GREAT ADVICE FOR PARENTS 2018

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As the end of high school looms near, the prospect of graduation just over the horizon can be both exciting and daunting. Where do you start? Where can you find reliable answers? How can you be sure you're asking the right questions about school and financial aid?

We hear you, and we feel your pain. But more importantly, we want to help you! That's why, in 2016, Inceptia began publishing our Great Advice for Parents as a way to help you navigate the choices and actions you'll need to make as your student prepares for college.

This year's edition continues that tradition, through our collaboration with the personal finance site NerdWallet. From the FAFSA, to college selection, to building healthy financial habits, we offer this guide as a tool to help you have these critical conversations with your student, at a time when they are most relevant.

We also want to help your teens become financially empowered, too! Our online financial education program, Financial Avenue, is free to high school students and educators. Find out more on page XX of this guide.

The time leading up to graduation will go quickly. It is our sincere hope that this guide helps simplify the college process, freeing you to focus on enjoying all the moments you will have with your student until then, big and small.

Whether as a parent, a guardian, a teacher, a coach, or a mentor, we thank you for the role you have played in the lives of these students. Together, let's help them make it over the finish line and embark on their next journey with the college and financial knowledge they need to succeed.

Best,

Carissa Uhlman

Vice President of Student Success
Inceptia

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FAFSA FIRST

FILL OUT THE 2019-20 FAFSA BEGINNING OCTOBER 1!

Filling out and submitting the FAFSA is one of the key steps in getting financial aid for college. And not just aid from the federal government. Most schools require you to fill out the FAFSA no matter what, and getting state aid is often dependent on it.

There are many great resources out there to help you get a handle on completing your FAFSA, which may even include your own high school counselor, or the financial aid office at your college. But we've also rounded up some of our FAFSA favorites to help you get a jump on the FAFSA.

But did you know that being a FAFSA early bird can result in more money? Or that waiting too long can cost you money? It's true! Our friends at the Department of Education offer these reasons to get your FAFSA done ASAP:

- A better chance at more state and school aid. Need I say more? Schools and states have a limited amount of aid, and a bunch of states have a FAFSA deadline of "as soon as possible after October 1," (meaning they actually could run out of financial aid) so it's good to be at the front of the line!

- Get it out of the way so you can focus on other things, like college applications, college coursework, or applying for scholarships.
- It makes comparing colleges easier. If you submit your FAFSA early there's a chance that colleges will give you an estimated financial aid offer early, giving you more time to compare colleges before the college decision deadline.
- More scholarship eligibility. Some scholarships look at your FAFSA results—and some of those scholarships have early deadlines. Don't disqualify yourself from those scholarships.

There are many great resources out there to help you get a handle on completing your FAFSA, which may even include your own high school counselor, or the financial aid office at your college. But we've also rounded up some of our FAFSA favorites to help you get a jump on the FAFSA.

Videos

The Federal Student Aid YouTube Channel offers the following videos:

- FAFSA Overview
- How to Fill Out the FAFSA
- How to Create your FSA ID
- FAFSA and FSA ID Tips for Parents

Federal Student Aid

Checklist

- EducationQuest has you covered with their **2019-20 FAFSA Checklist.**

EducationQuest FOUNDATION

One-Stop Shop

Check out NerdWallet's online guide to the FAFSA, where you can find information on how to pay, how much to borrow, how to complete the FAFSA, and what to do after you click submit.

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ANSWERS TO 16 POPULAR QUESTIONS ABOUT THE FAFSA

By Anna Helhoski

Filling out and submitting the Free Application for Federal Student Aid, or FAFSA, is the key to getting financial aid to help pay for college if you or your family can’t foot the entire bill. The Education Department provides over $125 billion in aid to students each year. While the supply of cash isn’t infinite, all eligible financial aid applicants can expect to get a piece of the pie.

The process — and the application itself — can be confusing, so here are answers to 16 popular questions about the FAFSA.

Before You Start

1 Why should I fill out the FAFSA?

Submitting the FAFSA is the only way to get federal financial aid, including Pell grants, work-study programs, and federal student loans.

You also often need to file the FAFSA to qualify for state and institutional aid, such as scholarships.

2 My parents make too much money to qualify for a Pell grant. Should we still file the FAFSA?

All students should file the FAFSA, even if they think their parents make too much money to qualify. That’s because not all financial aid is based on need. For example, you could qualify for a merit scholarship that requires the FAFSA to be on file.

If you don’t qualify for need-based aid programs, you typically can still borrow unsubsidized federal student loans.

3 How long does it take to submit the FAFSA?

The Education Department estimates it takes applicants less than an hour to fill out and submit the FAFSA. But it will take you longer if you're not prepared for the process with all required documentation and tax information.

4 When should I fill out the FAFSA?

Complete the FAFSA as close to the Oct. 1 start date as possible every year to ensure you receive the maximum amount of aid. In some states, financial aid is disbursed on a rolling basis. That means it's first come, first served, so find out your state's FAFSA deadline.

5 How do I get started on the FAFSA?

To submit the FAFSA electronically, use the form on the fafsa.ed.gov website. Before you can submit, you'll need an FSA ID. It's a username and password used to sign in to federal student aid websites. You'll also need the FSA ID to electronically sign the FAFSA and promissory notes.

Alternatively, you can submit the FAFSA by mail. Download and fill out a PDF copy or request a paper copy by calling 800.433.3243.

6 What documents do I need to file the FAFSA?

Before you fill out the FAFSA, get all documents together to make the process easier. U.S. citizens typically will need their Social Security number, driver's license number and tax and income records. Use the 2018-19 FAFSA checklist to determine exactly what you'll need.

In the Process

7 Am I considered an independent or dependent student?

You're considered an independent student if you answer "yes" to any of the dependency status questions on the student aid website.

On the 2018-19 form, for example, if you were born before January 1, 1995, you are considered an independent student. You're also considered independent if you are married, a veteran, homeless, enrolled in a graduate program, or you provide a certain amount of support to dependents or children.

Take care to choose the correct dependency status because it can impact how much aid you receive.

8 My parents are separated or divorced. Which parent is responsible for filling out the FAFSA?

The parent you've lived with more over the past 12 months is responsible for filling out your FAFSA form, says Shawna Wells-Booth, the director of financial aid at Beacon College in Leesburg, Florida. "If you did not live with one parent more than the other, give answers about the parent who provided more financial support during the past 12 months or during the most recent year that you actually received support from a parent," Wells-Booth says. "If this parent is remarried as of today, answer the questions about that parent and your stepparent."

You need to include information from both of your parents on the FAFSA if they are divorced or separated but still live together.

9 I can't get my parent's financial information. Can I still apply for aid?

If you're considered a dependent, you'll need your parents' financial information to access most financial aid. If your parents decline to help, you can still file the FAFSA and could get unsubsidized student loans.

On the FAFSA, answer "no" when you're asked if you can provide information about your parents. You also should answer "no" when asked about special circumstances if you don't meet those standards. Special circumstances include if your parents are in prison or if you don't know where your parents are. Then you can submit the FAFSA without their information. It will be up to your college to determine if you can get an unsubsidized student loan. You'll need to contact the school's financial aid office as soon as possible to discuss getting approved for a loan.

(10) Is there a way to know how much aid I will receive?

You can use the FAFSA4caster tool to estimate the type and amount of aid you may be eligible to receive. Once you submit the FAFSA, you will get your Federal Student Aid report. It contains all the answers you provided on the FAFSA and the amount your family is expected to pay, known as your "expected family contribution." If you don't have an EFC, your FAFSA likely contains an error that you need to correct. Colleges use the information in your report to determine the aid you qualify for.

(11) I'm already attending college. Do I need to complete another FAFSA?

Yes. If you want to keep getting federal loans and grants, you'll have to apply for financial aid every year. Because it won't be your first time filling out the FAFSA, you already know what to expect. And if your parents' income hasn't changed since last year, you'll likely receive a comparable amount of student aid.

(12) My parents haven't filed their taxes. What information should I use?

Don't wait for them to file taxes before you submit the FAFSA. Filers must report prior-prior-year taxes. For example, on the 2018-19 FAFSA form, you need to report 2016 tax information.

You can import tax information into the FAFSA form by using the IRS data retrieval tool. When you sign in to your application, you'll see a "Link to IRS" button if you're eligible to use the tool. If you aren't eligible, you'll need to have that tax information on hand.

⑬ Which schools should I send FAFSA information to if I don't know where I want to go to college?

Uncertainty about where you plan to apply shouldn't stop you from submitting the FAFSA. If you submit the form online, you can include FAFSA codes for up to 10 schools where you plan to apply. If you file a paper form, you can include up to four schools. If you need to add more schools, you can always update your FAFSA at fafsa.gov.

Search for school codes on your online application. Paper filers can look up the codes on the Federal Student Aid website.

After Submitting Your Application

⑭ When will I receive my FAFSA results?

Your results, known as your Student Aid Report, will arrive by email or mail between three days and three weeks after you submit the form, depending on your application method.

The report provides basic information about financial aid eligibility, including your answers to questions on the FAFSA. It also specifies your expected family contribution, which is the amount your family must pay toward your education. Colleges use your EFC to determine your financial aid package.

Once you get your Student Aid Report, make sure all the information is accurate. If you find inaccuracies, update your FAFSA.

⑮ How can I make changes to the FAFSA after I submit it?

Sign in to fafsa.ed.gov to update information if you find any errors, if your family's financial situation changes or if you want to send your Student Aid Report to more schools. On the "My FAFSA" page, click on "Make FAFSA Corrections," enter your FSA ID, change the information and resubmit your application.

16 How do I accept or decline a financial aid offer?

Once you choose a college to attend and receive an aid offer, you must indicate what aid you want to use for the upcoming school year. Accept aid in this order: grant and scholarship money, work-study, subsidized federal student loans and then unsubsidized federal student loans.

If you have payment gaps you can't fill with savings or income, consider a private student loan. Private loans are not available through the FAFSA process. You'll need to research the possibility of getting private loans from banks, credit unions or online lenders. Compare interest rates, repayment options and protections, such as forbearance, before choosing a private loan.

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The article Answers to 16 Popular Questions About the FAFSA originally appeared on NerdWallet.

CHOOSING THE RIGHT SCHOOL

6 WAYS TO WEED OUT SHADY SCHOOLS

By Anna Helhoski

Just because a school has "university" in its name doesn't mean you'll get a quality education. To avoid unscrupulous colleges, you'll need to look beyond ads.

A slew of for-profit colleges and career training schools in recent years were accused by state attorneys general and the Consumer Financial Protection Bureau of misleading students with phony job placement rates or misrepresenting their credentials. Big-name chain schools, such as ITT Technical Institute and Corinthian Colleges, stopped operating after legal battles.

But other predatory colleges continue to enroll unsuspecting students.

The easiest way to avoid being duped by a shady school is to search its name with the word "lawsuit." If you find news articles or court filings about predatory practices, you'll know to avoid the school. But searching for legal action isn't the only way to check out a school. Here's what else you'll need to do to determine a school's credibility.

1 Find the school's credentials.

Licensing and accreditation are the bare-minimum credentials a school should have. But they're not foolproof measures of quality — colleges like ITT Tech and Corinthian were both licensed and accredited.

Having a license means the school meets state standards to operate, although not all states require one.

Accreditation means a school meets standards set by one of the national or regional private agencies the U.S. Department of Education recognizes. Accreditation is the only way schools can get money from federal and state student aid programs. That also means if a school isn't accredited, you won't have access to federal loans and grants to pay for school.

Contact the licensing and accrediting agencies affiliated with a school to confirm it's in good standing.

2 Make sure specific programs are accredited or licensed.

To meet the educational requirements to obtain your professional license in certain fields, individual programs must be accredited by a professional accreditation agency. To get a dental assistant certification, for example, you must graduate from a dental assisting program accredited by the American Dental Association's Commission on Dental Accreditation.

Even if the school is accredited, its programs might not be. You can search for schools in your state that accredit certain programs with the education department's database. If you'll need a license to work, contact your state's licensing organization or accrediting body to find out if the school's program meets the requirements.

3 See if other schools accept its credits.

If you're starting at a school and you plan to transfer to a different one later, you'll need to make sure the credits you earn will be accepted elsewhere.

"With any nontraditional pathway, the planning for that pathway is key because there are many more steps to take where students can misstep and get sidetracked or have credits fall through," says Heather Durosko, assistant director of strategic initiatives for educational content and policy at the National Association for College Admission Counseling.

Make sure that you can take courses that will apply toward the degree you hope to eventually earn, Durosko says. Do this by meeting with your current school's transfer advisor to determine which credits will transfer and to learn about the campuses your school has transfer agreements with.

4 Search for a school with a track record.

Use the education department's College Scorecard or College Navigator tool for details on a school's performance. This includes graduate rates and rates of return after a student's first year.

The scorecard can also show graduates' salaries and how many students earn incomes that are above workers with only a high school diploma. These details are important because you want to attend a school only if you're confident you'll earn enough to make the program worthwhile, says Jordan Matsudaira, assistant professor of policy analysis and management at Cornell University.

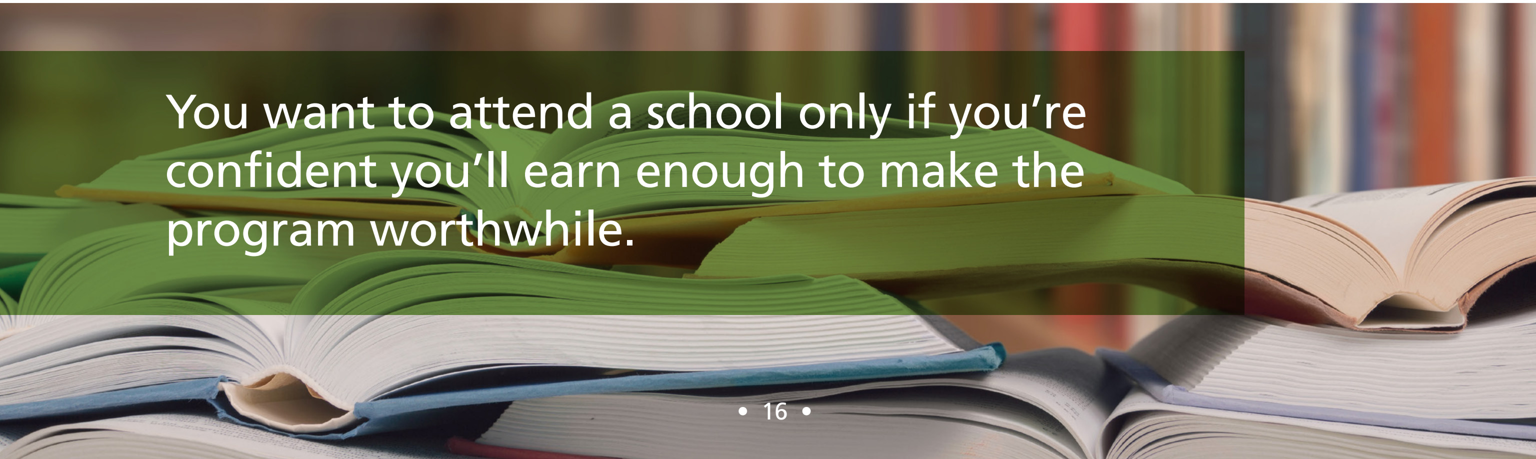
"A lot of for-profit colleges — and surprisingly online programs — relative to the most traditional brick-and-mortar school program, tend to be more expensive," Matsudaira says. "That would be justifiable in some sense if the more extensive programs produced better earnings gains, but that doesn't appear to be the case."

If a school advertises job placement or average salaries of graduates, ask for that information in writing. Even though it's illegal, some schools exaggerate job placement rates in ads.

5 Visit and connect with students.

Visit the school, if possible, and check out its facilities to make sure it matches the photos and descriptions online or in ads. While you're there, talk to current students about what they think of the school and its programs. Or, if the school is online-only, try contacting current students through social media.

You can find graduates to talk to through alumni networks or LinkedIn. Ask about their experience at the school and what they've done with their education after graduation.



⑥ Look out for red flags.

Steer clear if you find any red flags, including:

- The school's address isn't easy to find: Even online schools operate from somewhere.
- The school's website address ends in ".com" or ".net" instead of ".edu".
- The school won't provide information on accreditation or licensing.
- Total cost or graduation rates are difficult to find.
- The costs are higher compared with similar schools.
- You're pressured to enroll or send a deposit.
- You're pushed to borrow loans with high amounts or excessively high interest rates.
- A school promotes its own private loan programs before federal loans which have more borrower protections.
- A degree appears too easy to earn.
- Job placement rates or salary outcomes seem too good to be true.

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The article 6 Ways to Weed Out Shady Schools originally appeared on NerdWallet.

WANT TO GRADUATE WITH MINIMAL DEBT? CHOOSE THE RIGHT COLLEGE

By Teddy Nykiel

The average amount of student loan debt that undergraduates have at graduation varies dramatically by college and state, according to a report about the class of 2016 by The Institute for College Access and Success. Average debt depends in part on schools' financial aid policies, tuition and fees, cost of living and student demographics, the report finds.

With that in mind, prospective college students should research the amount of debt that graduates of various colleges typically have before committing to a campus, says Debbie Cochrane, TICAS vice president and one of the report's authors.

"If students are looking into their college options and they see a school where most students leave with debt, and very high levels of it, that should be a red flag," Cochrane says.

The report highlights the average debt for class of 2016 graduates of four-year, primarily public and nonprofit colleges that voluntarily report data. Only 52% of four-year public and nonprofit colleges that grant bachelor's degrees reported data for the class of 2016, according to the report.

How to Choose a Low-Debt College

Average debt at graduation for the class of 2016 was dramatically different depending on the colleges that reported usable data, ranging from $4,614 to $59,113, the report finds. Percentages of graduating students with any student debt also spanned extremes across schools, ranging from 6% of 2016 graduates with any debt at one college to 98% of graduates with debt at another.

Given this spectrum, students stand to benefit from choosing a college that will let them minimize debt. Here's how.

1 Research prospective schools' typical debt levels.

Ideally, you'd graduate with zero debt. But since that's not possible for most college students, it helps to get a sense of what's reasonable to borrow. As a point of reference, some experts recommend limiting the debt you take on throughout college to the amount you expect to earn during your first year in the workforce after graduation.

Research the amount of debt you can expect to take on at different colleges using these two resources

- TICAS data, which includes both federal and private student debt
- College Scorecard data, which only includes federal student debt

The TICAS data largely doesn't include average debt levels for graduates of for-profit colleges because very few for-profit schools report data. However, "for-profit colleges are where debt levels are the most troubling," the report says. Students considering for-profit schools should do extra research before enrolling. The College Scorecard does include data about for-profit schools.

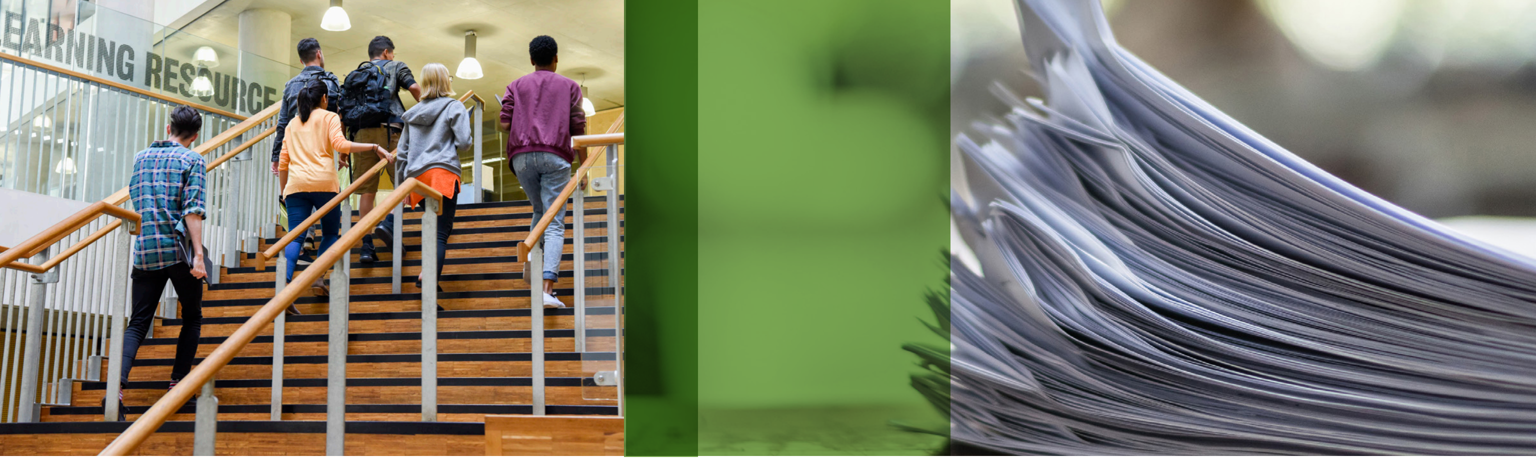
2 Compare net prices at colleges instead of sticker prices.

Don't necessarily rule out colleges that have the highest total cost. A school that looks too pricey on paper could actually be more affordable for you than a seemingly cheaper option if the school offers generous grant and scholarship aid.

Colleges that are eligible for federal financial aid are required to provide a net price calculator online. Each school's net price calculator will give you an estimate of what you'll actually have to pay or borrow after grants and scholarships.

3 Submit the FAFSA to apply for financial aid.

The Free Application for Federal Student Aid is the first step to getting grants, work-study and if necessary, student loans. NerdWallet's FAFSA Guide has step-by-step instructions for completing the application.



Other Report Findings

- Colleges whose 2016 graduates had relatively high average debt loads aren't doing as much as they could to help the neediest students. Of 60 colleges that reported their 2016 graduates' average debt to be $40,000 or higher and that reported details about their institution's grant spending, 26 schools (43%) say they doled out at least 20% of their institutional grant funds to students with no financial need.
- The average debt at graduation for the class of 2016 ranges from $19,975 in Utah to $36,367 in New Hampshire. States whose 2016 graduates had the highest average debt loads are generally concentrated in the Northeast and Midwest, while states with the lowest average debt amounts for the class of 2016 are largely in the West.
- Nearly 80% of 2016 graduates with state loan debt went to college in Texas, Minnesota, Massachusetts and New Jersey. While most private student loans come from banks, some states have loan programs that "have more in common with other private loans than with federal loans," the report says. Like private loans, state loans lack crucial benefits that federal loans have, including access to income-driven repayment plans. Students should max out their federal student loans before taking on nonfederal loans, such as those from states or banks.

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The article Want to Graduate With Minimal Debt? Choose the Right College originally appeared on NerdWallet.

HAVING THE MONEY TALK

6 COLLEGE-MONEY LESSONS YOU DIDN'T LEARN IN HIGH SCHOOL

By Anna Helhoski

High school may have prepared you for college academically, but you may be less ready to handle your money, especially if you need student loans.

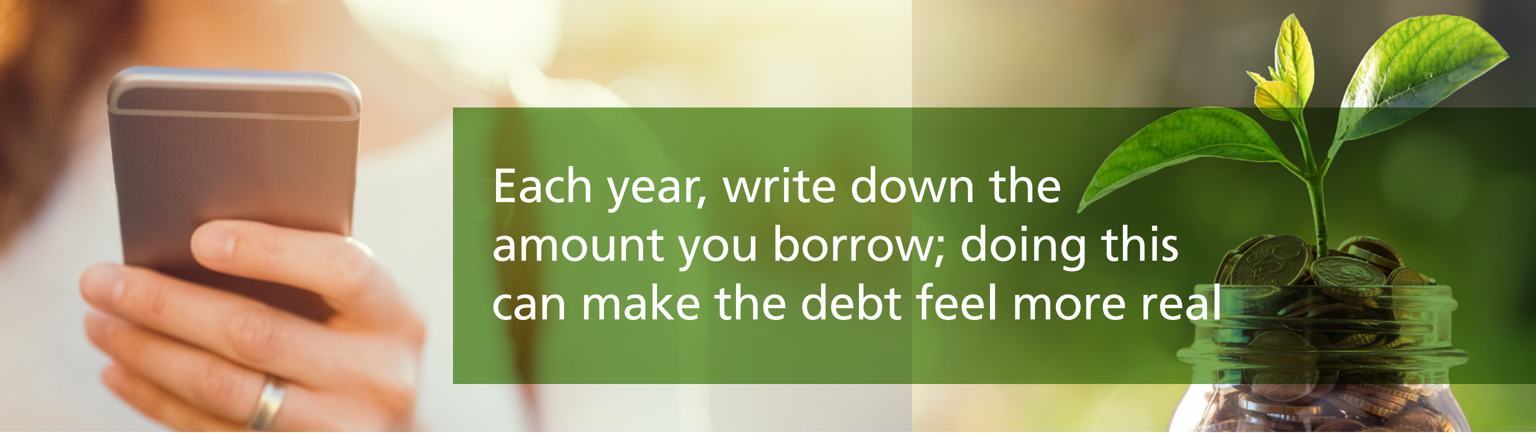
More than two-thirds of college students at all levels said in a survey that they feel stressed about their personal finances, according to The Study on Collegiate Financial Wellness, a 2017 report by The Ohio State University.

Learning some financial best practices and turning them into habits now can help ease money worries. Here are six personal-finance lessons to take to campus.

Max out free financial aid.

Get the most free aid possible before borrowing money. Every year, submit a Free Application for Federal Student Aid, or FAFSA, to qualify for federal, state and institutional grants, scholarships and work-study.

Search for additional scholarships with tools like the U.S. Department of Labor's Scholarships Finder.



Track your loans.

If you do borrow, maximize federal student loans before private options. Federal loans offer more repayment options and, in some cases, forgiveness.

Each year, write down the amount you borrow; doing this can make the debt feel more real, personal finance experts say. And having that information accessible will help organize repayment planning and your postgrad budget, says Vince Shorb, CEO of the National Financial Educators Council.

Shorb suggests creating a file that includes lender information, loan amounts, interest rates, dates when payments will begin and payment amounts. To estimate what you'll pay each month, use a student loan calculator.

Stick to a spending plan.

Think of a college spending plan as a short-term strategy for your money. It's more flexible than a traditional budget and factors in money available only after tuition, fees, room and board are funded.

Your spending plan could look like this: Say you have $1,000 for a 15-week semester and you know you'll be making one trip home at Thanksgiving that costs $200. That leaves $800, or $53 per week for extras.

A spending plan shows how overspending one week will leave you with a cash shortage the next week. Even a $50 shortfall can feel stressful, says J. Michael Collins, faculty director for the Center for Financial Security at University of Wisconsin, Madison.

"You're doing this plan to create ways to reduce the stress you have on yourself, so you're not behind and trying to catch up," Collins says.

Consider paying student loan interest now.

Student loan payments typically begin when your grace period ends, six months after leaving school. But for all except subsidized federal loans, interest builds daily and is added to the total amount you owe when payment begins.

If your spending plan allows, you can lessen your total debt by making monthly interest payments while you're in school. Or send a lump sum interest payment before the grace period ends.

Build credit for the future.

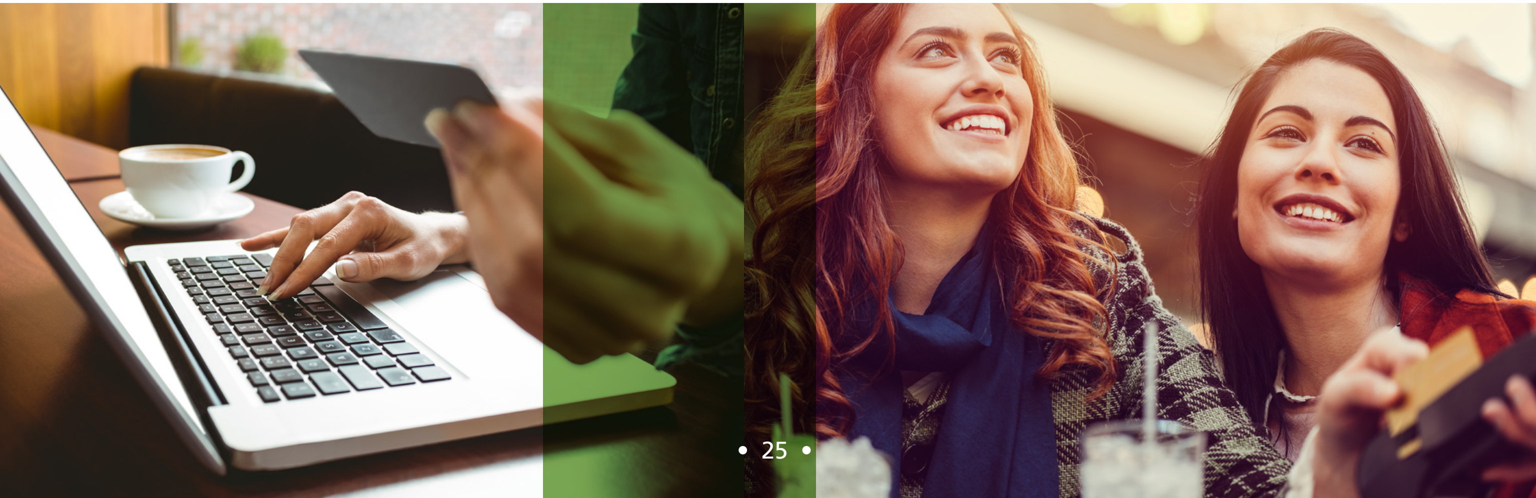
Creditworthiness is key to getting approved when you rent an apartment or apply to get a credit card, auto loan or home loan. The sooner you start building credit, the longer your history will be.

There's a risk with credit cards if you don't repay the debt, but you shouldn't be afraid to get one, says Bryan Hoynacke, assistant director of financial wellness in the student wellness center at Ohio State.

"If you don't have a credit card, you don't learn how to use it with lower financial stakes," Hoynacke says. As long as you pay your bills on time, using a card will help your credit.

To get a credit card, you need to be 21 or have a co-signer or an income. Another option is to become an authorized user on someone else's card, like a parent. But before you get any card, read the fine print, including specifics about its annual percentage rate.

"If there's a big zero percent APR sign pulsing in front of you, you are going to want to figure out how long that zero percent lasts," says Sean Stein Smith, CPA and an assistant professor at Lehman College in Bronx, New York. Find the interest rate that will be applied to any outstanding balance after the no-interest introductory period.



Steer clear of financial predators.

Financial predators come in all shapes, so avoiding them often comes down to trusting your gut: If a transaction seems shady, don't do it.

Some red flags are easy to spot, such as too-good-to-be-true deals or pressure to send money fast. Other scammers are harder to avoid, such as credit card thieves. Defend your money by automating fraud alerts from your bank and credit card company to let you know about unusual purchases.

This article was written by NerdWallet and was originally published by The Associated Press.

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The article 6 College-Money Lessons You Didn't Learn in High School originally appeared on NerdWallet.

CLASS OF 2019: 8 WAYS TO PREP FOR FINANCIAL ADULTHOOD

by Teddy Nykiel

Whether you're graduating from high school or college, a diploma and a job represent the beginning of your personal — and financial — adult life. It's an exciting, sometimes overwhelming time.

When you have the inevitable "I have no idea what I'm doing" freakout, remember these tips:

1 Set clear financial priorities.

You probably can't save, invest, and pay off debt all at once, so prioritize in this order:

- Save $500 for emergencies, because there will be emergencies
- If your employer offers a 401(k), contribute at least enough to get any "employer match" — it's free money
- Pay down high-interest debt, like credit cards

2 Learn a simple budgeting strategy.

Identify your after-tax income on your pay stub, then use the 50/30/20 rule as a budgeting guideline:

- Use 50% for necessities like rent, groceries, transportation, utilities and minimum loan payments
- Put 20% toward savings and debt repayment
- Spend 30% on nice-to-haves like restaurants, travel and entertainment

If 50% isn't enough to cover living expenses, dip into your nice-to-haves bucket.

3 Learn how credit works and why it matters.

Credit is adulthood's currency. You need good credit to qualify for travel rewards credit cards, get the best rates on loans and insurance, and eventually buy a house.

To have a good credit score, you generally must:

- Use credit by taking out loans and opening credit cards. You don't need to carry a balance on them, though
- Consistently make payments on time
- Use less than about 30% of your available credit. If you have a card with a $3,000 limit, for example, charge no more than $1,000

Check your credit score to see where you stand. If you have bad credit or no credit, consider getting a secured credit card or credit-builder loan to boost it.

(4) Do some money multitasking.

In fact, credit-builder loans can help establish credit and save money at the same time.

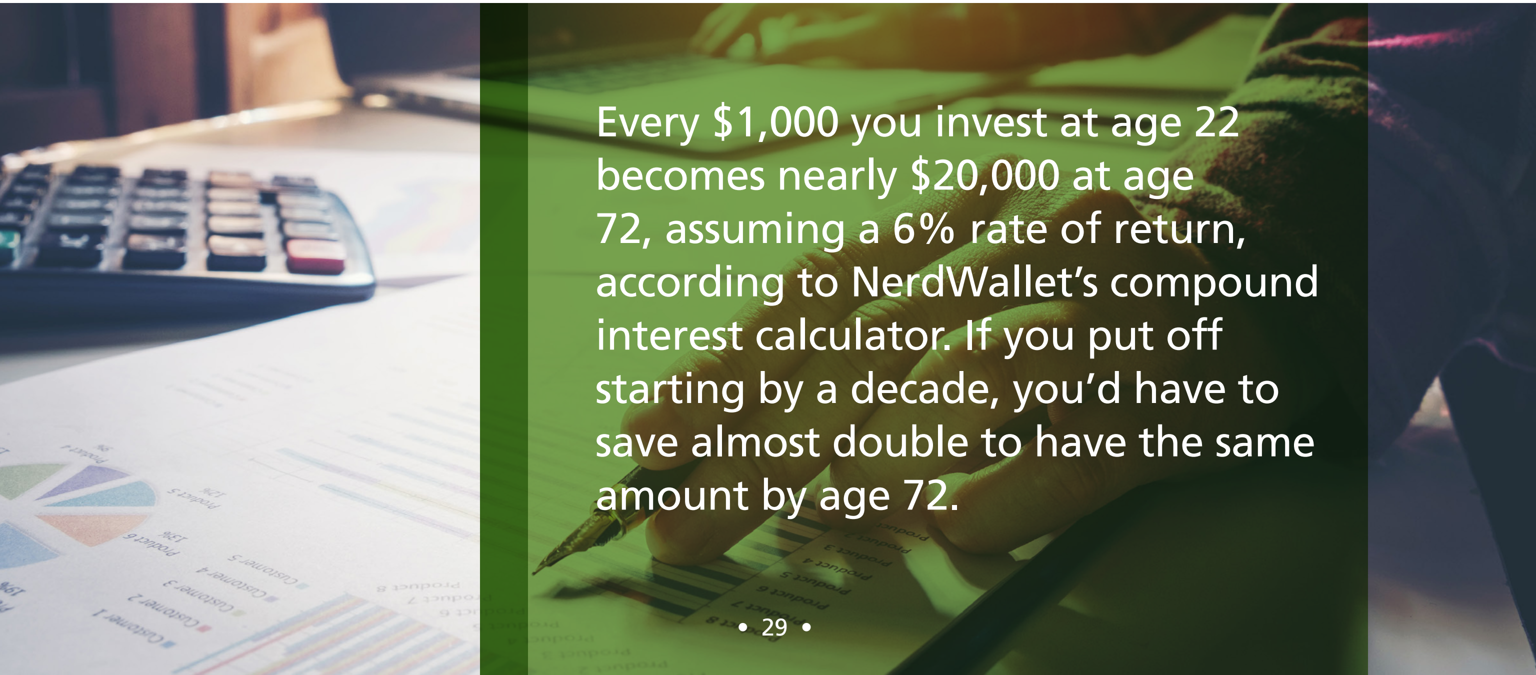
You can get credit-builder loans through some credit unions, community banks or the online lender Self Lender. Borrow a small amount — say, $1,000 — and repay in installments over a year or two. The lender holds the cash until the loan is repaid. Then you'll get the money, minus some interest.

Assuming you make full, on-time payments, you'll get some positive credit history under your belt — and have cash on hand for that emergency fund or retirement account.

(5) Leverage your youth to build wealth.

Speaking of retirement, saving for it is one of the best uses of your cash now. Compound interest over decades is like magic: A small amount invested today will be worth more than a larger sum you invest 10 years from now.

For example, every $1,000 you invest at age 22 becomes nearly $20,000 at age 72, assuming a 6% rate of return, according to NerdWallet's compound interest calculator. If you put off starting by a decade, you'd have to save almost double to have the same amount by age 72.



Every $1,000 you invest at age 22 becomes nearly $20,000 at age 72, assuming a 6% rate of return, according to NerdWallet's compound interest calculator. If you put off starting by a decade, you'd have to save almost double to have the same amount by age 72.

6 Start saving for retirement.

We didn't use age 72 by accident — that's the age at which the class of 2018 can expect to retire, assuming they contribute 6% of their incomes to a 401(k) and have a 50% employer match, according to a 2018 NerdWallet analysis.

If your employer offers a 401(k) with a match, sign up and contribute at least enough to get the match. Increase your contributions annually or whenever you get a raise.

If you don't have an employer-sponsored retirement account, open a Roth IRA through a brokerage or robo-advisor and contribute up to $5,500 yearly. The account's earnings will be tax-free.

7 Make a plan for your student loans.

Student loan payments typically come due six months after you leave school, giving you time to get a job before payments begin. But interest accrues during this grace period — except on federal subsidized loans — so begin making minimum payments sooner if possible.

Once you have very good credit and a job with a steady income, consider refinancing your student loans to save money by lowering your interest rate.

If payments on your federal student loans are overwhelming, review your options carefully. Income-driven repayment and Public Service Loan Forgiveness may offer relief, but both require meticulous attention to detail and annual maintenance to pay off.

8 Research your job's market value.

Advocating for yourself can be a particularly challenging part of adulthood. As your career progresses, you'll feel empowered to negotiate your salary if you back your ask with hard numbers.

Research the going rates for similar roles in your field, at your skill level. Then, reference your findings during the negotiation conversation. Even if the employer declines, they'll likely respect your preparedness and confidence.

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The article Class of 2018: 8 Ways to Prep for Financial Adulthood originally appeared on NerdWallet.

ASK BRIANNA: I'M 18. SHOULD I WORRY ABOUT MY CREDIT YET?

by Brianna McGurran

Good credit opens up a world you may not have known existed, like Platform 9 3/4 did for Harry Potter.

If you jump on the credit-building train at 18, you'll have an easier time renting an apartment, getting a car loan and setting up your own cell phone plan when you graduate (though I can't promise you'll find butterbeer, like Harry did, at your final destination).

But credit also makes it disturbingly easy to cover the eight pizzas your roommates decide to order.

While independence is your reward for having good credit, not everyone is ready to build it responsibly in college. Know yourself, and choose a method that won't torpedo your goal as soon as you start.

Why you need credit.

A quick primer: Your credit score shows lenders, landlords and financial institutions how likely you are to repay a debt or follow through on your commitments. After you start using credit, you'll receive a score on an 850-point scale. In general, a good score is 690 or above, but know that it will take time to get there. A score of 650 to 699 "could be considered a win" if you're in college and you've been building credit for a year, says Beverly Harzog, author of "The Debt Escape Plan."

Having good or excellent credit means:

- Lower interest rates on credit cards, car loans, mortgages and private student loans
- Eligibility for premium credit cards with fancy rewards
- More easily qualifying to rent an apartment
- Access to utilities without a deposit
- Cheaper car insurance in most states

It can take six months after opening credit accounts to see your score. Many banks, credit cards and personal finance websites show their members free credit scores.

How credit works.

The factors that most influence your score are whether you've paid bills on time, how much credit you're using and how long your credit history is. When you're in the process of building credit, avoiding negative marks — like late payments — is your first priority.

Rent payments generally won't affect your credit — unless you don't make them, which could hurt it. But making student loan or car payments on time will elevate your score. Keep credit card balances low, and don't carry a balance from month to month, even if it's small. Consider using the card to make one recurring payment, like your cell phone bill, says Billy Hensley, incoming president and CEO of the National Endowment for Financial Education. Set up autopay from your checking account to cover it.

How to build it.

Credit cards probably come to mind first when you think of credit, but they're just one way to show you can pay your bills on time. And they're not for everyone.

There are some credit cards out there just for students, but they can be hard to get approved for. Instead, you can become an authorized user on your parents' card, which means they'll still be

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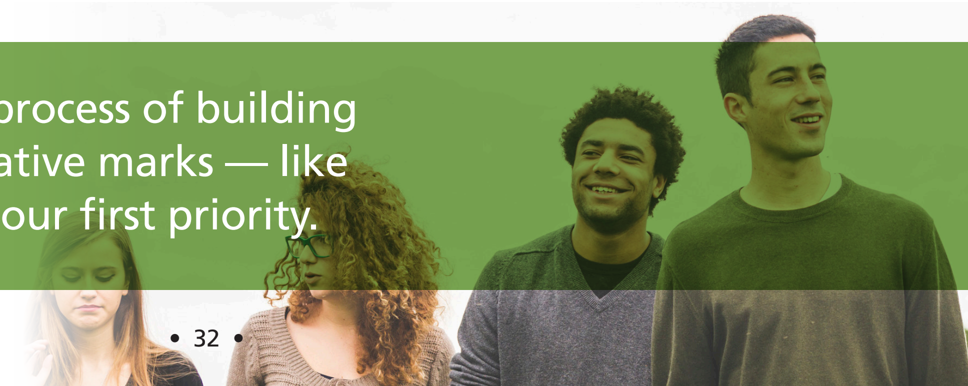

responsible for paying the debt, or get a secured card, which has a low credit limit and requires a deposit upfront.

Before you get a credit card, Harzog says to ask yourself these questions:

- Do you have a checking account now, or when you were in high school?
- Are you able to use a debit card without overdrawing your account?
- Do you save at least some money from each paycheck?
- Do you keep track of how you spend any income you earn?

If the answers are no, consider building credit another way.

I am a big fan of credit-builder loans. You get a small loan — usually through a credit union or community bank — and the money sits in a bank account while you make on-time payments, building a credit score. Once it's paid off, the money is yours.

In the end, managing your money sensibly will naturally lead to a strong score.

"It's far more important to focus on paying bills on time (and paying the credit card bill in full every month)," Harzog says, "than it is to focus on attaining a specific number by graduation."

This article was written by NerdWallet and was originally published by The Associated Press.

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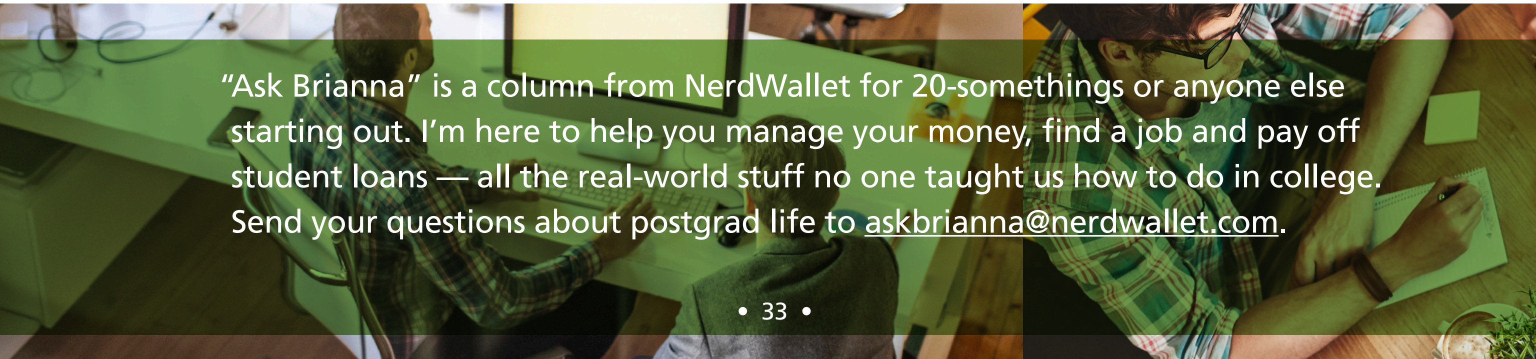
The article Ask Brianna: I'm 18. Should I Worry About My Credit Yet? originally appeared on NerdWallet.



"Ask Brianna" is a column from NerdWallet for 20-somethings or anyone else starting out. I'm here to help you manage your money, find a job and pay off student loans — all the real-world stuff no one taught us how to do in college. Send your questions about postgrad life to askbrianna@nerdwallet.com.

STUDENT LOAN **LOW-DOWN**

3 WAYS TO AVOID A BAD STUDENT LOAN

by Anna Helhoski

You might not use the word "good" to describe student loans, but not all of them are bad.

A truly bad loan has high interest rates, few repayment options, or little help if you have trouble making payments.

Taking time to assess loan features is key to avoiding a bad one, says Kevin Fudge, director of consumer advocacy and the ombudsman for American Student Assistance, a nonprofit focused on helping students pay for college.

Before evaluating any loan offer, first maximize whatever free money you're eligible for. This may include grants, scholarships, and work-study. Then, consider these three borrowing tips to avoid a bad student loan:

① Choose federal loans first.

If you have to borrow, choose federal loans before private. Loans through the federal government offer more borrower-friendly options, such as income-driven repayment and public service loan forgiveness, and don't require established credit.

If you're left with a payment gap to fill, compare offerings from a variety of private lenders. At Metropolitan State University of Denver, students are counseled to seek loans with trusted lender sources, such as their own bank or credit union, says Thad Spalding, executive director of the office of financial aid and scholarships at the university.

Fudge also touts the benefits of local banks over large companies for customer service. "You can walk into a local branch and talk to someone versus calling a 1-800 number and being lost in the push-button wilderness," he says.

When comparing loans, decide what terms are most important to you, says Spalding. This could include a longer grace period, more repayment options, the option to release a co-signer and opportunities to hold off repayment temporarily.

② Check forbearance terms.

While repaying your loan, you may run into difficulty meeting monthly payments. One way to avoid missed payments is by utilizing forbearance. It allows you to pause payments on your loan for a short period of time, while interest continues to build. Forbearance is typically offered in three-month increments, for up to 12 months. Some lenders may offer up to 24 months of forbearance.

If a lender doesn't list its forbearance option, they may grant it on a case-by-case basis. It's safer to choose a loan with a more transparent policy in place.

3 Choose a fixed interest rate loan and look for hidden costs.

Private lenders may offer both variable and fixed interest rates. Go with a fixed rate that will stay the same throughout repayment. A variable rate may initially be lower than a fixed rate, but it can increase over time. That's because variable rates are tied to a financial market index; when the index changes, so does the rate.

In addition to interest rates, look for hidden costs, such as fees. "A bad loan is one that advertises a low interest rate, but has an origination fee that masks the true costs of the loan," says Spalding.

Search for fees and penalties, such as an origination fee, late fee, or prepayment penalty. An origination fee could alternately be labeled "loan disbursement fee" or "administrative fee."

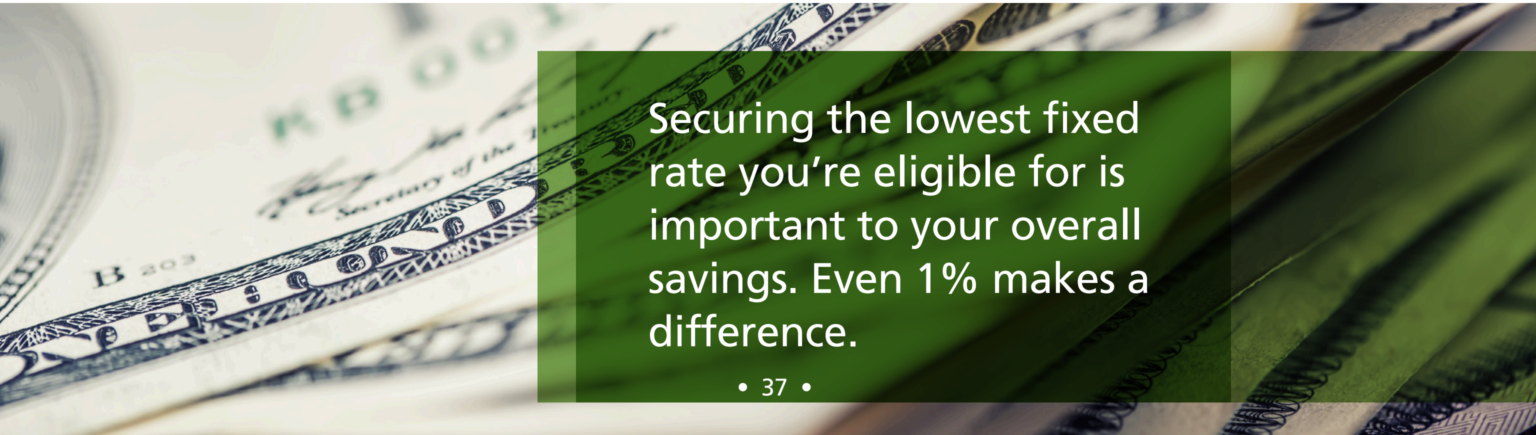
Why the lowest interest rate matters, and how to get it.

Securing the lowest fixed rate you're eligible for is important to your overall savings. Even 1% makes a difference.

For example, if you borrow a $10,000 private loan with an interest rate of 6.5% you'd pay about $3,600 in interest over a typical 10-year term. Instead, if you borrow the same amount at an interest rate of 5.5%, you'll see an interest savings of over $600.

You're likely to take out several student loans over the course of your education. The added costs can mount quickly; use a student loan calculator to see how different your loan savings can be at different rates.

The lowest rates usually go to borrowers with a high credit score, or with a co-signer who has one. Lenders may offer rate discounts for loyalty or existing accounts, graduation, autopay and on-time payments. Ask your private lender how to get the lowest student loan interest rate.



Securing the lowest fixed rate you're eligible for is important to your overall savings. Even 1% makes a difference.

What to do if you recently took a bad loan.

Student loans are typically disbursed to your school at the beginning of the semester. You can usually cancel a private loan if it has not yet been disbursed. After disbursement, each school and lender may have its own requirements for loan cancellation.

If you no longer need the money, you can typically make a written request, up to 14 or 30 days after disbursement, to cancel a federal loan.

What to do if you've been repaying a bad loan.

If you're already making payments on a bad loan, consider refinancing it into a new private loan with another lender. The goal is to find a loan with a lower rate and better terms. To qualify, you'll need to have a credit score in at least the high 600s and a steady income, or a co-signer who does.

Anna Helhoski
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The article 3 Ways to Avoid a Bad Student Loan originally appeared on NerdWallet.


7 WAYS TO AVOID BECOMING A SCARY STUDENT LOAN STAT

by Anna Helhoski

A typical student loan horror story goes something like this: You're a millennial with crippling, six-figure debt; you're underemployed; and you're on the brink of default and living in your parents' basement. But while that's the case for some student loan borrowers, it doesn't have to be the case for you.

Here are seven ways to minimize and manage your debt — and avoid those worst-case scenarios.

1 Exhaust federal student aid first.

Scary stat: 47% of private loan borrowers took out less in federal loans than they could have. *(Source: The Institute for College Access and Success, June 2016.)*

Private student loans — obtained through a bank, credit union or online lender — tend to carry higher interest rates than federal loans. Private loans also offer fewer borrower protections, repayment options and opportunities for forgiveness, and they generally require a co-signer.

Before taking on private debt, submit the Free Application for Federal Student Aid, or FAFSA, to find out if you qualify for any grants, scholarships, work-study and federal loans. If you have any gaps that you and your family can't cover out of pocket, consider your private student loan options by comparing lenders' interest rates, fees and borrower protections.

② Limit how much you borrow.

Scary stat: 5% of student debt holders owe more than $100,000 in debt, as of 2016. *(Source: Federal Reserve Bank of New York.)*

Taking on more debt than you can handle is the quickest way to impact your financial life for decades. Before you borrow, understand the full scope of your college costs.

Use the net price calculator available on your school's website to determine out-of-pocket costs you'll be expected to pay. Once you've exhausted savings, grants, scholarships and work-study, experts recommend borrowing no more than you can expect to make in your first year out of college.

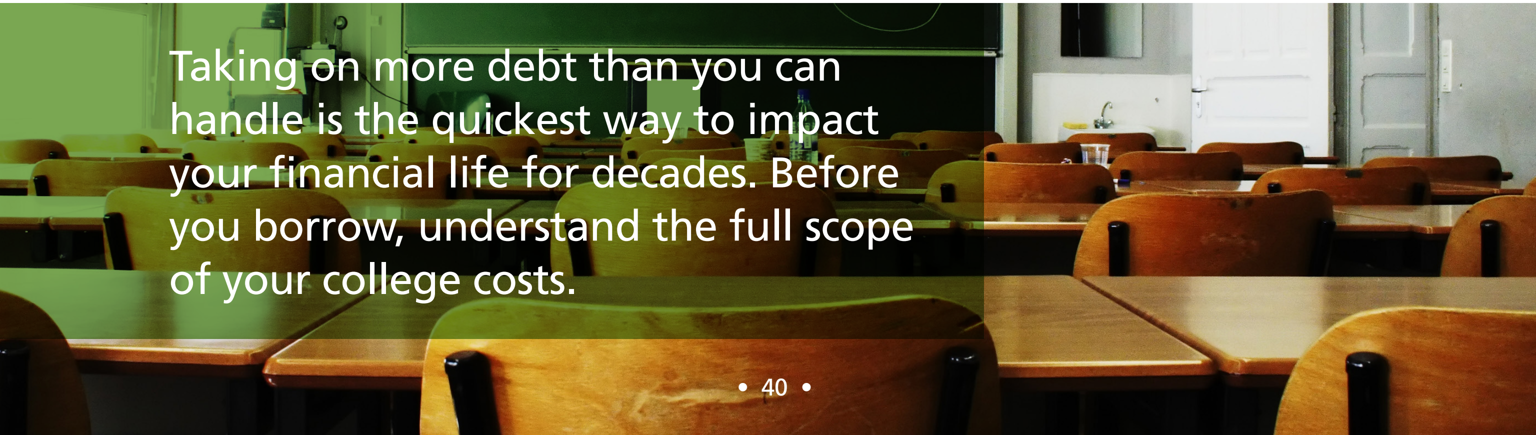
③ Sign up for automatic payments.

Scary stat: 2.4 million Americans are 90 or more days delinquent on their student loan payments, as of 2016. *(Source: Federal Reserve Bank of New York.)*

Payments that are more than 90 days late begin to affect your credit score. And if you go too long without making a payment on your federal loans, they'll default and the government can garnish your wages and tax refund.

If you default on a private loan, your lender can send a debt collector after you or sue you in court to collect repayment, potentially via wage garnishment. If you default on either loan type, your lender or servicer can report it to credit bureaus, which would negatively impact your credit score.

To avoid the risk, sign up for automatic loan payments, which will typically get you a 0.25% discount on your interest rate, too. If you're having difficulty making payments, talk to your servicer about switching to an income-driven repayment plan.



Taking on more debt than you can handle is the quickest way to impact your financial life for decades. Before you borrow, understand the full scope of your college costs.

4 Explore alternative repayment plans.

Scary stat: 9 out of 10 of the federal loan borrowers at highest risk of default aren't enrolled in affordable repayment plans, as of May 2017. *(Source: Consumer Financial Protection Bureau.)*

The standard 10-year repayment plan is the fastest and least expensive way to pay off federal debt. But you'll need another option if your debt has become unmanageable or you've made multiple late payments.

There are six alternative federal repayment plans: graduated, extended and four income-driven repayment options. Use the federal repayment estimator to see which you're eligible for, and contact your servicer to enroll.

5 Work with your servicer if you're in default.

Scary stat: More than two borrowers defaulted on their student loans every minute in 2016. *(Source: Consumer Financial Protection Bureau.)*

Default occurs when your payments are late: 270 days for federal loans and one day for private loans. You'll face calls from bill collectors and your balance will grow due to fees and interest.

If you can't make payments, work out a new repayment plan with your lender or servicer as soon as possible. And if you still end up in default, your federal loan servicer can set you on the right path. Your options: repaying the debt entirely; earning rehabilitation by making nine on-time loan payments for 10 consecutive months; or consolidating your defaulted loans into a direct consolidation loan and making payments on an income-driven plan.

If your private loan defaults, your servicer might temporarily lower your payments or offer you other short-term options, such as deferment or forbearance.

(6) Watch out for student debt relief scams.

Scary stat: 44% of borrowers surveyed said they have been contacted by a student debt relief company. *(Source: NerdWallet and Student Debt Crisis survey "Student Loan Relief Companies Cash in on Confusion," August 2016.)*

Student debt relief companies charge high fees to enroll borrowers in debt relief plans, such as federal consolidation, forgiveness and income-driven repayment. But you can enroll in these plans for free through your loan servicer.

There's not much you can do to stop calls, letters and emails from student debt relief companies, but you can learn how to spot a scam. And check NerdWallet's watch list of companies that charge for questionable student debt relief services.

(7) Keep an eye on retirement, too.

Scary stat: 73% of borrowers delayed saving for retirement due to student loan debt. *(Source: American Student Assistance, 2013.)*

Retirement might not be top of mind when you receive your student loan bill every month, but the sooner you begin saving, the more time your money has to grow. And if your company offers a 401(k) plan with a matching benefit, you should take advantage.

You should make the minimum payment on your student loans each month, but make sure you also meet other financial goals, including retirement. Student loans aren't the worst debt to have, because they charge fairly low rates compared with other debts, such as credit card balances. After making minimum student loan payments, first pay off your high-interest debts, then fill your emergency fund and finally, put money in a retirement account, such as a 401(k) or IRA.

Anna Helhoski
is a staff writer at NerdWallet,
a personal finance website.

The article 7 Ways to Avoid Becoming a Scary Student Loan Stat originally appeared on NerdWallet.

MASTERING YOUR MONEY JUST GOT A LOT EASIER

FINANCIAL AVENUE AND THE KNOWL

Inceptia can work with your student's school to provide a leg up on financial education with our online program, Financial Avenue. Financial Avenue offers smart resources to help demystify the world of personal finance. Trust us — getting a handle on your money doesn't have to feel overwhelming or restrictive. It's all about empowering students with smart basics, and planning from there.

With Inceptia's money mascot – the Knowl — as a trusty guide, students can choose from ten online courses that take on big financial topics without snore-inducing jargon. Using quizzes, videos, interactive tools, and easy-to-understand tips, the Knowl explains subjects such as paying for college, budgeting, credit and identity theft, career planning, managing student loans, understanding a paycheck, and even bigger concepts like the psychology of money, which helps you to understand your personal relationship with money, and why you spend the way you do.

Getting started is easy. Ask your student's teacher to visit FinancialAvenue.org to create an account and receive an access code to share with you. Before you know it, your teen will be so money-savvy that she or he may have some advice for you!

For more great articles and tips from NerdWallet, be sure to check out their online guide to the FAFSA.

About Inceptia

Inceptia, a division of National Student Loan Program (NSLP), is a nonprofit organization committed to offering effective and uncomplicated solutions in financial aid management, default prevention, and financial education. Our mission is to support schools as they launch brilliant futures for students, armed with the knowledge to become financially responsible citizens. Since 1986, we have helped more than two million students at 5,500 schools reach their higher education dreams. Each year, we help more than 278,000 students learn how to pay for college, borrow wisely, resolve their delinquency issues, and repay their student loan obligations. Our solutions are designed to support student success by helping financial aid administrators maximize resources, so they can spend more time focusing on students. More information at Inceptia.org.

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