







Welcome Postdocs

From Harvard University Employees Credit Union (HUECU)



As a not-for-profit exclusively serving the Harvard community, including Harvard teaching hospitals and other affiliated organizations, HUECU is committed to providing postdocs the highest quality financial solutions.

HUECU understands that your transition into this next stage of your career may be challenging, so we want to make the financial aspects easier for you. We can help you with the following services:

 Waive Goodbye to ATM Fees with Crimson Checking	 Cash Back Credit Card with Every Day Spending Rewards
 Student Loan Repayment & Refinancing	 Online & Mobile Account Access – Anywhere You Need It
 Personal Finance Counseling	 Branch & ATM Access Where You Are: Harvard Square, LMA, MGH & Charlestown Navy Yard

ROAD MAP TO YOUR FINANCIAL SUCCESS

Follow these five simple steps to a path of financial independence

1. REVIEW YOUR CREDIT REPORT

Most landlords will obtain your credit report and credit score as part of the rental application process. Having unfavorable credit may prevent you from getting the apartment you want. Visit AnnualCreditReport.com for a free copy of your credit report, review it for accuracy and resolve any discrepancies and delinquent accounts.

2. BUDGET FOR RELOCATION EXPENSES

EXPENSES	SAMPLE EXPENSES	YOUR EXPENSES
Rent: <i>first, last, and full month security deposit</i>	\$4,500	\$ _____
Annual Rental Insurance	\$216	\$ _____
Furniture and Household Supplies	\$2,000	\$ _____
Additional Moving Expenses		
TOTAL RELOCATION EXPENSES	\$6,716	\$ _____

Sample costs are based on living alone in a studio in Boston in 2017.

3. MANAGE YOUR FEDERAL STUDENT LOANS

Knowing your student loan options can save you money and provide peace of mind.

Repayment

Federal student loans offer various repayment options designed to help you make payments regardless of your financial situation.

Forbearance

You may be eligible to postpone your federal loan repayments while you are serving your assignment, notably as a medical or dental resident. While on forbearance, you are not required to make monthly payments but interest will continue to accrue.

Forgiveness

The Public Service Loan Forgiveness Program allows your remaining loan balance to be forgiven after you make 120 qualifying monthly payments while working full-time for a qualifying employer.

REPAYING YOUR LOANS SOONER WILL REDUCE THE AMOUNT YOU REPAY AND MAY BRING YOU CLOSER TO QUALIFYING FOR LOAN FORGIVENESS

3. UNDERSTANDING FEDERAL AND MASSACHUSETTS CREDITS AND DEDUCTIONS

For complete requirements and specifications, visit [IRS.gov](https://www.irs.gov) or contact a tax professional.

Lifetime Learning Federal Tax Credit

A \$2,000 federal credit for educational expenses, such as tuition and fees, for federal tax filers with a modified adjusted gross income of under \$65,000.

Student Loan Interest Deduction

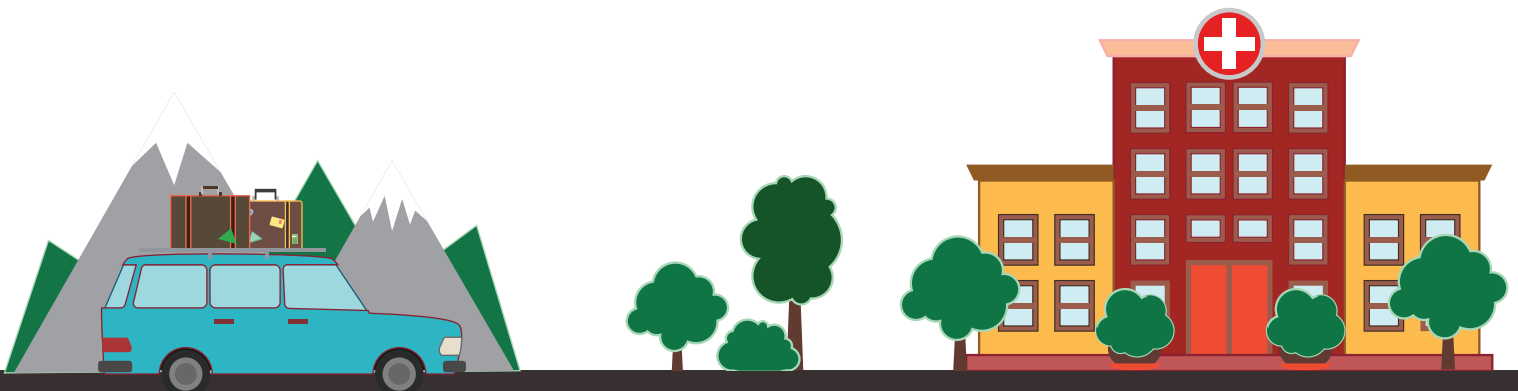
Tax filers, with modified adjusted gross income of less than \$80,000, may reduce their taxable income by up to \$2,500 for interest paid toward student loans.

Massachusetts Rent Deduction

Individuals whose primary residence is in Massachusetts are entitled to an income tax deduction equal to 50% of the rent paid, but not to exceed \$3,000. Eligible non-residents may deduct up to \$2,500.

Federal Moving Expense Deduction

If you meet certain requirements, you may be eligible to deduct moving expenses due to the start of a job in a new location.



5. CREATE A MONTHLY BUDGET

MONTHLY INCOME	SAMPLE MONTHLY BUDGET	YOUR MONTHLY INCOME
Salary (after deductions) ¹	\$3,116	\$ _____
Additional income after deductions	\$0	\$ _____
A) TOTAL INCOME	\$3,116	\$ _____

MONTHLY EXPENSES	SAMPLE MONTHLY EXPENSES	YOUR MONTHLY EXPENSES
Rent	\$1,500	\$ _____
Utilities (electricity, cable, heat, cell phone, etc.)	\$300	\$ _____
Food (groceries)	\$200	\$ _____
Student Loan Repayment ²	\$332	\$ _____
Savings (retirement, emergency, etc.)	\$75	\$ _____
Entertainment (dining out, concerts, movies, etc.)	\$140	\$ _____
Transportation (MBTA pass, taxi, car/bike rental, car, etc.)	\$80	\$ _____
Credit Card Payment ³	\$150	\$ _____
Additional expenses (childcare, laundry, haircuts, clothing, etc.)	\$300	\$ _____
B) TOTAL EXPENSES	\$3,077	\$ _____

A) Total Income	\$3,166	\$ _____
Minus B) Total Expenses	-\$3,077	\$ _____
C) DISCRETIONARY INCOME	\$89	\$ _____

Sample costs are based on of information current as of June 2017. Please consult tax professional and/or your loan servicer for specific details.

1. The sample salary used in this example is based on \$50,000 annual salary with one federal and one Massachusetts state allowance, paycheckcity.com
2. Based on \$111,500 in federal direct loans at an interest rate of 6.15% and AGI of \$57,680 using the initial repayment for REPAY or IBR option.
3. We recommend paying your credit card balance in full each month.

BUDGETING TIPS

At the end of the month, you want to have discretionary income. Having a deficit means you will need to reduce expenses and/or increase your income. Below are some tips to help you reduce expenses.

Eliminate Expenses: Needs versus Wants

Determine what items on your budget are wants, and not needs. Eliminating wants will help you reduce your total expenses.

Minimize Expenses: Downsize

You may be paying for more than you need. *Can you downgrade your cell phone plan, find less expensive housing, or buy generic brands instead of name brands?*

