement and get more than you need and after a 120 days you're like I still have some money left from that loan I don't really need it. You can come back and pay it back to our office and it's like that part of the loan never happened. It just reduces your debt. So those of you who are able to budget and continue the semester without spending it all, I would highly recommend you reduce that loan debt as the semester goes by.

And also do an emergency fund. That was probably one of the biggest ways that I dug myself out of debt is I saved a $1000 put it in a savings account and stopped using credit cards. And the minute I did that, I changed my mind set from the credit card was my emergency savior to my own money saved me from my problems. If something happened I use my emergency savings and I paid it back. I paid myself back for a change. So I think that's something that everyone needs is an emergency savings.
Natalie Wren: We have a little, we have a little video here about creating a safety net. Break it up a little and watch it.
Video

Create a safety net for life's unexpected events. Life is unpredictable. Right? I mean, you can't count on knowing what's going to happen one day to the next. And that can throw us some financial curve balls. Like, let's say when you're car breaks down out of nowhere and you're on the hopes for a new transmission. Or a, oh, the homes furnace kicks the bucket, or it may even be something more severe. Like you losing your job. So then how are those monthly bills going to get paid? I mean these are just the few of the reasons why it is so important to have safety net, to pay for life's unforeseen emergencies. Because if you don't have one you may unexpectedly, and reluctantly have to borrow from somewhere that you shouldn't without planning on paying it back. That's when you get in to trouble. And debt, well, it just starts to grow and grow and grow. In fact, a national foundation for credit counseling poll. They revealed that 64% will utilize another source other than their savings account to satisfy and unplanned $1000 expense. What's more, another 17%, they said that they would neglect existing obligations, like rent or mortgage payments to pay for the emergency need. So as you can see, there's a lot of people who haven't built an emergency fund yet. And remember, it's never too late to start.
Natalie Wren: And that's kind of what I learned, because I sort of find myself in my amazing situation at about 29. So it's never too late to start. I mean at 29 I was deep in debt and I had all kinds' issues that I created for myself and I pulled myself back out. So, I think that safety net is huge. I wish someone had told me to spend my own money out of my savings rather than using a credit card. I think it would have save me a lot of trouble.

So ways to start saving, if you think you can't, if you think your broke. That's how I felt. I felt like I didn't have money that I could be saving. You could just stop spending money on other things. Like stop buying random things at the grocery store that you don't need. Stop buying that shirt that catches your eye at Target on the way out. I mean you just stop spending extra money. Set a goal. My goal was a thousand dollars. So once I set that goal, I sort of poured myself into it. Automate your savings. That also help because you pretend the money was never there in the first place.

Clip your coupons. I was the crazy coupon lady. I'm pretty sure you saw my binder. It was pretty amazing. So I had everything toiletry related I got for free. I didn't pay for shampoo. I didn't pay for razors, toothpaste, toothbrushes and I had enough to share with the neighborhood. So, you can do this and save a ton of money and actually help people around you. It's pretty fun.
Cooking at home. There is if you don't know how to cook it's not that hard to learn. There's a lot of basic things that you can learn. Get a crockpot, that's my favorite. There's a lot of ways to just start saving money.

Negotiate your bills. That's a good one. If you call the Phone Company or Internet people and you tell them that you're going to leave, they'll give you a discount. You can just do it every six months. I promise, it works. I get like $10-$20 off every time I call. So at six months you see it raise and you call back in and they change it again because they want to keep your business. You can do that with the cable companies as well and I think that you get free vide- sometimes like free rentals if you call them.

Just use public transportation as much as you can, ride your bike. I know our culture needs all the exercise that we can get, so hey. Can do your bike, you could walk. Public transportation is not that bad around on here and you get free with your student ID for those of you who are not graduating.
Natalie Wren: So the credit card trap. This one I'm very familiar with. If you spend, say you go and by a flat screen. You’re like its three grand no big deal I can afford the monthly payments, it's only 25 bucks a month I got this. It's only 17% interest.
Natalie Wren: Then you find out...
Natalie Wren: ...that it's actually is going to take you 22+ years to pay that back using the minimum payment. So just because you can afford the minimum payment of and you can afford the item you're buying. There is a very big difference.
Natalie Wren: How much he really pay over that 22 year period.
Natalie Wren: Oh, just three times the cost of your flat screen. I would link to point out that in 22 years that flat screen doesn't work anymore and you're still paying for it if you're paying the minimum, so it really. Credit cards are, they can be dangerous, super dangerous. So definitely learn from my experience please. Save you some pain.
Natalie Wren: So credit card tips. There's tons of them. I mean, I'm sure some of you have credit cards by now.

Do you want to pass these out for me?

On one side there are some savings strategies for anyone he wants to look at them and the other side are just tips if you're going to use credit card. So if you're going to use them, shop around, know the terms. That includes your loans, I'm sure a lot of you have loans you're not a hundred percent sure of the terms of. But you need to know what you're getting yourself into. Your signing for this money, you need to know what's happening.

Limit the number of cards you have. Multiple cards can hurt your credit score. Pay off your balances each month that will avoid my situation I got myself into as well.

So late fees, they average around 26 bucks. That's just from missing a day or two. Pretty bad news. So make sure you're keeping track of your, of your late fees and when things are due. Penalty interest rates. If you have a great interest rate. You got like a 12% interest rate and you don't necessarily pay on time once or twice. They give you a penalty interest on that balance of 31.99% on some cards. So just know what you're signing up for, because that's craziness. I mean that, think about if we put that on the flat screen. Like you've just added probably another eight grand. So it's pretty crazy.
Over limit fee. If you get close your limits and you go over they charge you for that to.

Resist cash advances. Those are super expensive.

Also resist payroll cash advances and I'm sure some of you have seen those, but that's, I mean all of those things have hidden fees and it's a cycle that you can't get out of once you start.
Natalie Wren: So how can you avoid it understand wants versus needs. Cover the four walls first. Cover your food, your clothing you're housing, your transportation before you do the other things Start an emergency savings as soon as possible. And plan ahead and budget. At the bottom of everyone’s budget forms, my email address is there. I'm kind of a nerd and I really like have a personal passion for helping people with finances. So if you need help or want help with a budget. I would be happy to help you. Go ahead and email me.
Natalie Wren: So, do we have time? We have a little bit of time. So we're going to test your money IQ, okay? With candy, so participate. So here's a little credit quiz.
Natalie Wren: Okay, so we're going to have a question here. Can you guys read them kind of? It's small huh? Can we make them any bigger? Why did that get smaller? Did you see that? That's amazing. Okay, so we're not going to get bigger. Okay, so which of the following credit card users is likely to pay the greatest dollar amount in finance charges per year that they all charge the same amount per year on their cards? Can you guys read the answers? Not really or sort of? Let me know if you have a guess.

Audience: A

Natalie Wren: A? Alright, let's see if you guys are right. You are right. I always like to see how many people get these wrong. See the percentages. This is how many people who have taken this quiz got it right and there's these other percentages of people who get it wrong. Some of them are pretty entertaining. Can you guys pass the candy down to the people who pitched in? Thank you. Alright. Let's go to the next one. So if you're credit card is stolen and the fee runs up to a total of a $1000, but you notify the issuer of the card as soon as you discover it missing. What's the maximum amount that you can be forced today according to federal law? Anybody?
**Natalie Wren**: What did you say? Let's try B. That's right. So it's $50. Can you guys pass the candy back there when you're done? So it's $50, which is awesome. So when you realize things are missing, you need to let people know. That's a huge one, because you do not want to get stuck with that bill. It's craziness. Yea, none I wish it was none. I don't know why it's 50. Do you know why it's 50?

**Anna Magana**: The federal law, [inaudible] it's a liability. So depending again, know the terms of your credit card. [inaudible]

**Natalie Wren**: Three month huh. I think I would notice my card was missing in three months. Maybe people don't use them though. Which of the following statements best describes your right to check your credit history for accuracy?
This is a tricky one.

**Audience**: [inaudible]

**Natalie Wren**: I'll pick someone's answer.

**Anna Magana**: I thought it was just once a year.

**Natalie Wren**: You are right, for free. It is once per year.

**Anna Magana**: [inaudible]

**Audience**: [inaudible]

**Natalie Wren**: Well there's three different credit reporting agencies, but it's one annual credit report. So you can choose to not choose each one every time. So you can go in and get your credit report once and then go back and get a different one, but it only runs it apparently once. The actual answer to this one is D. So if you go in to get a loan and someone turns you down, you can actually ask for your credit report if they run your credit. They have to provide it to you. But there is annualcreditreport.com and you can do that for once a year and they have all three on their. But I believe, that's the one that doesn't give you the number score right?

**Anna Magana**: Right.
Natalie Wren: So that's the trick. If you want to see your number than you have to do something different.

Audience: I have a question.

Natalie Wren: Yea.

Audience: You have like a credit card through Discover and they do the credit score tracking and they tell you like whatever it is per month when you can go in and keep looking at your credit score. Is that a bad thing?

Natalie Wren: No, it's not, cause those, those don't aren't considered inquiries.

Audience: Okay. [inaudible]
Natalie Wren: They're not, yeah. That doesn't hurt your score. No, I did see that on Discovery card. That was real interesting.

Darnell Lee: [inaudible]

Audience: [inaudible]

Natalie Wren: To be able to see all of it.

Audience, Anna Magana, Darnell Lee: [inaudible discussion]

Natalie Wren: Yes.

Audience: Oh, by paying off your student loan does that actually help you credit score?

Natalie Wren: Yes. No, it does, because it's your debt to income ratio. So basically when you, when you've taken out these student loans, some of yours are going to be significant, not as much. But when you, once your income is kind of, gets into a place right when it's in a grove. You don't want your debt ratio to get any, kind of in a bad way. So what you want to do is keep your debt down so that if you go to get a mortgage that's not going to play against you negatively. So it's very important to keep those. Just keep your debt down in general.
Anna Magana: And if you do have student loans, just know that that is always being reported on your credit as well. [inaudible] and if your balance is this much and whether you're paying, it shows what you paid monthly or if you missed. All that is reported. And those things stay on your credit report at least 7 years and where people run in to problems is when they're trying to buy a house. They really want it off their credit report, well they have to wait 7 years.

Audience: Something that I wanted to bring up was, I actually work at Check Into Cash and a lot of those people that take loans out there just write us off like we're not a big deal, but we actually send people to collections. I just wanted to give everyone a heads up [inaudible].

Natalie Wren: Do you do the local, do you guys do a local collections agency or do you go all the way?

Audience: All the way to [inaudible]

Darnell Lee: Yea, I get that a lot, where people wait and not pay their loans then their situation with their employment will change and then they will try to go go get that house and they'll say hey, you're, what you have on my credit report is 60 days or 90 days [inaudible]

Natalie Wren: it effects your interest rate. Okay, let's do, we have time for one more. Which of the following statements is true. You missed a payment more than two years that cannot be considered in a loan decision. People have so many loans, it is very unlikely that one loan will know your, oh, one bank will know your history with another bank. Banks and other lenders share the credit history of the borrowers with each other and are likely to know of any loan payments that you have missed or your bad loan payment record with one bank will not be considered if you apply to another bank for a loan. Say yes.
**Natalie Wren:** So definitely be aware that if, you know, get a bad debt somewhere, everyone's gonna know about it because they all share. They kind of cover each other by letting us know if people are good lenders or not.

**Darnell Lee:** [inaudible] and another thing that the NSLDS that I put up earlier, is the same thing that [inaudible].

**Natalie Wren:** Alright, let's get back to, here we go.
Natalie Wren: Okay so there's lots of budgeting resources. Your personal bank will have them. There's tons and tons and tons of free online articles and videos. There are apps that can do bill reminders and banking alerts. If you're someone who tends to forget you have a bill oncoming due I would highly recommend those. They will save your credit score they will help you from paying all of those late fees.

Ask for help from family, intelligent family, intelligent friends. Okay. Look at people and their situation and if you would like your situation to look like theirs. Those are the people you want to ask questions of. If they're in a situation that may be isn't one you're super proud of or something you don't want to follow those aren't the people you want to ask for advice from. And you're also welcomed to ask any of us we would love to help you. Also one other thing, for budgeting resource, for those of you graduating. I took an actual like 13 week course on budgeting in personal finance and highly recommend doing something like that. They offer them in the community. You can go and get with like-minded people who are trying to make good decisions and just get a support group and kind of get information about how to sort of launch from here into life without making a ton of mistakes cause there are options for you out there
Natalie Wren: And that's it. Thank you guys for coming.