



FASFAA Graduate & Professional Initiatives Committee

The Road to Financial Planning





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AGENDA

- What is Debt
- Understanding Student loans
- Repayment option/solutions
- Establishing a financial Plan
- Using Credit wisely
- Prioritizing Debt
- Financial Planners



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PURPOSE

- Assist Financial Aid Officers in guiding students through the next step in their financial planning process
- To date many of the students have focused on classes and student loans rather than their future
- Create a resource for future student sessions
- Hold student training sessions on: Credit Review, Budgeting wisely, Maintaining good records on borrowing, Other topics of interest to your student population



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- WHAT IS DEBT?
 - Student Loan
 - Credit Card
 - Mortgage
 - Car
 - Living expenses (i.e. food, utilities, clothing, entertainment)
 - What else?

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- Understanding Student Loans
 - How do we help student understand their Student Loan portfolio?
 - Entrance/Exit Session
 - Lunch and Learn Workshops
 - Credit
 - Identity theft
 - Managing expenses through budgeting
 - Debt Management Resources
 - Throughout college career
 - Life Skills
 - FinMan/EdVisor
- What else?

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Repayment Options/Solutions

- Student Loan Repayment Cycle
 - Federal Loans
 - Private Loans
 - Perkins
 - Consolidation
 - Deferment
 - Forbearance

Establishing a Financial Plan

- Identify Overall Debt
- Identify Income vs. Expenses
- Create a Budget
- Establishing an Emergency Fund

Establishing a Financial Plan

Identify overall Debt

- What is Debt?
 - Credit Cards
 - Student Loans
 - Mortgage
 - Car

Establishing a Financial Plan

- Identify Income vs. Expenses
- Identify Wants vs. needs

Establishing a Financial Plan

- Create Budget
- On-line resources

Establishing a Financial Plan

- Establishing an Emergency Fund
 - Savings
 - 401K
 - 529 plans

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Using Credit Wisely

- Understand the differences of Credit
 - Credit Cards
 - Debit Cards
 - Charge Cards
 - Home Equity Credit
- Educational Resources
 - Workshops and seminars
 - Training session sources available from lending and professional associations
 - Credit Score vs. Credit Report
 - www.annualcreditreport.com
- **Three major credit bureaus**

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Prioritize Debt

- Monitor Repayment dates so late payments will not adversely affect credit
- Organize and keep good financial records
- Renting vs. Buying
- Variable interest vs. Fixed Interest

Financial Planning

–CFP's

- Certified, experienced representative
- Follow a code of ethics

–www.fpanet.org

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Resources will be available on
the GPIC page on the FASFAA web
site no later than June 1, 2007

www.fasfaa.org

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Q & A

Thank You!

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