

# Setting and Reaching Financial Goals

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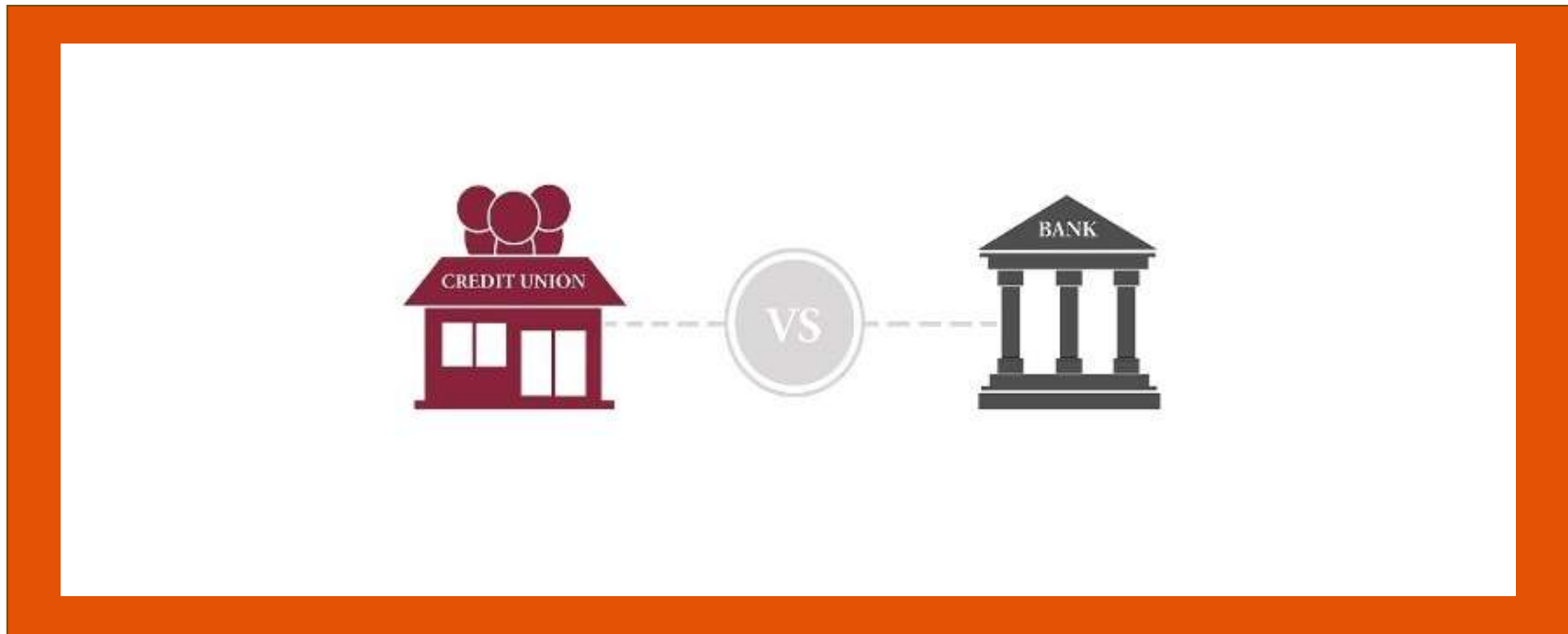
# History of University Credit Union and Pepperdine Partnership



PEPPERDINE  
UNIVERSITY



- UCU was founded in 1951 on the UCLA campus by UCLA employees
- Created by the University Community for the University Community
- Partnership was signed in 1993
- Athletic and Campus wide Alumni Students Employees Supporters



## What makes Credit Unions different?

- Credit Unions do not have shareholders. We are member owned.
- Able to better serve members during economic downturns.
- Banking Hub vs Traditional Branch



### UCU Serves:

- Students
- Employees
- Retirees
- Faculty
- Alumni
- Members' Families



### How We Serve:

- No conflicts of interest
- No individual incentives
- Consultative, needs-based approach that has our members' best interest in mind



### Partnership Benefits:

- Full-service financial institution
- Highest yielding checking account in the nation
- Powerful financial wellness resources



# Anytime, Anywhere

Our members bank how they want, when they want, where they want.

## Innovative omni-channel service approach

- A convenient and intuitive digital banking experience
- Apple Pay, Android Pay, and Samsung Pay compatibility
- 24/7 online support courtesy of our AI Virtual Assistant, Royce

## Access to funds through a nationwide ATM and branch network

- Convenient on-campus ATM locations
- Over 30,000 surcharge-free ATMs
- Access to the Shared Branch Network (5,800+ locations)

## Personal service approach

- Virtual appointments with UCU advisors
- In-person appointments with Growth Officers on partner campuses
- Business Banking advisors for more complex banking needs

# Benefits for YOU

1. Home Loans
2. Car Loans
3. Consolidation
4. Credit cards
5. Checking and Savings
  - No fees!

We guarantee to be in the top  
5% of rates in the nation!

Giving everyone in the  
university community  
a **financial advantage.**





# MONEY PERSONALITY



List the products and services you spend your money on  
List ways you are a 'good spender'

List changes you would like to make in your spending habits





**Hoarder:** The hoarder likes to save, budget and prioritize



**Spender:** The spender likes to spend



**Planner:** The planner is the nitty-gritty, take-it-one-step-at-a-time type



**Dreamer:** The dreamer hatches passionate schemes, but has no idea how to make them come true



**Merger:** The merger wants to pull all of the couple's money together



**Separatist:** The separatist wants at least some of his/her own money



**Risk-taker:** The risk-taker loves adventurous investing



**Risk-avoider:** The risk-avoider goes for the sure thing



# Today's Agenda:



**Understanding  
your Financial  
Behaviors**



**Setting Yourself  
up for Success**



**Getting Back on  
Track after a  
Setback**

# Introduction

- **Did you set a money-related New Year's Resolution this year?**



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- If yes... how's it going?



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- **You're not alone!**



# Introduction

- Did you set a money-related New Year's Resolution this year?
- If yes... how's it going?
- You're not alone!
- **How might we set financial goals that we can *actually* reach, even when "life happens?"**





# Understanding Your Financial Behaviors



# Understanding Your Financial Behaviors



## Behavioral Economics

- “The study of psychology as it relates to the economic decision-making processes of individuals”



# Understanding Your Financial Behaviors



## Behavioral Economics

- “The study of psychology as it relates to the economic decision-making processes of individuals”
- A way to understand why we make the financial decisions we make

# Understanding Your Financial Behaviors

## Framing

- The principle of how something is presented to an individual, which may impact the outcome



# Understanding Your Financial Behaviors

## Framing

- The principle of how something is presented to an individual, which may impact the outcome
- **Example:** how you think about a budget



# Understanding Your Financial Behaviors



## Loss Aversion

- Real (or potential) loss is felt more strongly than an equivalent gain.



# Understanding Your Financial Behaviors



## Loss Aversion

- Real (or potential) loss is felt more strongly than an equivalent gain.
- **Example:** reducing expenses to free up money to put towards your goals

# Understanding Your Financial Behaviors

## Mental Accounting

- Placing different values on the same amount of money based on subjective criteria



# Understanding Your Financial Behaviors

## Mental Accounting

- Placing different values on the same amount of money based on subjective criteria
- **Example:** plan to use windfalls/out of the ordinary money to reach your goals quicker





# Understanding Your Financial Behaviors



## Present Bias

- The tendency to focus more on the present situation than the future when making decisions, which can lead to prioritizing immediate rewards over future payoffs

# Understanding Your Financial Behaviors



## Present Bias

- The tendency to focus more on the present situation than the future when making decisions, which can lead to prioritizing immediate rewards over future payoffs
- **Example:** grabbing fast food when your dining out budget has already been exhausted, which means dipping into the funds you planned to put towards your goal

# Understanding Your Financial Behaviors

## Overconfidence Bias

- An overestimation of skills, abilities, and knowledge



# Understanding Your Financial Behaviors

## Overconfidence Bias

- An overestimation of skills, abilities, and knowledge
- **Example:** setting a financial goal that is not realistic to reach, assuming you'll "figure it out" along the way





# Understanding Your Financial Behaviors



# Setting Yourself Up for Success



# Setting Yourself Up for Success

## Set Clear Goals

- Be specific





# Setting Yourself Up for Success

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- Be specific
- Make sure it can be measured



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- **Example:** I want to save more money.



# Setting Yourself Up for Success

## Set Clear Goals

- Be specific
- Make sure it can be measured
- **Example:** I want to save more money.
- **Example:** I want to save \$1,000 within the next year for – fill in the blank.



# Setting Yourself Up for Success



## Create a Plan


- How much do you need to reach your goal?
- How much time do you have to reach your goal?
- If there is no hard deadline, when would you like to reach your goal?
- What steps do I need to take to reach this goal in this amount of time?

# Setting Yourself Up for Success

## Know What is Realistic

- Understand what a budget truly is





***"I have a budget. I know what I spend monthly and what it costs to run my household and what it costs to run this home. It's hard all the time to stick within a budget, for sure, but I think it's a good guideline. And I'm the type of personality where I'm like, okay, I really want to buy this, so I have to make this in order to be able to buy that for myself. So I'll make it happen."***





# Setting Yourself Up for Success

## Know What is Realistic

- Understand what a budget truly is
- Revisit or create your budget to determine what is realistic for you right now



# Setting Yourself Up for Success

## Know What is Realistic

- Understand what a budget truly is
- Revisit or create your budget to determine what is realistic for you right now
- Know where you are on the path to financial wellness



# Setting Yourself Up for Success

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## Achieve Dreams!

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## Grow Assets

Save for retirement and other goals

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## Increase Resiliency

Spend less than you earn, establish an emergency fund, build credit, make informed decisions

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## Improve Cash Flow

Reduce fees, reduce interest, stop living paycheck to paycheck, manage bills

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## Defuse Crisis

Stop collection calls, stabilize housing, stop garnishment, etc.



# Setting Yourself Up for Success

- **According to the CFPB, financial wellness is:**
  - Having control over day-to-day, month-to-month finances
  - Having the capacity to absorb a financial shock
  - Being on track to meet financial goals
  - Having the financial freedom to make choices to enjoy life

# Setting Yourself Up for Success



## Know your "Why"

- What are you working towards, and why is it important to you?



# Setting Yourself Up for Success



## Know your "Why"

- What are you working towards, and why is it important to you?
- Keep your "why" in front of you

# Setting Yourself Up for Success

## Get Outside Guidance

- Getting someone else's eyes on your situation can help you identify blind spots and other options you may not know about



# Setting Yourself Up for Success

## Get Outside Guidance

- Getting someone else's eyes on your situation can help you identify blind spots and other options you may not know about
- Trusted family or friend, your financial institution, a financial counselor



# Book a Virtual Appointment



- UCU.org
- Scan QR Code
- CCUFC Certified
- Don't need to be a member



# Setting Yourself Up for Success



## Motivate Yourself Along the Way

- Break your goal up into smaller milestones



# Setting Yourself Up for Success



## Motivate Yourself Along the Way

- Break your goal up into smaller milestones
- What will motivate you to keep going?

# Setting Yourself Up for Success

## Hold Yourself Accountable

- Automate as much as you can



# Setting Yourself Up for Success

## Hold Yourself Accountable

- Automate as much as you can
- Pre-commitment



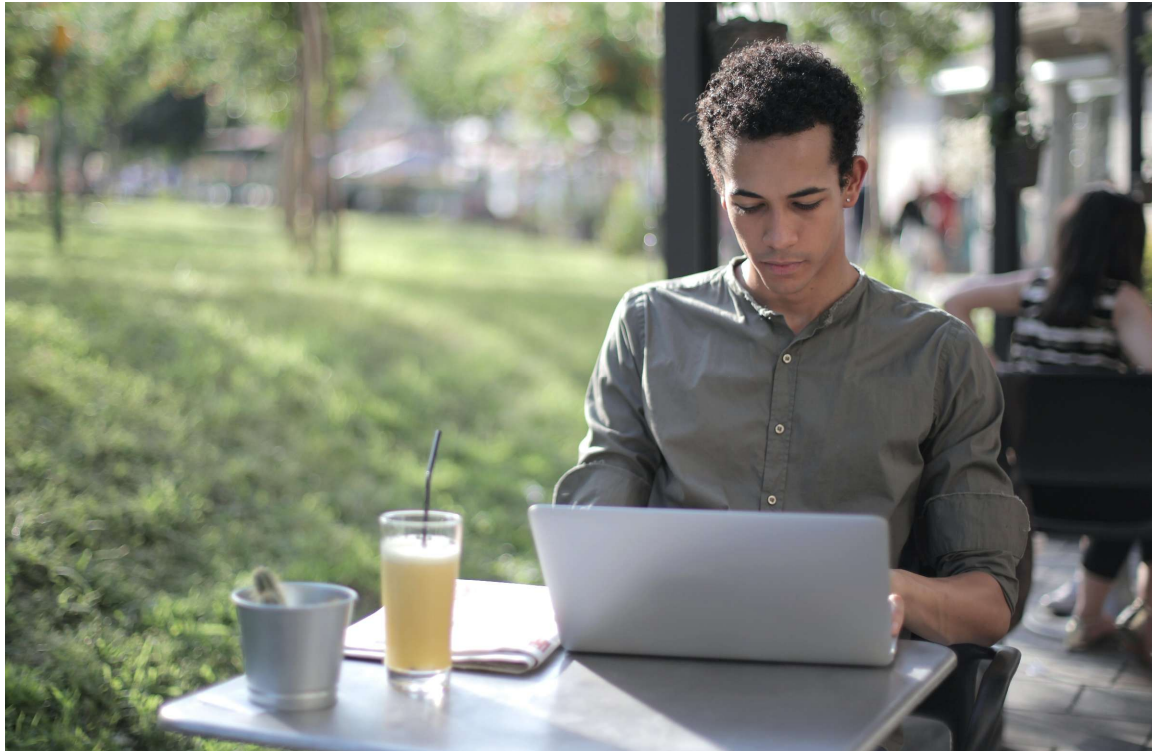
# Setting Yourself Up for Success

## Hold Yourself Accountable

- Automate as much as you can
- Pre-commitment
- External accountability

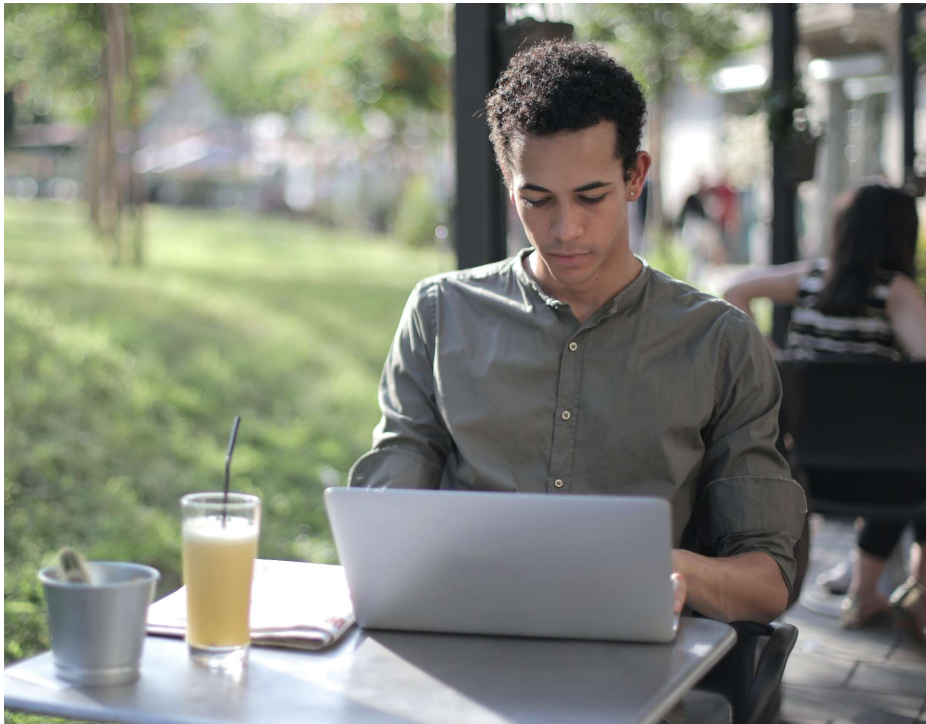


# Your Money After College





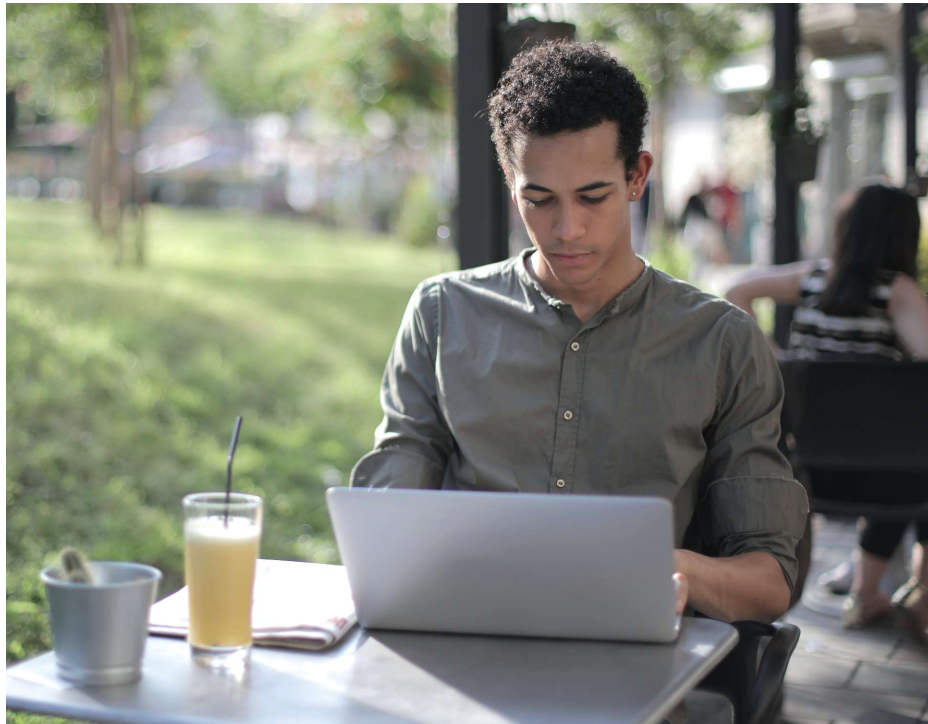
# Your Money After College



## Revisit your Budget

- How has your income changed?

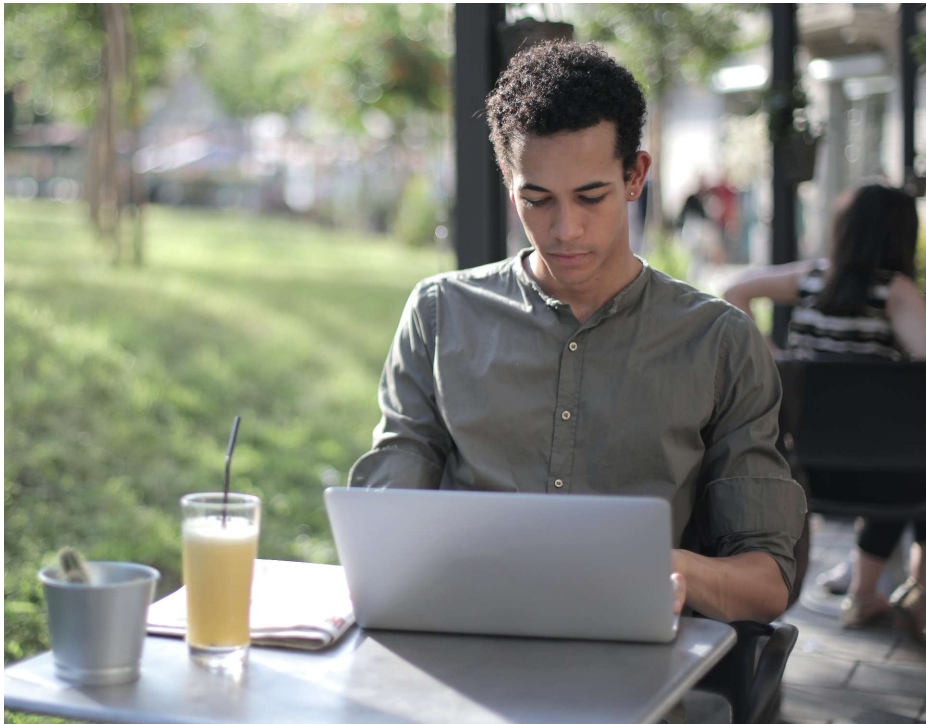
# Your Money After College



## Revisit your Budget

- How has your income changed?
- How have your expenses changed?

# Your Money After College



## Revisit your Budget

- How has your income changed?
- How have your expenses changed?
- How have your goals changed?

# Your Money After College

## Student Loan Repayment

- Grace Period



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
  - The default plan you will be enrolled in, unless you request to change





# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
  - The default plan you will be enrolled in, unless you request to change
  - Aims to pay off entire loan balance and interest within 10 years



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
  - Lower initial payments, but payments increase on a set schedule



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
  - Lower initial payments, but payments increase on a set schedule
  - Typically set up to repay loans within 10 years



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
  - Borrowers with more than \$30k outstanding Direct Loan balances may be eligible



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
  - Borrowers with more than \$30k outstanding Direct Loan balances may be eligible
  - Payments may be fixed or graduated, but are designed to repay loans within 25 years





# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
- SAVE Plan
  - Monthly payments are recalculated annually based on your income and family size





# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
- SAVE Plan
  - Monthly payments are recalculated annually based on your income and family size
  - Loan balances will not grow due to unpaid interest



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
- SAVE Plan
- Income Based Repayment Plans
  - Payments are recalculated annually based on income and family size



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
- SAVE Plan
- Income Based Repayment Plans
  - Payments are recalculated annually based on income and family size
  - Debt must be high relative to income



# Your Money After College

## Student Loan Repayment

- Grace Period
- Standard Repayment Plan
- Graduated Repayment Plan
- Extended Repayment Plan
- SAVE Plan
- Income Based Repayment Plans
  - Payments are recalculated annually based on income and family size
  - Debt must be high relative to income
  - Any outstanding balance is eventually forgiven



# Your Money After College

## Student Loan Repayment

- Total amount you repay can vary dramatically across plans





# Your Money After College

## Student Loan Repayment

- Total amount you repay can vary dramatically across plans
- Use the [StudentAid.gov](https://studentaid.gov) loan simulator to compare plans and total amount you are estimated to repay under each





# Your Money After College

## Student Loan Repayment

- Total amount you repay can vary dramatically across plans
- Use the StudentAid.gov loan simulator to compare plans and total amount you are estimated to repay under each
- Weigh your short- and long-term financial goals when deciding what repayment plan makes sense for you



# Your Money After College

## Student Loan Repayment

- Total amount you repay can vary dramatically across plans
- Use the StudentAid.gov loan simulator to compare plans and total amount you are estimated to repay under each
- Weigh your short- and long-term financial goals when deciding what repayment plan makes sense for you
- Consider where you work



# Your Money After College

## Student Loan Repayment

- Total amount you repay can vary dramatically across plans
- Use the StudentAid.gov loan simulator to compare plans and total amount you are estimated to repay under each
- Weigh your short- and long-term financial goals when deciding what repayment plan makes sense for you
- Consider where you work
- Don't ignore your student loans



# Getting Back on Track after a Setback



# Getting Back on Track after a Setback



## Acknowledge the Setback

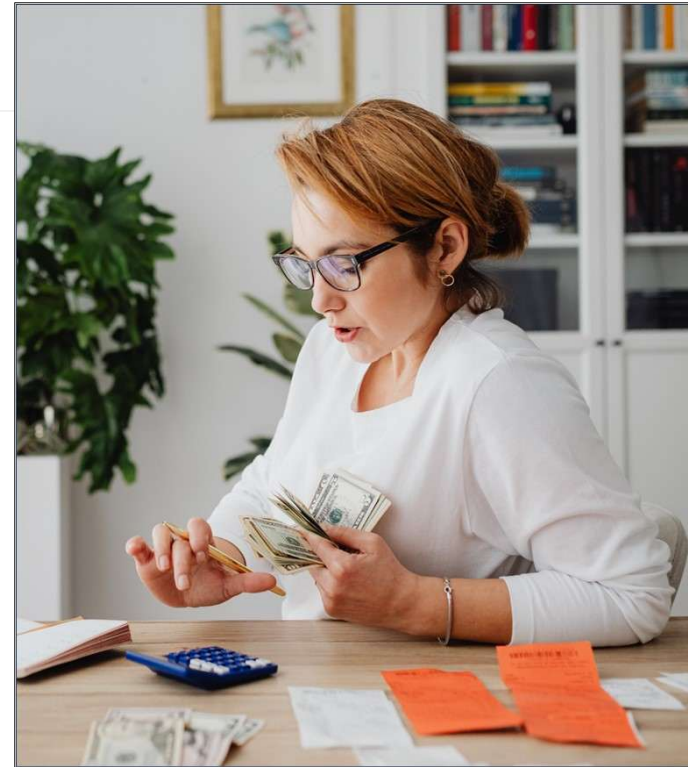
- Remember: a setback is **not** a failure!



# Getting Back on Track after a Setback

## Take a Breather

- Do what you need to do to resolve the setback

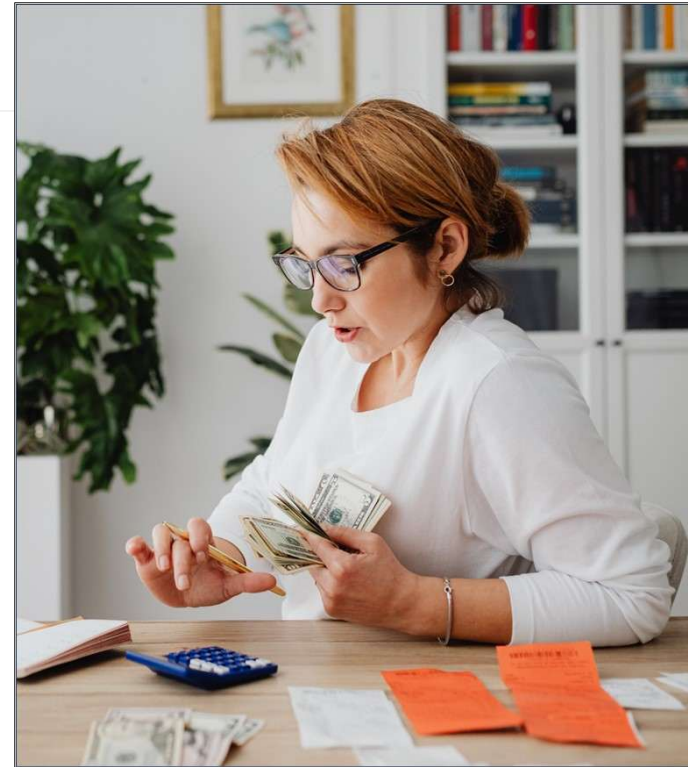




# Getting Back on Track after a Setback

## Take a Breather

- Do what you need to do to resolve the setback
- Determine when you'll be back to revisit this – get specific!



# Getting Back on Track after a Setback



## Revisit your Goal

- Is it still realistic?

# Getting Back on Track after a Setback



## Revisit your Goal

- Is it still realistic?
- What may need to change?

# Getting Back on Track after a Setback



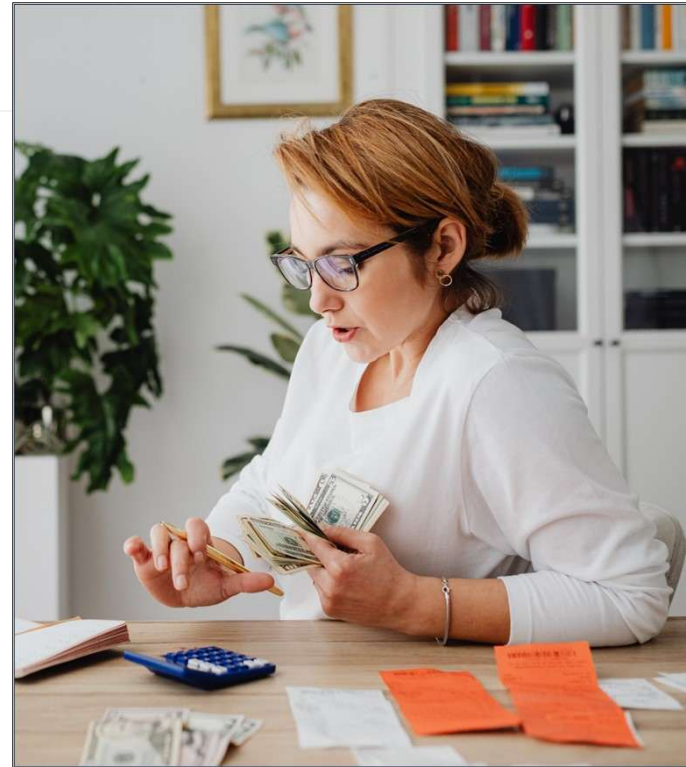
## Revisit your Goal

- Is it still realistic?
- What may need to change?
- Make adjustments or create a new plan

# Getting Back on Track after a Setback

## You Don't Have to do it Alone!

- University Credit Union can help







See the future  
you — **empowered**  
by UCU.



Discover Empower **YOU**

Federally insured by NCUA



In 2024, we provided  
UCU members with:



**\$18M**

in financial benefits.

That's



**\$347**

per member

or



**\$730**

per household.

[www.graphicriver.net/goashape](http://www.graphicriver.net/goashape)



## Free and confidential financial assessments:



***Credit Report &  
Budget Reviews***



***Rent, Mortgage, &  
Homebuyer  
Counseling***

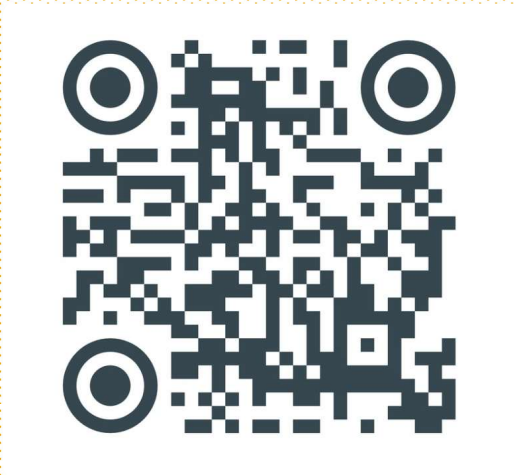


***Student Loan  
Counseling***



***Options for Paying  
off Debt***

# Thank You for Joining Us!



- Megan Sterling  
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- Katie Lopez  
[klopez@ucu.org](mailto:klopez@ucu.org)
- [Become a Member](#)



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