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# Improving cash flow checklist

If you created a cash flow using the spreadsheet or the calendar, you may find that some weeks are not working out—you are not able to pay your bills on time.

Improving cash flow comes down to one of three strategies:

- Smooth out cash flow by avoiding large periodic payment and making smaller payments throughout the month or year.
- Cut out spending.
- Increase income or other resources.

Sometimes short-term changes to expenses or finding ways to temporarily increase income can help improve your cash flow now, and sometimes the changes you make will need to stay in place for a long time to make a difference.

Some of these suggestions may not work for you. Check the ones that may be options for you and use this checklist as a plan to put the ideas into action.

 Strategy list

Check if option for you	Strategy for improving cash flow	Tips and more information	Notes
<b>Smooth out cash flow</b>			
	Negotiate new due dates for bills to better line up with when you get income.	<i>Check with businesses you have had a long-standing relationship with first.</i>	

	Negotiate splitting a monthly payment into two smaller payments.	<i>For example, if a \$700 rent payment is due the first of the month, see if you can make a \$350 payment on the 1<sup>st</sup> and a \$350 on the 15<sup>th</sup>.</i>	
	Avoid large, lump sum or periodic payments by making monthly payments—car insurance and taxes, for example.	<i>You may have to pay a small fee to make this arrangement, but it may make handling these payments more manageable.</i>	
	Set up a savings account and automatically deposit the monthly amount of large, lump sum payments into the account so you are prepared when they are due.	<i>For this you need regular income and a bank or credit union account.</i>	
	Explore level payment plans for utilities.	<i>This is especially important in extreme climates—with high heating bills in the winter or high cooling bills in the summer. You often have to be a customer in good standing to qualify for these programs. Check with your local utility providers.</i>	
	Check to see if you qualify for an energy assistance program.	<i>Ask for a referral to the agency in your community that manages energy assistance programs.</i>	

	<p>Explore debt consolidation.</p>	<p><i>If you have many debts and good credit, consider exploring debt consolidation with a bank or credit union. This can make managing your cash flow easier because the monthly payment may be smaller – but it may take you longer to completely pay off the debts and cost more in the long run.</i></p> <p><i>Remember that if you consolidate your debts into your mortgage, falling behind on those payments could put your home at risk. Be sure you understand the terms and are not paying more interest with your new loan.</i></p> <p><i>See the Resources list at the end of the module for credit counseling links.</i></p>	
	<p>Refinance your car or home for lower interest rates if possible or explore extending the time you will repay the loan. If you have a home loan, talk with your lender about the possibility of a modification.</p>	<p><i>Be sure to do the math to ensure the new rate (including the fees) really does save you money over time. While it may cost you more in the long run and may impact your credit reports and scores, it may make monthly payments more manageable.</i></p>	
	<p>Check to make sure your withholding enough tax with your employer.</p>	<p><i>This can help ensure you do not end up with a large income tax bill because your withholding was too low.</i></p>	
	<p>If you have student loans, check to see if you have repayment options.</p>	<p><i>See if you qualify for income-based repayment or other programs.</i>  <a href="http://studentaid.ed.gov/repay-loans/">http://studentaid.ed.gov/repay-loans/</a></p>	
	<p>Other:</p>		

<b>Cut out spending</b>			
	Television, Internet, Phone, and Cell phone Plans	<p><i>Check with your provider about bundling and lower cost plans or discontinue cable.</i></p> <p><i>Check to see if you qualify for a "Lifeline" phone rate. Visit <a href="http://www.fcc.gov">http://www.fcc.gov</a> and your state's public utilities commission website</i></p>	
	Review insurance; check to make sure you have the right deductibles for auto and home insurance.	<i>Check to see if moving insurances to one company will save you money, and check for other discounts.</i>	
	<p>Find ways to save on energy:</p> <ul style="list-style-type: none"> <li>• Turn off and unplug unused electric appliances.</li> <li>• Insulate and use weather stripping around doors and windows.</li> <li>• Set thermostat higher in summer and lower in winter.</li> </ul>	<i>Check to see if eligible for weatherization programs or other incentives.</i>	
	Eliminate online video or music pass membership.		
	Eliminate gym/health club or discount store memberships if not using regularly.		
	Eliminate credit monitoring services if you are paying for them.	<p><i>You can check each of your three credit reports for free once a year at <a href="http://www.annualcreditreport.com">www.annualcreditreport.com</a>.</i></p> <p><i>Some states have laws that allow for an additional credit report from each major credit reporting agency.</i></p>	

	Pay bills and renew license and registration on time to avoid late fees.		
	Return library materials, rented DVDs, etc. on time.		
	Access community resources for some living expenses.	<i>See if you qualify for community food programs, clothing closets, transportation voucher programs, childcare subsidies, etc.</i>	
	Other:		
<b>Increase income</b>			
	Take another part-time job if your schedule allows.		
	Work odd jobs.		
	Apply for benefits for which you may qualify.	Visit <a href="http://www.benefits.gov">http://www.benefits.gov</a>	
	File taxes so that you can receive a refund if you qualify.	<i>Consider saving some of your refund to help pay bills or cover emergencies for the rest of the year.</i>	
	Other:		

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## Resources

For MyMoney.gov budgeting resources, visit:

<http://www.mymoney.gov/Fast/Pages/Results.aspx?k=Budgeting%20worksheets&s=All>

If you want more information on budgeting, visit:

<http://www.mymoney.gov/tools/Pages/tools.aspx>

For more information on benefits, visit:

<http://www.benefits.gov>

If you want more information about finding a job, visit this site to get started:

<http://www.dol.gov/dol/audience/aud-unemployed.htm>

To find a one-stop career center located near you, visit:

<http://www.servicelocator.org>

If you lose your job, visit the following for more information:

<http://www.benefits.gov>

<http://www.dol.gov/ebsa/publications/joblosstoolkit.html#.UM6BmXPjkt8>

Housing counselors can provide advice on buying a home, renting, defaults, foreclosures, and credit issues:

[www.consumerfinance.gov/find-a-housing-counselor](http://www.consumerfinance.gov/find-a-housing-counselor)

If you would like help managing your debt or rebuilding credit, visit the National Foundation for Credit Counseling:

<http://www.nfcc.org/>

For additional resources, visit the Consumer Financial Protection Bureau website:

<http://www.consumerfinance.gov/AskCFPB>

If you have a consumer complaint, visit:

<http://www.consumerfinance.gov/complaint>

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