



## Spring Means College Graduation...and Student Loan Bills

Now that the class of 2013 has graduated, many students are looking for their first job. At the same time, many will also be getting a first look at a hefty student loan bill. Accel Members Financial Counseling is seeing more people struggling with a larger amount of student loan debt. “Our clients who have student loans are facing an average of nearly \$30,000 in student loan debt, which is a thirteen percent increase over 2011,” said Rick Bialobrzeski, Accel communications director. Here are 10 tips that can save you some headaches and money if you have student loan debt, regardless of whether you just finished school or are already paying the loans:

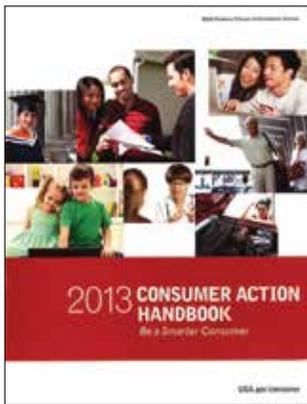
1. **Get to know your loans.** Do you have federal or private loans? Perkins or Stafford loans? What are your interest rates? It’s important that you keep track of the loan type, lender, balance, and repayment status for each of your student loans. If you’re not sure what kind of loans you have, you can visit the National Student Loan Data System at [www.nsls.ed.gov](http://www.nsls.ed.gov) to see federal loans.
2. **Verify when payments are due.** Different loans have different grace periods. A grace period is how long you can wait after leaving school before you have to make your first payment.
3. **Put yourself on a budget.** It’s critical that you live within your means by prioritizing expenses and spending only what you can truly afford. Begin by documenting your monthly income and living expenses. Make sure you have enough income to cover your “needs” – rent, electric bill, transportation, food, student loans – before spending on “wants” – entertainment, vacations, and other fun stuff.
4. **Consider setting up automatic payments.** Missing payments can quickly get you into financial trouble. Pay on time all the time. Setting up payments automatically through your checking account will dramatically reduce the chances of missing a payment deadline.
5. **Don’t increase payment period if possible.** Interest charges can add up very quickly. If possible, pay off your loans within the standard 10-year period. Repayment programs that defer or lower payments will delay or reduce your monthly payment, but you will pay over a longer period of time and your balance will be larger.
6. **Pay off loans with the highest interest rates first.** You won’t get penalized for paying off a student loan early. Consider using extra cash to pay down loans with the highest interest rates first. This strategy can save you hundreds or thousands of dollars in interest.
7. **Explore your repayment options.** If you are having trouble making loan payments, make sure you understand your repayment options. Deferment and forbearance temporarily stop payments, but interest may continue to accrue and the loan balance may continue to grow.
8. **Communicate with your lender.** If you foresee problems making a loan payment on time, it’s important to communicate proactively with your lender or servicer. Be up front about issues that you encounter, and your lender should help you reach a solution to avoid defaulting on your loan.
9. **Open and read all of your mail.** Pay close attention to every piece of mail you receive about your loans, both paper and electronic. Don’t ignore phone calls or letters from your loan servicer or a collection agency. If you have a problem, it won’t go away on its own.
10. **Take advantage of tax deductions.** Depending on your income, you may be able to deduct up to \$2,500 on the interest you pay on your student loan each year. This deduction will help reduce your annual taxable income, possibly resulting in a smaller tax bill.

If you would like assistance in understanding your loan repayment options, contact Accel at 1-877-33ACCEL (332-2235).

## Be in the Know – Order Your Free 2013 Consumer Action Handbook

The U.S. government’s official web portal, [www.USA.gov](http://www.USA.gov), makes it easy for the public to access U.S. government information and services.

The 2013 Consumer Action Handbook is a free resource that offers helpful tips about preventing identity theft, understanding credit, filing a consumer complaint, along with many other useful topics.



Log on to [www.usa.gov/consumer](http://www.usa.gov/consumer) to order via mail or download your free 2013 Consumer Action Handbook in English or Spanish.

## Member Feedback

Credit union members have the opportunity to let us know the most important benefit they received from completing a financial assessment with an Accel counselor. Here is a comment from a member:

*“My counselor helped me to see exactly where my money was going. This was very beneficial. He also helped me to find ways to cut back on my spending. Thanks to my counselor I was able to eliminate almost \$300 in unnecessary spending from my monthly budget. This is AWESOME!”*

As a member of (Credit Union), you can take advantage of the **Accel** program, a **free** financial education and counseling program. To use this service, simply call 1-877-33ACCEL (332-2235) or visit them on the web at [www.accelservices.org](http://www.accelservices.org).

## What If Your Identity Gets Stolen?

So, what do you do if you review your credit report and see that there are accounts open that don’t belong to you? What are the steps to take?

1. Contact the three credit bureaus and tell them that you have been a victim of identity theft.  
Equifax: 800-525-6285 [www.fraudalerts.equifax.com](http://www.fraudalerts.equifax.com)  
Experian: 888-397-3742 [www.experian.com/fraud](http://www.experian.com/fraud)  
Transunion: 800-680-7289 [www.transunion.com](http://www.transunion.com)
2. Contact your creditors directly and ask to speak to someone in the security department. Freeze the existing account.
3. Contact local law enforcement and get a police report. This will serve as documentation that a crime has occurred.

By reviewing your credit report on a regular basis and catching any fraudulent activity early, you can save yourself many hours of getting your good name cleared.

## Protect Your Online Presence

Did you know that 123456 and the word “password” are among the most popular passwords, according to SplashData?

Money Magazine recently shared some tips on ways to build passwords that will block hackers from taking over your sensitive online accounts. Here are three quick tips:

1. Go big and random. Longer passwords are harder to hack. The article suggests avoiding actual words and make up a password from abbreviated sentences. Example: “The best TV show was Sanford and Son” becomes “TbTVswS&S.”
2. Don’t repeat. Never recycle a password for sensitive accounts such as banks, e-mail or social media.
3. Choose a password that might help motivate you in other areas like “IwillRUNa5Kin2013.”

**YOUR  
CREDIT UNION LOGO  
HERE**