Your Money, Your Goals-Part One

A financial empowerment toolkit – April 2, 2019
Disclaimer

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About the Bureau

The Bureau of Consumer Financial Protection (Bureau) regulates the offering and provision of consumer financial products and services under the Federal consumer financial laws, and educates and empowers consumers to make better informed financial decisions.
Financial Education Exchange (CFPB FinEx)

An online and in-person opportunity to access Bureau tools and resources, and connect with the Bureau and your peers engaged in financial education.

Our goal is to help you improve the financial well-being of the people you serve.

Regional convenings:
- Dallas, TX
- Fort Worth, TX
- Maryland
- Denver, CO
- Kansas City, MO
- Atlanta, GA
- Sacramento, CA
- Madison, WI
- St. Louis, MO
- Tacoma, WA
- Nashville, TN
- Boston, MA

Monthly webinars include:
- Fraud prevention for older adults
- Disaster recovery and preparedness
- Resources for servicemembers
- Accessing credit scores
- Managing spending
- Debt collection resources
- Credit card spending
- Libraries as Financial Education Resources
- Financial Coaching
- Financial Education Programs Serving Immigrant Populations
- Federal Financial Education Resources
- Take Control of Your Auto Loan
- Financial Rules to Live By
- Resources for Parents
- Tips for Strengthening Financial Education Curriculum
- Resources for Parents and Caregivers
- Resources for Financial Caregivers
- Measuring Financial Well-Being
- Owning a Home
- Tax Time Savings
- Your Money, Your Goals Toolkit

Number of financial educators signed up for CFPB FinEx: **Over 5,000 Members!**

To sign up, email CFPB_FinEx@cfpb.gov
Financial education for adults

We help you help the people you serve. For adult financial educators, the tools here show our latest thinking on consumer financial behavior and effective financial education practices.

Find it at www.consumerfinance.gov/practitioner-resources/adult-financial-education/
Resources


To sign up for the Financial Education Exchange: CFPB_FinEx@cfpb.gov

To sign up for the Financial Education Discussion Group: linkedin.com/groups/CFPB-Financial-Education-Discussion-Group-5056623

Next Webinar: Your Money, Your Goals Toolkit (Part 2 of 4) will be held on Tuesday, April 9, 2019 at 2-3 pm ET
Your Money, Your Goals
Opening activity
Money and me: Opening activity

List all of the words, phrases, sayings, songs, or other associations you have with the word money.
Money and me: Opening activity

money

any generally accepted medium of exchange
Money – what does it mean?

- Where do associations about money come from?
- How do these associations reflect attitudes and feelings about money?
- How are attitudes and feelings related to behaviors and actions?
- What does this mean when we are working with the people we serve?
Training purpose

To provide you with:

- An introduction to the Consumer Financial Protection Bureau.
- An orientation to the Your Money, Your Goals toolkit.
- Tools and handouts you can use with the people you serve.
- Strategies for using the tools.
Your Money, Your Goals
Introduction to the CFPB and financial empowerment
The CFPB’s mission and vision

MISSION

To regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws and to educate and empower consumers to make better informed financial decisions.

VISION

Free, innovative, competitive, and transparent consumer finance markets where the rights of all parties are protected by the rule of law and where consumers are free to choose the products and services that best fit their individual needs.
Office of Community Affairs

- Part of the Bureau’s Division of Consumer Education and Engagement
- Serves populations who may lack full, affordable access to financial services
  - Low- to moderate-incomes
  - Low wealth
  - Otherwise financially underserved or vulnerable
Financial empowerment

What is financial empowerment?

How is it different from financial literacy, financial capacity, or other commonly used terms?

Financial literacy + Skill and confidence to use knowledge = Financial empowerment
Financial empowerment and service providers

Access + Trust = Opportunities for providing financial empowerment
Your Money, Your Goals
An orientation to the toolkit
The suite of *Your Money, Your Goals* resources

- Your Money, Your Goals toolkit
  - The toolkit (English, Spanish, and Mandarin)
  - The training (English and Spanish)
  - Implementation guide
  - Resource and referral guide
  - Sample survey instruments

- Companion guides for special populations
  - Focus on Native Communities
  - Focus on People with Disabilities
  - Focus on Reentry

Access electronic materials and order printed copies online: [http://www.consumerfinance.gov/your-money-your-goals](http://www.consumerfinance.gov/your-money-your-goals)
The suite of *Your Money, Your Goals* resources

- **Booklets**
  - Behind on bills?
    - Available in English and Spanish
  - Debt getting in your way?
  - Want credit to work for you?

Access electronic materials and order printed copies online: [http://www.consumerfinance.gov/your-money-your-goals](http://www.consumerfinance.gov/your-money-your-goals)
Organization of the toolkit

- Introduction
- Module 1: Setting Goals
- Module 2: Saving
- Module 3: Tracking Income and Benefits
- Module 4: Paying Bills
- Module 5: Getting through the Month
- Module 6: Dealing with Debt
- Module 7: Understanding Credit Reports and Scores
- Module 8: Choosing Financial Products and Services
- Module 9: Protecting your Money
Navigating the modules

 MODULE 1

Setting Goals

Turn your hopes, wants, and dreams into reality by setting and achieving goals.

At a glance

This module can help you create a plan to fulfill your dreams by learning how to set, adjust, and reach your short-term and long-term goals.

- Setting SMART goals
- Putting goals into action
- Planning for life events and large purchases
- Revising your goals
Navigating the modules

Tool

Handout
Navigating the modules

What's inside

This module has three tools and a handout to help you create a plan for reaching your short-term and long-term goals. It also teaches you how to readjust your goals and reevaluate the plan to achieve them as needed.

Here are suggestions for how to make the most of the time you have.

If you have...

10 MINUTES
- Use "Setting SMART goals" to identify goals that will help you plan for and attain the things that matter most to you

30 MINUTES
- Complete "Setting SMART goals"
- Use "Putting goals into action" to create a plan to achieve your goals

MULTIPLE SESSIONS
- Use "Planning for life events and large purchases" to help you develop a plan to pay for things like a big celebration, a car, or your child's college tuition
Navigating the modules

To access a dynamic and fillable version of this tool, visit consumerfinance.gov/your-money-your-goals/tools
Your Money, Your Goals

Starting the money conversation
Tool: Financial empowerment self-assessment

- Complete the “Financial empowerment self-assessment” tool in the Introduction

- Reflection Questions
  - How did you feel about completing this assessment?
  - Were there topics you knew more about than you thought you would?
  - What topics would you like to learn more about?
  - How can you learn more about them?
Situation assessment

- A picture of conditions today used to inform and plan for actions to change conditions in the future
# Tool: My money picture

Use **My money picture** to find a place to start your conversation

If you could change one thing about your financial situation, what would it be?

## Answer key for My money picture

Use the chart to help you determine where to start financial empowerment work.

<table>
<thead>
<tr>
<th>QUESTION</th>
<th>YES</th>
<th>NO</th>
<th>MODULE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Do you have dreams for you or your children that require money to make them happen?</td>
<td>✓</td>
<td>✓</td>
<td>Setting Goals</td>
</tr>
<tr>
<td>2. Are you behind on rent, car payments, or other bills?</td>
<td>✓</td>
<td></td>
<td>Paying Bills</td>
</tr>
<tr>
<td>3. Do you usually have about the same amount of income every week?</td>
<td>✓</td>
<td></td>
<td>Tracking Income and Benefits</td>
</tr>
<tr>
<td>4. When unexpected expenses or emergencies happen, do you have some money set aside to cover them?</td>
<td>✓</td>
<td></td>
<td>Saving</td>
</tr>
<tr>
<td>5. Can you cover all of your bills and living expenses each month with the money, benefits, and other resources you have?</td>
<td>✓</td>
<td></td>
<td>Paying Bills</td>
</tr>
<tr>
<td>6. Are you having trouble paying student loans or other debts?</td>
<td>✓</td>
<td></td>
<td>Getting through the Month</td>
</tr>
<tr>
<td>7. Has your credit history made it hard to get a car, insurance, a phone, or a job?</td>
<td>✓</td>
<td></td>
<td>Dealing with Debt</td>
</tr>
<tr>
<td>8. Do you have an account at a bank or credit union?</td>
<td>✓</td>
<td></td>
<td>Understanding Credit Reports and Scores</td>
</tr>
<tr>
<td>9. Do you feel like you’re spending too much on fees and interest to access and use your money?</td>
<td>✓</td>
<td></td>
<td>Choosing Financial Products and Services</td>
</tr>
<tr>
<td>10. Have you had issues with a financial product or service like a bank account, loan, mortgage, debt collector, or credit report that you haven’t been able to resolve?</td>
<td>✓</td>
<td></td>
<td>Protecting your Money</td>
</tr>
</tbody>
</table>
Your Money, Your Goals
Module 1: Setting Goals
SMART goals

- Specific
- Measurable
- Achievable
- Relevant
- Time bound
## Turn hopes and dreams into goals

<table>
<thead>
<tr>
<th>Hopes and dreams</th>
<th>Strong goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>I’d like to buy a new television.</td>
<td><strong>→</strong> I will save $400 and purchase a new television in six months.</td>
</tr>
<tr>
<td>I want to get out of credit card debt.</td>
<td><strong>→</strong> I will pay down $1,000 of my debt over the next 18 months.</td>
</tr>
</tbody>
</table>
Tool: Setting SMART goals

1. Identify the values that guide you
2. Brainstorm list of hopes and dreams
3. Transform hopes and dreams into SMART goals
What to do:

1. Break up your goal into small, actionable steps. Write each step in a separate box.

2. Consider what resources you will need to take each step and write them next to that step.

3. Set a deadline for each step’s completion.

4. Think about sharing your progress with a friend or family member. Add their name next to the step and how often you will check in with them. This can help keep you motivated.
Reasons you may need to revise your goal:

- Your circumstances have changed
- You can’t meet your weekly savings goal
- You’ve used up your emergency savings
- Your goal doesn’t feel important anymore
Your Money, Your Goals
Module 2: Saving
What is savings?

- **Savings is money you set aside today to use in the future**

- What are examples of unexpected expenses or emergencies?
What to do:

1. Pick a reason for saving. Consider starting an emergency fund.
2. Figure out how much money you'll need to save for that goal and how many weeks you have to save.
3. Divide the amount of money you want to save by the number of weeks you have to save it. That's your weekly savings target.
4. Brainstorm some ways to decrease spending or increase income to meet your weekly savings target.
What are the reasons this tool is included?

### Tool: Saving and asset limits

1. Select the programs that you’re enrolled in or plan to apply for in the future.
2. Review the asset limit listed and learn more about each program’s asset limit rules by visiting their website.

<table>
<thead>
<tr>
<th>PROGRAM TYPE</th>
<th>PROGRAM</th>
<th>YOUR STATE’S ASSET LIMIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability</td>
<td>Social Security Disability Insurance (SSDI)</td>
<td>No limit</td>
</tr>
<tr>
<td></td>
<td>ssa.gov/agency/contact</td>
<td></td>
</tr>
<tr>
<td>Disability</td>
<td>Supplemental Security Income (SSI)</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>ssa.gov/agency/contact</td>
<td></td>
</tr>
<tr>
<td>Groceries and household expenses</td>
<td>Supplemental Nutrition Assistance Program (SNAP)</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>fns.usda.gov/snap/state-informationhotline-numbers</td>
<td></td>
</tr>
<tr>
<td>Temporary Assistance for Needy</td>
<td>Temporary Assistance for Needy Families (TANF)</td>
<td>$</td>
</tr>
<tr>
<td>Families (TANF)</td>
<td>acf.hhs.gov/programs/ofa/help</td>
<td></td>
</tr>
<tr>
<td>Housing and home energy</td>
<td>Low Income Home Energy Assistance Program (LIHEAP)</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>liheapch.acf.hhs.gov</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Public housing portal.hud.gov/hudportal/HUD? src=;/states</td>
<td>$</td>
</tr>
</tbody>
</table>
Finding a place for savings

- Where can you keep money you save?
- What are the benefits?
  - A benefit is something that provides you with an advantage. A benefit is something that is good for you.
- What are the risks?
  - A risk is any chance for loss. Where there is risk, there is uncertainty in the outcome or result.
Tool: Finding a place for savings

What to do:

1. Carefully review the benefits and risks of each place to keep your savings.
2. Write down what questions you have about options that may be right for you.
Your Money, Your Goals
Module 3: Tracking Income and Benefits
Income and benefits

**Income**
- Regular income
- Irregular income
- Seasonal
- One-time occurrence

**Benefits**
What to do:

1. Gather all of your pay stubs, benefits statements, and records of electronic payments.

2. Enter the amount of income or benefits you receive next to the correct category in the appropriate week of the month.

Tool: Income and benefits tracker
Your Money, Your Goals
Module 4: Paying Bills
Needs, wants, and obligations

- **Spending**
  - Money you use to pay for a wide range of basic needs, your financial obligations, and other things you may want.

- **Needs, wants, and obligations**
  - Needs are things you must have to live.
  - Wants are things you can survive without.
  - Obligations are things you must pay because you owe someone money (a car loan) or have been ordered to pay someone (child support).
Tool: Spending tracker

What to do:

1. Get a small container or envelope. Every time you spend money, get a receipt and put it into the case or envelope.

2. Analyze your spending. Go through your receipts and enter the total you spent in each category for each week.

3. Notice trends. Identify any areas you can eliminate or cut back on—these will generally be wants.
Tool: Bill calendar

**What to do:**

1. Gather all the bills you pay in one month or use the information from your spending tracker.

2. Write the date when you must send the payment or when the money must be taken out of your account, in advance of the due date.

3. Write down the name of the company or person you owe the money to and the amount that’s due on the date the bill must be sent to arrive on time.

4. Put this calendar where you will see it every day.
Consequences of skipping bills

- Group 1:
  a. Consequences of paying rent late.
  b. Consequences of missing multiple rent payments.

- Group 2:
  a. Consequences of making car payment late.
  b. Consequences of missing multiple car payments.

- Group 3:
  a. Consequences of being late with electricity bill.
  b. Consequences of multiple late electricity bill payments.

- Group 4:
  a. Consequences of missing payday loan payment.
  b. Consequences of missing credit card payment.
What to do:

1. Read through the list of expenses. Identify what you need to pay to protect your housing and income, keep your insurance, and meet any court-ordered obligations.

2. Prioritize your bills.
Q&A

- Questions?
Closing

- What is the most important thing you are taking away from this training?
- What is something you would like to learn more about?

- Next webinar: *Your Money, Your Goals: Modules 5 - 9*