

Building Financial Wellness

Facilitator Guide



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Collaborative Support Programs of New Jersey and University of Illinois at Chicago Center on Mental Health Services Research and Policy

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The contents of this manual were developed under a grant with funding from the National Institute on Disability, Independent Living, and Rehabilitation Research, and from the Center for Mental Health Services Substance Abuse and Mental Health Services Administration, United States Department of Health and Human Services (NIDILRR grant number #90RT5038). NIDILRR is a Center within the Administration for Community Living (ACL), Department of Health and Human Services (HHS). The contents of this manual do not necessarily represent the policy of NIDILRR, ACL, HHS, or of SAMHSA, and you should not assume endorsement by the Federal Government.

The *Building Financial Wellness* curriculum is based on the 8 dimensions of wellness model, developed by Peggy Swarbrick.¹ These and other references are listed in the “end notes” section in the last section of this *Facilitator’s Guide*.

Special thanks to the teachers from our pilot project, who gave us excellent feedback to refine the content and structure of this curriculum: George Brice, Maggie Malejko, Joni Weidenaar, and Elliott Morris.

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Recommended citation:

Nemeč, P. B., Swarbrick, M., Cook, J. A., Jonikas, J. A., & Jiménez-Solomon, O. (2019). *Building Financial Wellness (Facilitator’s Guide)*. Freehold, NJ, Collaborative Support Programs of New Jersey, Inc. & University of Illinois at Chicago Center on Integrated Health Care & Self-Directed Recovery.

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Building Financial Wellness

Overview

The *Building Financial Wellness Facilitator Guide* outlines the structure and content for facilitating the *Building Financial Wellness* classes developed for and by people living with a mental health condition and/or substance use issues. The *Building Financial Wellness Facilitator Guide* helps you support participants as they go through each class. Participants follow along, using a *Building Financial Wellness Participant Workbook* that includes information and worksheets.

This introduction to the *Building Financial Wellness Facilitator Guide* is divided into two sections. The first main section includes background on the curriculum and detailed instructions and tips for how to run a *Building Financial Wellness* class. The background section explains how the curriculum is organized and gives an overview of each class and the outline format. The second main section includes a lesson outline and content summary for each of the six class sessions.

The *Building Financial Wellness* curriculum offers participants basic knowledge and skills to strengthen their financial literacy for improved wellness and recovery. The class content is designed specifically for people with mental health conditions and/or substance use issues and addresses their special learning needs and common life experiences.

Financial literacy means being able to find, evaluate, understand, and apply information to improve personal financial wellness. One way to achieve financial literacy is to learn from classes like these. However, if participants are going to learn, they need to have an effective facilitator.² Much of the learning from this class will come from the discussions, which will be more interesting than having you lecture. Having participants discuss in pairs or small groups can help everyone participate. Be sure to plan well so that you can take the time to ask thought provoking questions and support participants in generating their own solutions. Sample questions are included in the *Building Financial Wellness Facilitator Guide*.

It will be up to you to establish an inclusive and welcoming learning environment that honors the contributions of all participants. Spend time introducing each topic and use the time scheduled for practices and participant interaction. Give useful feedback while remaining non-judgmental and supportive. Offer at least twice as many positives as negatives, using a “praise-polish-praise” format. A co-facilitator will help with this balance, especially if at least one of the two co-facilitators is a person who has lived with a mental health condition and has experienced financial challenges.

Background on the Curriculum

Financial wellness is one of the eight dimensions of wellness¹ pictured on the following page. The eight-dimension model illustrates the idea that all eight dimensions are inter-connected. We all know how much they connect in our lives. When we feel financially stressed (such as from increasing debt), we experience emotional stress (anxiety), sometimes leading to physical problems (illness), less effectiveness at work (occupational). We may even question our own meaning and purpose in life (spiritual). When we are not working (occupational), we lose some of our opportunities to interact with others (social) and cannot get the quality foods and medical care we need to stay well (physical). We may need to move to a place that feels less safe and secure (environmental).³

Financial Wellness involves the ability to have financial resources to meet practical needs, and a sense of *control and knowledge* about personal finances. Financial wellness refers to both the *objective* and *subjective* indicators of an individual's personal financial status.⁴

Objective indicators of financial wellness may include measures such as income, debt, credit rating, and savings, as well as knowledge of credit terms, financial products and services, how to plan ahead, and how to stay on budget. The weekly class sessions cover knowledge and skills to help participants in all these areas.

Subjective indicators of financial wellness may include perception of satisfaction with one's *current and future* financial situation and the ability to reach personal **financial wellness goals**. The experiential sharing, homework, and peer support offered through the classes will help strengthen each participant's satisfaction and capabilities to reach financial wellness goals.

The *Building Financial Wellness* curriculum was developed because persistent poverty impacts *recovery* for many people living with or at risk of developing a mental health condition and/or substance use issues. Much of this curriculum is based on CSPNJ's focus on financial wellness programs for over 25 years. Publicly funded behavioral health programs often rely on the use of representative payee systems—probably more than is truly necessary. Once people have been appointed a representative payee, it is often very difficult for them to regain control over their finances.^{5,6} Their limited income, restrictions from representative payees or conservators, and a lack of financial literacy, may cause people to turn to predatory lending options. A lack of financial education and support means little or no opportunity to develop the needed money management skills and knowledge of credit repair options to get out of this spiral of financial difficulties.

Financial wellness is a **vital** but often overlooked component of recovery, even though financial problems, stress, and distress negatively affect wellness in all eight dimensions.

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The *Building Financial Wellness* curriculum specifically focuses on education and support to enhance financial wellness knowledge and skills, so people can achieve their financial wellness goals.



THE EIGHT DIMENSIONS OF WELLNESS MODEL

The *Building Financial Wellness* curriculum includes six classes, which should be offered once a week. Each class is designed to be 1½ hours long and includes a 10-minute break. As the *Financial Wellness Class Facilitator*, you may decide to offer the classes in an extended format, such as 2 hours each with a 15-minute break. We do not recommend making the classes longer than 2 hours.

Each class includes practice opportunities for using the tools that are taught in the class. There are assignments for individual practice between classes. The six class topics are listed on the following page.

Financial Wellness Classes at a Glance

Class Topics	Learning Objectives
1. Introduction to Financial Wellness	<p><i>At the end of Class 1, participants will be able to:</i></p> <ul style="list-style-type: none"> • Define financial wellness and financial capability • Commit to engaging in the financial wellness activities for all six classes • Identify what is important to their financial wellness • List what they are already doing for their financial wellness
2. Money Management Basics	<p><i>At the end of Class 2, participants will be able to:</i></p> <ul style="list-style-type: none"> • List at least three financial wellness skills and habits • Define income and expense • Explain the difference between needs and wants
3. Budgeting	<p><i>At the end of Class 3, participants will be able to:</i></p> <ul style="list-style-type: none"> • Name two budgeting strategies • Create a personal budget
4. Savings and Banking	<p><i>At the end of Class 4, participants will be able to:</i></p> <ul style="list-style-type: none"> • Explain the value of savings • Describe the benefits of using a bank account • Set a specific financial goal
5. Understanding Credit and Debt	<p><i>At the end of Class 5, participants will be able to:</i></p> <ul style="list-style-type: none"> • Define credit and debt • Explain the advantages and disadvantages of credit • Identify their financial goal and choose an action step for the coming week
6. Creating a Financial Wellness Plan	<p><i>At the end of Class 6, participants will be able to:</i></p> <ul style="list-style-type: none"> • Commit to working on a goal that can be reached within 6 months • Identify strengths, resources, and supports to support goal attainment • Assess challenges and barriers to their goal • List manageable action steps with target dates for goal achievement

Foundational Principles for Building Financial Wellness Curriculum

Each class covers useful information, skills, and opportunities for participants to give and gain support related to financial wellness. Participants can learn to set short term financial wellness goals to build knowledge skills and confidence.

Principle 1: Wellness is viewed as a multi-dimensional framework that includes occupational, emotional, social, environmental, physical, spiritual, intellectual, and financial dimensions.⁷

Wellness is an important (and far too often overlooked) aspect of recovery for people with substance use and mental disorders. Strengthening financial wellness can have a positive impact on one or more of the other seven dimensions. Strengths in the other seven dimensions can have a positive impact on the financial dimension.

Principle 2: Financial wellness is an overall state of well-being that can be enhanced through *financial skills-building*, including preparing a personal budget, paying bills, and managing bank accounts, getting out of debt, and planning for a secure financial future. *Financial stability* refers to the ability of individuals to generate sufficient income to meet their needs, repay debts, save, and build assets and capabilities (strengths). *Financial control* is related to the ability of individuals to make their own financial decisions, and act as their own representative payee.⁸

Principle 3: Peer support is an essential factor to build financial wellness.

This curriculum was designed to be co-facilitated by either two peer providers or a peer provider and a non-peer provider. Peer-led services are offered by people who are past or are current recipients of mental health and/or substance use services who, through a common bond with the people they serve, are able to provide support to help manage the struggles and move forward in recovery.⁹

Often people in recovery are told that it is unrealistic to plan financial wellness goals. They may become discouraged by their experiences of financial struggles that can lead to hopelessness. They can benefit from support to talk about financial wellness goals and build hope. By helping others, peers may enhance their own wellness in many of the other wellness dimensions. Peer supporters can help individuals to overcome practical barriers and build the objective and subjective indicators of financial wellness. Peer providers can share experiences to help participants feel less alone in their financial struggles. As a peer facilitator we encourage you to encourage participants to give examples, ideas, and experiences from their lives. Everyone can learn new things from each other. If someone asks a question you can't answer, ask for ideas from other participants and/or gather the needed information between sessions.

Principle 4: Financial wellness is ongoing.

Participants will learn about setting goals and creating action plans. These are defined by each individual in the context of their personal expectations and priorities. They have the chance to share the life dreams that inform their goals and identify the steps to take to achieve those goals.

Co-Facilitation

Two leaders share roles and responsibilities for the many functions needed to conduct a *Financial Wellness* class. At least one of the co-facilitators is a person in recovery, who has experienced mental health and/or substance use issues. There are many advantages to working with a co-facilitator.

- A co-facilitator can take over if the other co-facilitator gets stuck or if the class becomes stagnant or disorganized.
- A co-facilitator can add information or clarify points being made.
- One co-facilitator can be tasked to record suggestions on a large pad, serve as timekeeper, and/or be available for any unanticipated situation that may arise. Co-facilitators can take turns in these roles.
- Usually one co-facilitator can keep the class focused on the task while the other keeps in tune with the emotional tone of the class.
- If a participant needs individualized attention or support, one co-facilitator can attend to that person while the other remains with the group.

To be fully prepared to deliver the classes, co-leaders should have:

- Completed the six classes in a participant role.
- Worked through a one-month financial goal and plan after completing the class.
- Made a commitment to work together to plan and lead each class.

Each co-facilitator does several tasks that make each class work well:

- Creates a safe, open, trusting and supportive environment for all participants.
- Guides the activities and discussions.
- Stays flexible.
- Keeps communication open, so all participants' voices can be heard and learning will occur.
- Senses and acknowledges participants' moods and feelings throughout the class.
- Keeps the participants focused, engaged, and growing together.

Getting Started

As a co-facilitator, you have an exciting role. You will use the class materials and activities, combined with the power of weekly peer support, to help participants increase their financial knowledge and skill so they can make the changes they desire to improve their own Financial Wellness.

Being an effective co-facilitator is more than just showing up. Preparing carefully on your own and coordinating with your co-facilitator is important. Preparation is likely to take longer than you expect, even if you are an experienced instructor and/or group facilitator. This will help you be ready and fully present to support the class participants. As a co-facilitator for *Building Financial Wellness*, you do not need to be an expert in this area or be in total control of your own finances.

You need to be able to be present as a co-facilitator for six consecutive weeks. You need to understand the concepts and strategies for each class well enough to be able to present them. Preparing and sharing your own completed class activities and assignments as examples will help you understand the content and empathize with participants as they go through each class.

Part of *Building Financial Wellness* is working towards personal financial wellness goals. Participants will learn to set a specific and measurable financial wellness goal, to develop an action plan for achieving that goal, and track their progress. As a co-facilitator, you will be most helpful to participants if you have used the knowledge, skills, and activities from this curriculum in your own life for at least several weeks prior to beginning the first class.

Inviting Participants

Each program or agency will have its own procedures for scheduling and announcing a class like this one. Remember that finding interested participants may require a bit of marketing. Consider creating an inviting flyer that describes the class. Calling it a 6-session class or course may be more accurate and appealing than calling it a group. Individual interviews or orientation sessions may provide an opportunity to generate interest and ensure that potential participants know what they are signing up for.

Working with a Co-Facilitator

The best way to plan the class is to decide in advance who will lead each class. Plan to share the leadership as equally as possible across the curriculum. Schedule frequent conversations to coordinate and develop your partnership. Consider sharing these points with your co-facilitator while preparing to work together:

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- When we plan, I like to....
- I feel most comfortable when....
- I feel uneasy when....
- I feel anxious when....
- My signal to ask for help is....
- I feel well prepared when....
- I'd like some feedback from you (my co-leader) when (or about)....
- What specific sections do you feel most comfortable leading?

At the end of each class, take time to explore these questions together:

- What do we need to remember from today when facilitating the next class session?
- What class facilitation strategies worked well for you today?
- What do you think we can do to improve our class facilitation skills?

Individual Support

A nice option for this class is to add individual meetings or coaching sessions for participants between classes. This could be done using appointments or drop-in sessions, individually by phone or in person, in small groups of two or three, or using a simple check-in by text or e-mail. This option may not be feasible for some agencies or programs.

The Class Outlines

The *Facilitator's Guide* includes two parts. This first section, which you are reading now, provides an overall guide to leading the financial wellness classes.

The next section includes a lesson outline and facilitator script for each of the six classes. In that section, you will find details on materials needed, advance preparation specific to that class, related resources, and a detailed lesson plan.

The lesson plans include a timed script that gives suggestions to you and your co-facilitator about how to run each class. Presentation notes cover the class content, instructions are provided for class activities, and discussion questions are suggested to promote dialogue and sharing among participants. The presentation notes also refer to the handouts, examples, and activity sheets in the *Participant Workbook* that are used during the class.

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Instructions and Notes

In the class outline, instructions and notes that are just for you are written in smaller font or typeface. Information you are to read aloud or share directly with the participants is written in a larger font and a different typeface.

Instructions and notes for co-facilitators look like this: Discuss responses briefly.

Information that you read aloud or share will look like: **Financial Wellness means...**

You do not need to read the text aloud word-for-word. For each section that you're asked to read or share, just be sure to cover the main points. The *Guide* provides the script to help convey the main points of each section.

Each class includes these sections:

- *Review and Overview*: Discussion of previous class and introduction to the current class goals, objectives and outcomes, any relevant housekeeping details.
- *Instruction*: Educational section describing class topics, key knowledge, and skills, as well as activities to reinforce and practice key skills. Each class includes an emphasis on:
 - Hope building activities and discussions to inspire, capitalize on strengths, and transform self-defeating narratives into personal stories/experiences of success.
 - Skills training time allocated to teach and practice skills relevant to the class objectives.
 - Mutual emotional and social support during discussion times when participants are invited share their experiences related to financial wellness.
- *Assignment*: Specific tasks for participants to practice between classes, including directions so participants gather information between classes.
- *Summary and Wrap-Up*: Review of the class just completed. Participants summarize key lessons learned. Facilitators give a reminder of the date and time of the next class.

Prepare Ahead

Give yourself adequate time to prepare for each class. If this topic is new to you, a lot of preparation will be needed, even if you are experienced in running groups or teaching classes.

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Read the class outline in advance and be sure you have the materials needed for that day. Each class outline provides a list of materials for that class. Some classes require additional materials, as indicated in the outline. The following list includes materials needed for every class:

- *Participant Workbook*—Provide class participants with a small binder with six tabs (for each of the six classes). You can distribute the workbook for each class separately (pre-punched to go in the binder) or provide all of the workbooks in the binder during the first class.
- Attendance logs, if taking attendance
- Extra paper, pencils, and forms
- Materials listed in the class outline for the upcoming class
- Extras handouts from previous classes
- Extra worksheets or activity pages for the upcoming class
- Your worksheet(s) and assignment(s) that you completed ahead of time
- Any materials, equipment, and supplies that may be needed to provide for accommodations for disabilities and unique learning styles

Familiarize yourself with the material before using the curriculum. As part of this, you should have completed all handouts and worksheets by yourself (or in practice sessions with a peer or other supporter). You will be using the class outline and the activity pages in the *Participant Workbook* to give information and generate discussion. If you rehearse the lesson or practice presenting on the lesson content ahead of time, you will have a better idea of what issues may come up during the class. You also will have your own examples to share with the participants during class.

Get to know the class outline well. Follow it as presented. Be sure your presentation flows smoothly and matches the information in the *Participant Workbook*. Pay special attention to the suggested class times. Consider adding actual clock times to the outline, using a sticky note (e.g., 1:00 to 1:15 or 1:45 to 2:00).

Schedule a meeting with your co-facilitator to review and plan in advance of each class. During these meetings, decide together how to divide the class facilitation tasks and sections fairly and comfortably. After meeting, read through and organize the class materials in your sections.

Practice Assignments

Financial education is a universal need that can benefit participants and co-facilitators alike. Learning to budget and save is not complicated but does require effort and commitment. In many of the classes, there are activities designed to involve and engage participants. Reflection and tracking tools help the participants create new habits and set goals for financial wellness.

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Each week, participants will complete a practice assignment and bring it to the next class. As part of each week's assignment, participants will track their weekly expenses. This process is critical to learning about personal spending habits and for creating and maintaining a budget.

Involving Participants

Role model support by involving participants throughout each class—don't just rattle on and on. Use the discussion questions provided in the class outline to encourage participant sharing and questions. Summarize participants' comments, accurately reflecting their opinions and feelings. Be sure to allow enough time for discussion after every practice or activity.

You may not need to ask all the discussion questions provided, so pick and choose what you ask, based on the group's needs and the time you have available. Remember, that you want to include everyone in each class, but it's not necessary to have every participant contribute to every discussion. Managing discussions will be an important part of keeping to the class schedule. Decide ahead of time about whether you will have the participants discuss in small groups and add that decision to your lesson notes.

Not everyone learns equally well from a single source or format. Some participants will find discussions most useful; others will get more out of the activities done in class or between classes. By covering the same content in different ways, all participants have an opportunity to build their skills and to become more familiar with important financial wellness concepts.

Stay Positive

Remember to focus on your strengths and the participants' strengths. Take good care of yourself and hold yourself in high regard. Even if financial wellness is a challenge for you and/or the participants, focus on strengths and build hope. Remember, you do not have to be perfect to be of help to others. After each class, be sure to recognize the things you did well. Remember how important this class is to help others discover their strengths and supports so they can continue on their recovery journey.

Extra Help

You may have participants with special needs. For instance, if a person is blind or has difficulty reading and writing, you may want to have an assistant who can help that participant complete the worksheets in class. As you and your co-facilitator become aware of any participant's special needs, meet with the person who has the need to determine what would work best for that person, and then do what you can to provide it.

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If participants need extra assistance, offer to provide it during the breaks, and before or after class. Remember, you are there to serve the whole group. Avoid persistently deferring to the needs of one person during class time at the expense of supporting everyone.

Evaluation

Evaluating your own performance as a co-facilitator will help you set goals for further learning and improvement. A co-facilitator's self-assessment form is included on page 14 of this *Facilitator Guide*, which you can copy and complete at the end of each class. A brief in-class evaluation discussion gives the participants a voice, especially when their comments are used to improve the next class. A sample evaluation form to use for each class is included in on page 15 of this *Facilitator Guide*. A sample final evaluation is included at the end of this Facilitator Guide on page 132 (before the certificate form).

Personal Self Care

Before you begin facilitating the *Financial Wellness* classes, consider how you will take care of yourself during the six-week class. Personal wellness and self-care are important, so you can be fully present and attentive to the people taking the class. Other peer leaders have found the following tips useful.

- Know your personal *triggers and stressors*—the things that cause you to react negatively. You may experience these triggers and stressors when problems arise during the class. Use your own personal self-care skills to prevent and manage difficult situations.
- Take care of your own physical and emotional well-being as much as possible. Make sure you get adequate rest and nutrition. Stay hydrated during the class by drinking water, especially when you are speaking.
- Use break times wisely. If you feel tired, stressed, or insecure during a class, take some time in private during the break to recharge and re-center yourself. Use deep breathing, stretching exercises, or affirmations.
- Share your needs and experiences with your co-facilitator, so that the two of you can offer mutual support.

Logistics

Refer to the Facilitator's "To-Do" list, on the following page.

Ask participants to bring their *Participant Workbook* home each week, so they can work on and use them. Bring a few extra copies of any worksheets or activity pages for each lesson. That way, if participants forget to bring their *Participant Workbook* to a class, they can still participate by filling out the appropriate forms and putting them in their *Participant Workbook* later.

Facilitator's "To Do" List

Before each class

- Finalize the 6-week schedule (listing day/date, time and location)
- Schedule the room for all 6 classes and check on your room reservation each week
- Prepare your own notes for the class, adding actual clock times to the class outline
- Schedule time to meet with your co-facilitator to prepare for the class
- Adjust the estimated timing of class, if needed
- Add notes related to discussions or issues from the previous class, if relevant
- Bring extra blank paper and sharpened pencils to every class
- Prepare or obtain any needed sign-in sheets
- Arrive early to the room
- Set up the room to facilitate participation and ensure adequate writing space
- Write activity instructions on the chalkboard, whiteboard, or large pad
- Have a clock or watch in sight (not a phone or other electronic device, as that is distracting)

During each class

- Monitor the time with a watch or a clock on the wall in the room
- Keep track of clock times during the class, especially for how long activities take
- Make a seating map of participants so you remember everyone's name
- Ask participants to turn off electronic devices or set them to vibrate if they must take an emergency call (such as from a doctor's office or childcare provider)
- Involve participants actively throughout the class
- Adjust the schedule, process, and content to meet participants' needs

At the end of each class

- Ask participants to select someone to call, to check in with, to get support, or for help with a ride if needed (optional, with participant permission)
- Be sure to take time during class to discuss how the class went

After each class

- Complete your co-facilitator self-assessment (see next page)
- Add comments to your class notes about what worked and what didn't
- Follow up with individual participants as needed

Co-Facilitator Self-Assessment

Co-facilitator Name: _____ Class # _____ Date of class: _____

Each co-facilitator may complete one and discuss their self-assessments with one another.

	<u>How well I did during this training</u>		
	<i>Could do differently</i>	<i>Acceptable</i>	<i>Did a great job</i>
I was knowledgeable and confident in presenting the content.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I kept to my planned timeline.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I was respectful of the participants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I offered choices to the participants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I adapted class content and discussion to meet the immediate needs and interests of participants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I involved the participants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I gave feedback to participants when relevant.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I shared real-life examples and stories to help participants apply the class content.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The learning objectives were achieved.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The BEST part of how I conducted this class was _____

My greatest **strength** as a co-facilitator in this class was _____

Next time, something I could do differently is _____

My co-facilitator helped me today by _____

Class Evaluation

Date of Class: _____

Co-facilitator 1 Name: _____

Co-facilitator 2 Name: _____

	Co-facilitator 1:			Co-facilitator 2:		
	No	Somewhat	Yes	No	Somewhat	Yes
The co-facilitator knew a lot about the content.	<input type="checkbox"/>					
The co-facilitator respected me and the other participants.	<input type="checkbox"/>					
The class met my needs.	<input type="checkbox"/>					
The co-facilitator actively involved me and the other participants.	<input type="checkbox"/>					
The in-class activities were helpful.	<input type="checkbox"/>					
The practice activities between classes were helpful.	<input type="checkbox"/>					
The co-facilitator shared examples to help me understand and use knowledge and skills.	<input type="checkbox"/>					

What has been most helpful to you? _____

What would be more helpful for you? _____

Other comments:

End Note Information

The numbered references below the line at the very end of the Facilitator Guide correspond to points made in the text and marked with the small numbers in superscript (like this: text⁵). Other references and resources include:

- Swarbrick, M. & Stahl, P. (2009). Wellness and recovery through asset building services. *Occupational Therapy in Mental Health, 25*, 335-342.
- Swarbrick, M. (2006). Asset-building financial self-management support model: A promising practice. *Journal of Psychosocial Nursing, 44*(10), 22-26.
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- Stengel, L., Mathai, C., Jiménez, O., & Swarbrick, M. (2012). *We can save: A provider's guide to promoting economic self-sufficiency, a recovery-oriented approach*. New York Association of Psychiatric Rehabilitation Services & New York State Office of Mental Health.

Class 1: Introduction to Financial Wellness

In the first class, participants are introduced to the *Building Financial Wellness* curriculum. They learn about important skills, habits, and routines for financial wellness. They are asked to think about what is important to them, and how that affects their spending choices and financial wellness. They also identify their financial strengths, which are the habits and routines they have now that contribute to their financial wellness.

Agenda for Class 1

Welcome & Housekeeping	10 minutes
Financial Wellness	10 minutes
Financial Wellness: What is Important to Me?	15 minutes
Introduction to 8 Dimensions, including Financial	10 minutes
BREAK	10 minutes
Strengths that Contribute to Financial Wellness	10 minutes
Activity for Financial Capabilities	15 minutes
Summary and Wrap-up	10 minutes
Total class time	90 minutes

Key Message for Class 1: Financial wellness is linked to a person’s values and strengths, and can influence all of the other dimensions of wellness.

Learning Objectives for Class 1

At the end of this class, participants will be able to:

- Define financial wellness and financial capability
- Commit to engaging in the financial wellness activities for all 6 classes
- Identify what is important to their financial wellness
- List what they are already doing for their financial wellness

Materials needed for Class 1

- Blank name badges or tent cards
- Class 1 Attendance Log (if taking attendance)
- Copies of the *Participant Workbook* for each participant, ideally in a binder with tabs for the different classes and some blank paper in the back
- Free or low-cost items, such as pens, small memo books, and large calculators (check your local “dollar store” or discount/surplus chain for bargains)
- Extra paper, pens, and pencils

Building Financial Wellness Facilitator Guide, Class 1

- A copy of the page from the *Participant Workbook* entitled, *Financial Wellness: What Is Important to Me?* (page 6) so that you can record the group's responses to Question 1
- A chalkboard, whiteboard, or very large pad with easel
- Large plastic Ziploc®-type bags for collecting receipts and bills to bring next week (for the practice assignment); put 10 small pieces of paper in each plastic bag for people to record expenses on when there is no receipt. Also include a sharpened pencil.
- Any of the optional supplies described in the “tips” section below
- Flyer with location and class schedule for each of the 6 classes (optional)

Tips for facilitating Class 1

- Since this is the first class, take the time needed for participants to get to know each other. If possible, add extra time to this first class to allow more time for introductions.
- If you are using “tent” name cards, save these at the end of the class for use in future classes.
- Another option for the “guardian angel” activity in the *Participant Workbook* (page 6) is to hand out 500 “dollars” in toy money or beans or poker chips, so each person can count out how much they are “spending” on each item and how much (if anything) is left over.
- For some people, the personal values activity will be easier to do with cards to sort. If you want to use cards, you will need to prepare one set for each participant. You can find examples of such cards from several online sources, including:
 - James Golden, EdD at <http://www.goldenllc.com/pdf/uypv.pdf>
 - William Miller and Associates:
http://www.motivationalinterviewing.org/sites/default/files/valuescardsort_0.pdf
- Collect some receipts for your own expenses before Class 2, in case some participants don't complete the assignment. Be sure to include fixed and flexible expense receipts, as well as receipts that represent both wants and needs.
- Participants may benefit from a check-in call or other contact between classes, in case they have questions about the assignment and to remind them to bring their collected receipts with them to Class 2.
- Some participants may be eager to begin working on their goals. Be sure they know that it takes time and preparation to set a goal. Participants will work on this over the 6 classes—starting with a general idea for a goal and becoming more specific with smaller-sized goals as the classes go on.
- Make arrangements to offer help between classes.

Resources for further learning on overall financial wellness

- Jimenez-Solomon, O. et al. (2016). Peer-supported economic empowerment: A financial literacy intervention framework for people with psychiatric disabilities. *Psychiatric Rehabilitation Journal*, 39(3), 222-233. Available from www.researchgate.net

Building Financial Wellness Facilitator Guide, Class 1

- Your local Cooperative Extension Service, which is a publicly-funded program at land-grant colleges and universities that develops and delivers educational programs, including financial education (<https://nifa.usda.gov/program/financial-capability>)
- Find information and useful visuals here: <https://handsonbanking.org/>

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Class Outline for Class 1: Introduction to Financial Wellness

Welcome & Housekeeping

(10 minutes)

Begin by briefly introducing yourselves as co-instructors. Share why you enjoy this work, and how pleased you are to be teaching this class.

Pass out the *Participant Workbooks*.

Welcome to Class 1. Please **turn to page 2** of your *Participant Workbook*, titled “Class 1: Financial Wellness: Building Hope, Assets, and Capabilities.”

Today is the first of a total of six classes. Our class today will be an introduction to financial wellness. The other class topics are listed on **page 2** of your *Participant Workbook*, under “Course Overview.”

Before we begin today’s topic, let me tell you some important things about the course.

- We will be meeting each week for six weeks from [TIME] to [TIME].
- Each class is 1 and ½ hours long (90 minutes).
- We’ll expect you to attend all 6 classes unless something very important comes up or you’re ill. If you can’t make it to class, we’d greatly appreciate it if you’d let one of us know by calling [PROVIDE YOUR CONTACT INFORMATION].
- We will take a 10-minute break in the middle of the class.
- If you have a cell phone, please turn it off or put it on vibrate.
- The washrooms are located [PLACE].
- Emergency exits are located at [PLACE].
- Smoking is not allowed in the building and no closer than 60 feet from the door. [OR OTHER SMOKING POLICY]

What questions do you have before we introduce ourselves?

To help us get to know each other, I'm going to ask each person to share their name and a special interest or hobby.

You and your co-instructor should go first. Then, go around the room, limiting each person to no more than 1 minute.

Next, let's go over the Course Agreements **on page 3** of your *Participant Workbook*. You can read along as I go over the list.

Read page 3 aloud.

Welcome to the *Financial Wellness* course! This course is all about **Building Hope, Assets, and Capabilities**. We hope you will gain knowledge and skills for improved financial wellness. To get the most from the six classes, we are asking you to make the following agreements:

1. Arrive on time
 - a. If you come in a few minutes before class starts, you will have time to get settled.
 - b. Come back on time from the break. Each class includes lots of information, so we need to use the entire time scheduled.
2. Participate
 - a. Your attendance is completely voluntary. You will get the most out of the classes if you ask questions and share your own experience.
 - b. You can benefit most from doing the activities and joining the class discussion.
3. Respect others
 - a. Listen carefully and attentively when others are speaking.
 - b. Use language that is respectful.
 - c. Respect privacy and confidentiality. Everyone has the right to decide what to share and what not to share about themselves. You should not talk about your classmates or their personal information outside of class.
 - d. Share positive comments and appreciation often.
 - e. It's OK to disagree and to share your own opinion. Be sure you also let others share their points of view, even if these are different from your experiences.

Each class will cover a lot, so you'll want to take notes and write in your workbook as we go through the activities. You won't be expected to remember everything. Use the workbook to help you review the material later at your own pace.

Financial Wellness

(10 minutes)

Let's get started. The topic for Class 1 is financial wellness. What does "financial wellness" mean to you?

Encourage people to briefly share their ideas.

Thanks for sharing!

Financial Wellness involves having financial resources to meet practical needs. This gives people a sense of control over their lives. Financial wellness also involves having knowledge about one's personal finances. This definition is listed back **on page 2** of your *Participant Workbook*.

Relate this definition to what participants just shared about what financial wellness means to them.

Now **turn to page 4** of your *Participant Workbook*, titled "Jordan's Financial Wellness Plan." Do I have any volunteers who are willing to read Jordan's story at the top?

You may ask for different volunteers to read each paragraph. Read the story aloud yourself if nobody volunteers.

Below the story **on page 4**, you'll see Jordan's financial plan. Take a few minutes to look it over.

Give participants no less than 3 minutes to read the sample financial plan.

What do you think of Jordan's plan?

Give participants a few minutes to share their ideas.

Now that you've read Jordan's plan, how could having a plan like this help you, if you wanted to save up and buy something expensive? Who would like to share why a plan like this might be helpful?

Discuss their responses briefly. Point out that the Financial Wellness classes will help them make a plan like this.

Financial Wellness can be measured objectively, but also includes your subjective reactions—your feelings and thoughts.

Now, **turn to page 5** of your *Participant Workbook*, “How I view my financial situation.”

Read aloud the two paragraphs at the top of the page.

- Financial wellness refers to things you can *count or measure* about your own personal financial situation. This includes things like the size of your income, how much debt you have, and your credit rating.
- Financial wellness also refers to the ways you *feel* about money, your *opinions*, and your *beliefs*. For example, some people feel discouraged and overwhelmed when they have a big expense they can’t afford. At other times, people feel happy and optimistic when they have saved up enough money to do something special.

I’d like you to write down your response to the first statement **on page 5**, which is, “When I think of things I can measure or count about my financial situation, I think of...”

Give people time to think and write their responses. Then, ask for volunteers to share their responses with the group.

Now, let’s take a minute so you can think about how you feel about your financial situation. I’d like everyone to write down responses to the second statement **on page 5**, which is, “When I think about my financial situation, I feel...”

Give people time to think and write their responses. Then, ask for volunteers to share their responses with the group. Expect a variety of responses, some positive and some negative. You may be surprised at some of the things the class shares.

If some participants seems to feel very stressed about their financial situations, you might want to pause and have them take a deep breath.

Participants may continue to add comments to this worksheet between classes, particularly if they were unable to write as much as they wished.

Thanks everyone.

Good work everyone! We did this activity to help you see that your financial situation is made up of what you have, the things you can count, and your feelings about your finances. What questions do you have so far?

Financial Wellness: What is Important to Me?

(15 minutes)

Part of financial wellness is understanding what is important to you, so that you can set financial goals and work toward things you really care about. This involves understanding your own values and priorities.

To help figure this out, let's **turn to page 6** of your *Participant Workbook*, titled "Financial Wellness: What is Important to Me?" You'll see six questions. I'll read each question aloud while you write down your answers. Remember that there are no right or wrong answers.

Read aloud Question 1.

Question 1. If a guardian angel gave you \$500, how would you spend it? Circle the things you value most from the following list of items [at the top of page 6]. You can add your own items if you wish. You may keep choosing items until you think you have "spent" your \$500. When you're done, mark your number 1 choice with a star.

Use the line that says "other" to write down anything important to you that is not already listed.

Let's find out from everyone how you wanted to spend your "guardian angel" money. As I read each of the items, raise your hand if you starred it as most important.

While you read each of the items under Question 1, have your co-facilitator record the number of participants who starred that item on the chalkboard, whiteboard, or large pad. At the end of the list, ask if there are any other #1 choices and record them as well. Point out to the class which items got the most votes.

Read the items:

- Pay off what I owe
- Buy a new TV
- Donate to charity
- Take a trip
- Get a massage
- Share with family and/or friends in need
- Eat out
- Go to the movies
- Get things for my leisure activities
- Buy new clothes
- Enroll in a class
- Pay for a medical procedure
- Purchase groceries
- Get a haircut
- Make a down payment on a car
- Buy new shoes
- Pay medical bills
- Put it in a savings account

Now look at Question 2.

Read aloud Question 2: What is the most important thing you ever purchased and why?

Allow participants enough time to write down their responses.

Now let's go to Question 3.

Read aloud Question 3: What is a purchase that you made recently and now regret? Why do you regret making that purchase?

Allow participants enough time to write down their responses.

Question 4 is next.

Read aloud Question 4: Imagine that you have a little extra cash. A friend or relative asks to borrow this extra cash. What do you consider to be a **good** reason to give them the extra cash, if you knew the person was never going to pay you back?

Allow participants enough time to write down their responses.

Only one more question to go! Question 5 is the last one. Look at your answers to questions 1 through 4 and write down how you think your answers reflect what's important to you.¹⁰

Allow participants enough time to write down their responses.

Discussion

What are some things that you realize are important to you? How might those important things influence your spending?

Sometimes, thinking about our financial situation and our feelings about money can be hard or stressful. In these times, it helps to remember that...

[ADD INSPIRATIONAL QUOTE OR STORY].

Sample quotes (included in the Participant Workbook on page 8):

- “I make myself rich by making my wants few.” -Henry David Thoreau
- “Too many people spend money they haven't earned, to buy things they don't want, to impress people that they don't like.” -Will Rogers

Introduction to the 8 Dimensions of Wellness, including Financial Wellness

(10 minutes)

Now, please take a **look at the cover of your workbook**. The picture you see there illustrates the eight dimensions of wellness. The dimensions are emotional, financial, social, spiritual, occupational, physical, intellectual, and environmental. These dimensions are interconnected. What happens in one dimension often influences what happens in another. Let's see how this works.

First, let's start with four dimensions: emotional, financial, occupational, and physical.

Write on the chalkboard, whiteboard, or large pad:

- Emotional
- Financial
- Physical
- Occupational

When we feel financially stressed because we're in debt, we often experience emotional stress. This sometimes leads us to physical problems like migraines or catching a cold. In turn, that physical problem might lead us to be out sick a lot, affecting our performance at work (occupational dimension). This example shows how four of the dimensions are interconnected when someone has financial stress.

We can add another dimension to this example when we realize that all of these feelings might lead us to start questioning our faith and belief that we have a purpose in life. Which dimension is related to faith, belief, and purpose in life?

Point out that it's spiritual, if nobody can answer the question. Add "Spiritual" to the list on the chalkboard, whiteboard, or large pad.

Let's look at another example, but this time when I name the issue, you call out what dimension it refers to. **Look at the cover** with the picture of the eight dimensions. Ready?

When we are not working (cue the group for a response, and wait for them to say occupational), we lose some of our opportunities to interact with others (wait for them to say social), our income decreases (wait for them to say financial), and then we cannot get the medical care we need to stay well (wait for them to say physical). Eventually, we may lose our apartment and need to move to a shelter (wait for them to say environmental).

Good work everyone.

Let's look back at Jordan's story **on page 4** of your workbook. Who wants to point out one of the 8 wellness dimensions related to Jordan's story and his financial plan? I'll start. I see that his plan to cut down on daily cigarettes could improve his wellness in both the financial and physical dimensions.

If you need to give another example, you can point out that buying coffee less often also could improve his wellness in both the financial and physical dimensions.

Keep these dimensions in mind as you learn more about financial wellness. Since all of the dimensions are interrelated, you'll notice that as your financial wellness improves, other areas of your life may improve, too.

What questions do you have before we move on?

Answer any questions.

Now it's time for a 10-minute break. Please be sure to return promptly because we have a lot to cover.

BREAK (10 minutes)

Strengths that Contribute to Financial Wellness

(10 minutes)

Welcome back! Next, we're going to talk about your financial strengths. Everyone has some habits and routines that contribute to their financial wellness. These are strengths—the things that you do now that help you to build and maintain your financial wellness. One strength that you may have is being responsible about what you buy. Another strength may be paying your bills on time. Still another strength may be living within your means.

When you have a lot of these strengths, you have something called *financial capabilities*. The term “financial capabilities” means that you are able to manage your finances and plan for a secure future.

People who are financially capable feel good because of 3 things.¹¹ One is having financial control. Another is having financial stability. And the third is financial security. Let's look at how these 3 areas make up your financial wellness, following along as I read from the **top of page 7** your *Participant Workbook*.

It's helpful to also write these 3 terms on the chalkboard, whiteboard, or large pad prior to or during class, including a brief definition of each. For example, write “Financial Control: You make the decisions about what's important and about your money.”

- When you have financial control, you can rest assured that you direct your financial decisions. No one can tell you what you can and can't buy, and you can decide what's important and what's not.
- When you have financial stability, you have enough income to meet your needs, repay any debts you may have, and maybe even put a little aside. This can keep you on a firm footing when an unexpected expense arises.
- Financial security is built on financial stability. When you have financial security, you're not worried all the time about money because you have enough for now and in the future.

In this class, you will learn new things and develop new skills to improve your financial capabilities.

What questions do you have about the 3 financial capabilities?

Activity for Financial Capabilities

(15 minutes)

Next, let's look at your financial strengths. You already have financial strengths that make you financially capable. This next exercise will show you which strengths you already have and which ones you want to develop in the future.

Look again at **page 7** of your *Participant Workbook*. As I read each sentence¹² in the list, decide whether it's mostly true for you, which is a 3; sometimes true, which is a 2; or not at all true for you, which is a 1. Ready?

Read each item and help anyone who needs assistance to complete the worksheet. If a participant says that the item does not apply (such as for item #14 if the person doesn't file taxes or item #18 if the person is not saving), it's OK to use a rating of N/A for "not applicable."

1. I set financial goals and work toward them.
2. I can comfortably manage within my budget.
3. I check my credit reports at least once a year.
4. I do not worry about money.
5. I have a good handle on my financial situation.
6. I have enough money to meet my current expenses.
7. I have people I can turn to when I need help with financial matters.
8. I keep track of what I spend every week or every month.
9. I know how much I owe and have a plan to pay off my debts.
10. I know how to make a budget for myself.
11. I compare prices of different items when shopping
12. I research expensive products before I buy them.
13. I pay my bills on time.
14. I file my taxes on time.
15. I rarely or never bounce a check or overdraw my account.
16. I resist buying things I don't need.
17. I am saving money for a big purchase I'd like to make in the next year.
18. My savings are on track with my life goals.
19. With the money I have coming in, I feel confident that I can meet my expenses.
20. I have a plan for the next 6 months that will help me increase my income and spend less money.

Now that you're done rating each item, count the number of items where you gave yourself a 3, and write that number down on the line at the bottom of the page.

Pause to give everyone time to count their items rated as a 3 on page 7.

Discussion

What was it like to rate these items?

Did everyone rate themselves as a 3 on at least one strength?

If you didn't, maybe you're underestimating your skills in this area. Many people focus more on their weaknesses than on their strengths. But because many people live on pretty limited incomes, I bet that many of you have financial strengths that you're not aware of. You may have many strengths that aren't on this list.

When you use your financial strengths regularly, they become financial wellness habits and routines.¹³ These are things you do automatically, without necessarily thinking about them.

As we go through this course, we'll help you identify more of your strengths, so you can build on them.

To get in touch with your strengths, keep some things in mind:

- We are usually our own harshest critics. Just because someone lacks money doesn't mean they lack financial strengths.
- Knowing your financial strengths isn't the same as bragging. You're discovering your strengths to build on, whether or not you tell other people about them.
- Focusing on the financial habits and routines that are strengths for you will help build your confidence.
- Finally, if you're aware of your financial strengths, you can offer to share them with others in this class.

Later in this course, you can look back to see whether you've improved in some of these areas.

Assignment

Each week, you will have a practice assignment to complete.

Doing these assignments will help you apply the information you are learning. If the assignment is unclear, ask one of the co-facilitators for assistance.

A useful routine for everyone who wants to improve their financial wellness is tracking what you spend. This will help you become more aware of your spending patterns. We're going to ask you to develop this routine by tracking what you spend every week in this course. To make it fun and interesting, we're going to do this in different ways each week for our class homework.

Give out plastic Ziploc®-type bags with pencils and small pieces of paper in them.

For the coming week, you'll track your expenses by saving your receipts for everything you buy. You'll use these plastic bags to store all of your receipts. When you get a receipt, be sure to look at it to check if you can tell later what it was for. If not, just write down the name of the purchase on the receipt. In cases where you don't get a receipt, there are pieces of paper and a pencil in your bag to write down how much you spent and on what. If you pay utility or other bills during the coming week, don't forget to write that down on one of the sheets in your plastic bag.

This activity is a very easy way to track what you're spending because you don't have to give it much thought. But, this only works if you try to track every penny you spend. That's the only way you'll understand where your money is going. So, we'd like to ask you to make a commitment to doing this throughout the entire week. It's okay if you miss a receipt or two, just try to write down what you bought and how much it cost.

There's a handout **on page 8** of your *Participant Workbook* that tells you everything you need to know about the homework for next week. You can review this later, if needed.

But, for now, what questions do you have about the assignment or anything we have talked about today?

Answer any questions people have about the content you just reviewed.

Summary and wrap-up

(10 minutes)

Let's sum up today's class, and what you'll be doing between now and the next class.

I'd like to start by asking you to call out some things you learned during today's session.

Give participants time to share.

That's terrific! You learned a lot of new things today. Here are some additional thoughts we hope you'll take away with you.

- First, today, you defined financial wellness for yourself, depending on the strengths you already have and what you want to accomplish. This means you set your own priorities and decide what you want to focus on first to increase your financial wellness.
- Next, you learned that financial wellness is linked to the other 7 dimensions of wellness. A change in your financial wellness is likely to improve other areas of your life, and vice versa.
- Third, you already have financial strengths that you can build on with what you learn from this course. Remember to recognize and celebrate your financial strengths.

Wrap-up by:

- Thanking everyone for coming
- Reminding them of the next session date and time
- Reminding them to be sure to collect all of their receipts, and bring them to class next week
- Reminding them that they can contact you between sessions with questions or if they can't make it to the next class

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Class 2: Financial Wellness Basics: Money Management

Basic financial wellness habits and skills are key for financial control. This class focuses on basic money management knowledge and skills, including increasing awareness of the difference between your needs and wants, and the challenge of spending triggers.

Agenda for Class 2

Welcome & Housekeeping	5 minutes
Review of Class 1	10 minutes
Introduction to Budgeting (income vs. expenses)	20 minutes
Financial Needs and Wants	15 minutes
BREAK	10 minutes
Spending Triggers	20 minutes
Summary, Wrap-up, Homework	10 minutes
Total class time	90 minutes

Key Message for Class 2: You can take charge of your finances to improve your financial wellness.

Learning Objectives for Class 2

At the end of this class, participants will be able to:

- List at least three financial wellness skills and habits
- Define income and expense
- Explain the difference between needs and wants

Materials needed for Class 2

- Blank name badges or the name tents used previously
- Class 2 Attendance Log (if taking attendance)
- Extra copies of the *Participant Workbook*
- Extra paper, pens, and pencils
- A bag of receipts, in case some participants did not do the assignment (or forgot their bags)
- A new set of large plastic Ziploc®-type bags with blank papers and pencils (as for Class 1)
- A chalkboard, whiteboard, or very large pad with easel

Tips for Facilitating Class 2

- You may want to provide extra print materials and examples related to this topic, but choose carefully so that you do not overload participants.
- Some participants may be eager to begin working on their goals. Be sure they know that it takes time and preparation to set a goal. Participants will work on this over the 6 classes.
- Make arrangements to offer help between classes.

Resources for further learning on money management

- https://practicalmoneyskills.com/teach/lesson_plans/special_needs
- *Your Money, Your Goals* workbook: <http://www.consumerfinance.gov/your-money-your-goals/>

Class Outline for Class 2: Financial Wellness Basics: Money Management

Welcome & Housekeeping

(5 minutes)

Welcome back to Class 2! It's great to see you here!

If needed, re-introduce yourselves as co-facilitators and allow time for the participants to re-introduce themselves.

Remember to turn off cell phones or put them on vibrate.

If needed, remind participants of the following information:

- Location of washrooms
- Smoking regulations
- Emergency exit information

The same course agreements apply as for Class 1. It's important to arrive on time, participate, and respect others.

- We'll expect you to attend all 4 classes after this one unless something very important comes up or you're ill. If you can't make it to class, we'd greatly appreciate it if you'd let one of us know by calling [PROVIDE YOUR CONTACT INFORMATION].
- We will take a 10-minute break in the middle of the class.

Review and Overview

(10 minutes)

This is Class 2, out of a total of six classes. We will be meeting each week for six weeks.

Please **turn to page 9** in the *Participant Workbook*. This is the first page in the Class 2 section of the workbook.

Today we will talk about Money Management. This includes the basic financial wellness habits, knowledge, and skills that you need for managing your money.

We are going to begin today by reviewing Class 1. What is one thing you remember that we talked about or did last week?

Encourage people to briefly share what they remember. It may help to explain that you are not looking for any specific answer and that any answer is OK.

If needed, review these points:

- During Class 1, you defined financial wellness for yourself, depending on the strengths you already have and what you want to accomplish. This means you set your own priorities and decide what you want to focus on first to increase your financial wellness.
- During Class 1, you also learned that financial wellness is linked to the other 7 dimensions of wellness. A change in your financial wellness is likely to improve other areas of your life, and vice versa.
- The activities in Class 1 helped you see that you already have financial strengths that you can build on with what you learn from this course. Remember to recognize and celebrate your financial strengths.
- We also talked about *Financial Capabilities*. These are three capabilities covered in these classes that you can do for your financial wellness:
 - *Financial Control* is when you make your own financial decisions.
 - *Financial Stability* is when you have enough income to meet your needs, repay any debts, and build assets, including savings.
 - *Financial Security* is when you save money and have a plan for your financial future.

One of things we will talk about today is budgeting. Part of budgeting is tracking what you spend.

You had an assignment for this week, which was to collect receipts and track your spending. How many brought your bag of receipts with you?

If some people forgot, you might say that they will have another chance to collect receipts for the next class.

What was it like to collect receipts and track your spending?

Discuss their experiences with the assignment and answer any questions they may have.

What did you learn about what you spent money on last week?

Encourage people to briefly share what they learned.

Remember we talked last week about how *strengths* are the things you are doing now to improve your financial wellness and add to your financial capabilities.

Did anyone discover an additional financial strength they'd like to share with the group?

Encourage people to briefly share their strengths.

Sometimes, when people are tracking what they spend, they are a little more thoughtful than usual about what they buy. Did this happen to you?

Encourage people to briefly share their experiences.

What does it mean to you to be “thoughtful” about what you buy?

Encourage people to briefly share their ideas.

Those are great examples. They show how you can take charge of your finances to improve your financial wellness.

Introduction to Budgeting (income vs. expenses)

(20 minutes)

Last week, we talked about how financial capabilities include the habits, and routines that contribute to your financial wellness. One of the skills or habits is budgeting.

What do you think of when I say “budgeting?”

Encourage people to briefly share their ideas.

Budgeting means tracking what you usually spend money on. Budgeting also means predicting and planning what you will spend in the next week, month, or year, based on your income and the money you have now.

What experience have you had with budgeting?

Explore feelings as well as knowledge and experience.

A budget is a plan for how you will spend your money.

- Some people create formal budgets and others budget informally.
- Budgets are based on choices you make.
- Your values, goals, and available resources affect your budget.

Often, a budget looks at both income and expenses.

Write these 2 terms on the whiteboard or easel pad. List your main points under “income” and “expenses” as you provide the following explanations.

Income is any money that is given to you.

- This includes a paycheck, government benefits, and any other sources of funds, like child support, gifts, or insurance pay-outs.
- You also might want to include food stamps as income.
- Section 8 housing subsidies don’t really count as income, since you don’t see that money directly.
- For most people, your income is a limited resource, meaning you have a set amount that is fairly predictable.
- If your main source of income is government benefits, the check you get is usually the same every month. This is called a “fixed income.”

What is an example of someone who might have a monthly income that changes from week to week?

If needed, give examples, such as people who:

- Do part-time seasonal work, such as agricultural work, mowing lawns, shoveling snow, gift-wrapping in stores at Christmas, or collecting for the Salvation Army.
- Do day labor
- Provide occasional childcare

Expenses include all of the ways you use your money.

- You learned about your expenses when you collected receipts.
- Awareness of what you spend is important for financial wellness.
- If you don’t know your current spending habits, you don’t know how to change or improve them.

What surprised you about your expenses as you tracked them last week?

Encourage people to briefly share their experiences. Reflect feelings that come up.

As I mentioned, budgeting means tracking, predicting, and planning. This means that you think about what you will spend in the next week, month, or year, based on your past expenses, income, and the money you have now.

- Tracking what you spend is keeping a record of where your money goes, like you did this past week. It's not necessary to track every single penny for the rest of your life, but it is helpful to have a general idea of what things you buy and how much they cost. Once you know where your money goes, you can decide if that's how you want to spend it.

Relate this point to any participants' past experiences with budgeting.

- Predicting what you will spend means looking ahead at what you have to pay for. For example, if you are paying rent or utility bills, like electricity, you can usually figure out ahead of time how much you will need to set aside to cover next month's costs.

Relate this point to any participants' past experiences with budgeting.

- Planning what you will spend means looking at all of your upcoming expenses and deciding how to use the money you have to cover as many of those costs as possible.

Relate this point to any participants' past experiences with budgeting.

These definitions are on **page 10** (in Class 2 of the *Participant Workbook*) on "Budgeting Definitions."

Next, please **turn to page 11** (in Class 2 of the *Participant Workbook*), which is a budgeting example for Bill.

This page includes an example of Bill's monthly budget. This is a budget plan for how he will use his money for the next month. It is based on tracking his spending for 3 months and predicting his spending for the next month.

Do I have a volunteer who is willing to read Bill's story at the top?

Read the story if nobody volunteers.

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- Bill gets government benefits and is currently living with his mother. He pays her a certain amount as rent and for utilities.
- The amounts listed are not exact. They are rounded to the nearest \$10.
- Bill uses his part-time work to cover his “fun” costs—in months when he earns more, he usually spends more on “fun.”

Below the story’s introduction, you’ll see Bill’s budget. Take a few minutes to look it over.

Give participants no less than 3 minutes to read Bill’s budget.

What do you think of Bill’s budget?

Give participants a few minutes to share their ideas.

Now that you’ve read Bill’s budget, how could a budget like this help you?

Discuss responses and answer any questions about Bill’s budget.¹⁴

Financial Needs and Wants

(15 minutes)

Next, we will talk about a different way to think about your expenses: needs and wants. Please **turn to page 12** in your *Participant Workbook*, labelled “Financial Needs and Wants.”

What do you think I mean by “needs and wants”?

Give participants a few minutes to share their ideas.

People buy and use different things. We all have things in common that are critical to live.

- A need is something that is essential or necessary.
- Needs are requirements—things that you must have or must be able to do. Examples of needs include food, water, shelter, and clothing.
- A person’s needs change with the seasons and vary with age.

What are some examples of how your needs have changed or might change over time?

Give participants a few minutes to share their ideas.

People also buy things that they may not need, but that they really want. These “extras” make life more enjoyable and comfortable.

- They are called “wants.” A want is something you desire or crave.
- Wants are things you would like to have, or hope to have, or dream of having, but are not really necessary.
- Examples include a new bicycle, a TV, designer clothes and shoes, concert tickets, or a sports car.

What are some examples of “wants” that you spent money on last week?

Give participants a few minutes to share their experiences. If nobody responds, ask a more general question, such as, “What are some examples of ‘wants’ that you spent money on in the past?”

Some things, like food and clothes, fall into both “needs” and “wants.” For example, you need to have clothes, but you don’t need to have the newest, most expensive ones. Also, you need to eat, but you don’t really need some of the things you may want to eat, such as potato chips or ice cream.

Activity for Financial Needs and Wants

Next, you are going to think through your own needs and wants.

Using the worksheet **on the bottom of page 12**, try to come up with a list of things you either need or want. Then, decide how important each one is to you by rating it as High or Low.

- As you work, think about whether the things you need or want will affect your budget right now or in the future.

Allow time to complete the worksheet.

Discussion

Now, I’d like you to get together with a partner to compare your lists. Discuss areas where your lists are the same and where they are different.

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After the pairs discuss, have participants share what they learned with the whole group, using the discussion questions below.

Choose the questions based on how much time you have. You do not need to ask every question. Discuss responses to each question briefly.

- Who would like to share a few needs and wants from your list?
- How were your lists similar or different?
- What did you learn about the spending you did last week?
- When you look at your list, what thoughts do you have about future spending and saving?

Your needs and wants are connected to your values, and affect your overall financial wellness. They also are connected to your financial control, stability, and security.

What questions do you have before we take a short break?

Answer any questions people have about the content you just reviewed.

Please be sure to return promptly because we have a lot to cover.

BREAK (10 minutes)

Spending Triggers

(20 minutes)

Welcome back!

Next, we're going to talk about spending triggers.

Sometimes we spend money on things we need. Sometimes we choose to spend some of our money on what we want, but don't really need. At other times, we spend money without really thinking about what we are doing.

A spending trigger is something that happens to you that cues you to buy something. This could be something you notice or a feeling you have.

Activity: Spending Triggers

Please **turn to page 13** of your *Participant Workbook*, labelled “Activity: Spending Triggers.” I will read the list of spending triggers on this page. As I go along, check the ones that often lead to you spending your money.

Read the list:

- I see something that seems like a bargain.
- I have a coupon.
- I am feeling sorry for myself.
- I ran out of it, or I am running low.
- My friend got one, so I will, too.
- I want it right now.
- The salesperson talked me into it.
- It's for a special event.
- I see something I like.
- I got a ride to the store, so I stocked up.
- I have a little extra money in my pocket.
- I have been saving and I can finally afford it.
- I feel stressed. It might make me feel better.
- I am tired and not thinking clearly.
- I just can't help myself.
- I'm afraid I won't get another chance.
- It's a good way to reward myself.
- I think I deserve it.
- I can get it on credit.
- I think it would be a nice gift for someone important to me.

If there are other spending triggers you can think of that are not listed, write them in the column on the right side of the list.

Give an example of one or two of your own spending triggers. For example, you might say, “I have a lot of spending triggers, but I noticed two that happened over the last week. The first one was that I had a coupon for \$2 off something I didn't really need, but it seemed like such a good deal that I bought it. The second was that I tend to buy myself sweet food treats, like cookies, when I am feeling down or stressed. I don't really need to eat them and I don't want to spend the money on them, but I do it anyhow.”

Discussion

What are some of your spending triggers?

Point out similarities among participants. Emphasize that these triggers are common and normal.

Note: Participants who use 12-step programs may mention “HALT” triggers for substance use—hungry, angry, lonely, tired.

The spending triggers listed are not necessarily “bad” reasons to spend money. However, if you have very little money to spend, it’s important to think carefully about what you buy.

Who can think of a possible problem that could be caused by not thinking carefully about what you buy?

Give participants a few minutes to share their ideas.

How might it help you to know some of your spending triggers?

Give participants a few minutes to share their ideas.

It is often easier to prevent or avoid trigger situations than to control your behavior when you are tempted or triggered.

Give an example of how you prevent or avoid trigger situations. For example, you might say, “I try not to go to the supermarket when I am feeling down or stressed” or “Now, I am only going to save coupons for things I know I need and will use.”

How might you prevent or avoid one of your spending triggers?

Give participants a few minutes to share their ideas.

Assignment

For the coming week, you’ll continue to track your expenses by saving your receipts for everything you buy.

Handout plastic bags.

You'll use these plastic bags to store all of your receipts. Just like before, when you get a receipt, be sure to look at it to make sure you can tell later what it was for. If not, just write down the name of the purchase on the receipt. In cases where you don't get a receipt, there are pieces of paper and a pencil in your bag to write down how much you spent and on what.

Also, if you can, collect a set of your utility bills and other monthly bills during the coming week. Or you can write down the amounts of your utility bills on a list. Bring those with you next time, as we will need them for one of our in-class activities.

Again, we'd like to ask you to make a commitment to doing this throughout the entire week. It's okay if you miss a receipt or two, just try to write down what you bought and how much it cost. This daily tracking activity is the only way you'll understand where your money is going.

You are going to add one small step to the assignment this week. Sometime during the week, review the list of spending triggers **on page 13** of your *Participant Workbook*.

Write down any spending trigger that influenced your spending decisions during the week. You may write them directly in your *Participant Workbook* or write them on a separate piece of paper and add them to your plastic bag of receipts.

There's a handout **on page 14** (in the Class 2 section of your workbook) that tells you everything you need to know about this week's homework that you can review later if needed.

But, for now, what questions do you have about the assignment or anything we have talked about today?

Answer any questions people have about the content you just reviewed.

Summary and wrap-up

(10 minutes)

What did you learn during this session?

Give participants a few minutes to share what they learned.

What was useful or interesting about what we did today?

Give participants a few minutes to share their thoughts.

That's terrific! You learned a lot of new things today. Here are some additional thoughts we hope you'll take away with you.

- Budgeting tells you how much money you should spend.
- Knowing your needs and fixed expenses helps you make decisions about your flexible expenses and can help you build in a way to get some of your "wants."
- You can take charge of your finances to improve your financial wellness.

How can you use the knowledge and skills you learned today?

Give participants a few minutes to share their ideas.

Those are great ideas!

Wrap-up by:

- Thanking everyone for coming
- Reminding them of the next session date and time
- Letting them know about any supports available between sessions, such as how to contact the facilitators with questions or concerns

Class 3: Budgeting for Financial Wellness

The ability to budget provides increased financial control and improves overall wellness. This class focuses on the key skills of setting financial goals and preparing a personal budget.

Agenda for Class 3

Welcome & Housekeeping	5 minutes
Review and Overview	10 minutes
Setting Financial Goals	15 minutes
Paper Budgeting (part 1)	20 minutes
BREAK	10 minutes
Paper Budgeting (part 2)	5 minutes
Bank Survey	15 minutes
Summary and wrap-up	10 minutes
Total class time	90 minutes

Key Message for Class 3: Money management requires knowing what you have spent, planning what you will spend, and putting money away for savings.

Learning Objectives for Class 3

At the end of this class, participants will be able to:

- Name two budgeting strategies
- Create a personal budget

Materials needed for Class 3

- Blank name badges or the name tents used previously
- Class 3 Attendance Log (if taking attendance)
- Extra copies of the *Participant Workbook*
- Colored pencils or fine-tip markers, if you think participants would enjoy them for drawing during the “financial goals” activity (on page 16 in Class 3 of the *Participant Workbook*)
- Your completed “future” picture (see page 16 in Class 3 of the *Participant Workbook*)
- Large paper clips and/or envelopes for sorting and separating receipts by category
- Sample filing supplies, such as an “accordion” file (optional)
- A bag of receipts, in case some participants did not do the assignment (or forgot their bags)
- Sample monthly amounts for bills in your area, such as utilities (cable or satellite TV, basic telephone service, electricity, other utilities)

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- Calculators
- A new set of large plastic Ziploc®-type bags with blank papers and pencils (as for Class 1)
- A chalkboard, whiteboard, or very large pad with easel
- An extra copy of the Banking Survey on page 21 in the *Participant Workbook* for you to use to record the class responses
- If you have printed the *Participant Workbooks* on 3-hole-punched paper and put them in binders, the Banking Survey on page 21 can be removed and collected. If you have printed stapled booklets, you will need to bring a printed set of Banking Surveys for participants to complete so that you can collect them.

Tips for facilitating Class 3

- Class 3 is the most content-heavy section of Building Financial Wellness. Plan carefully for the class timing, considering how, where, and when you may need to limit discussion. Remember that all participants should have a chance to contribute during the class, but it is not necessary for every participant to contribute to every discussion.
- Encourage participants to share positive budgeting and saving experiences.
- Acknowledge feelings, especially when people seem to feel discouraged by their financial situation or deprived, due to their limited incomes.
- Reflect on and be ready to share your own positive budgeting and saving experiences.
- Encourage and inspire participants by pointing out that making small adjustments in what we spend can add up to savings over time.
- To keep the curriculum manageable, the budgeting information focuses on one-month costs as based on four weeks, keep in mind that most calendar months are not exactly 4-week periods. There are actually 13 weeks in most 3-month periods. This may be important to consider for predicting certain expenses and income.
- Remind participants that it takes time and preparation to set a goal. Participants will continue to work on this over the remaining classes.
- Make arrangements to offer help between classes. Participants may benefit from a check-in call or other contact between classes, in case they need help completing their budget or have questions about the assignment and to remind them to bring their collected receipts and bills with them to Class 4.

Resources for further learning on budgeting and savings

- This free curriculum includes a lesson on creating a spending plan (starting on page 20 of that curriculum):
http://www.handsonbanking.org/en/resources/Adults_2_Money_Mgmt_Tools.pdf
- This website has free materials that you can order or download, including a “toolkit” that someone can use to set and achieve personal financial goals:
<http://www.consumerfinance.gov/your-money-your-goals/>

Class Outline for Class 3: Budgeting and Savings for Financial Wellness

Welcome & Housekeeping

(5 minutes)

Welcome back to Class 3! It's great to see you here!

If needed, re-introduce yourselves as co-facilitators and allow time for the participants to re-introduce themselves.

Remember to turn off cell phones or put them on vibrate.

If needed, remind participants of the following information:

- Location of washrooms
- Smoking regulations
- Emergency exit information

The same course agreements apply as for Classes 1 and 2. It's important to arrive on time, participate in class activities, and respect others.

- This is Class 3, out of a total of six classes. We will be meeting this week and then 3 more times [STATE THE DATES AND TIMES].
- We'll expect you to attend all of the 3 classes after this one unless something very important comes up or you're ill. If you can't make it to class, we'd greatly appreciate it if you'd let one of us know by calling [PROVIDE YOUR CONTACT INFORMATION].
- As usual, we will take a 10-minute break in the middle of the class.

Review and Overview

(10 minutes)

Please **turn to page 15**, which is the first page of the Class 3 section in the *Participant Workbook*.

We're going to begin today by reviewing Class 2. What is one thing you remember that we talked about or did last week?

Encourage people to briefly share what they remember. It may help to explain that you are not looking for any specific answer and that anything they remember from last week is OK.

If needed, review these points:

- During Class 2, we discussed income and expenses, and needs vs. wants.
 - *Needs* are things you can't live without, such as food, clothing, and shelter
 - *Wants* are things you desire, crave, or enjoy that are not absolute necessities
- We also talked about spending triggers during Class 2. A spending trigger cues you to buy something. This could be something you notice or a feeling you have that makes you want to shop or spend money.

You had an assignment for this week, which was to collect receipts and track your spending. How many brought your bag of receipts with you?

Would anyone like to share whether or how tracking receipts helped them to notice their spending triggers?

Encourage people to briefly share what they learned. If relevant, share a spending trigger that you experienced during the previous week. If some people forgot their bags, you can give them a spare bag of receipts and mention that everyone will collect receipts again for the next class.

That's great! Did anyone discover an additional financial strength they'd like to share with the group?

Encourage people to briefly share their strengths.

Those are great examples. They show how you can take charge of your finances to improve your financial wellness.

Today, we're going to talk about budgeting and setting financial goals.

- Both of these are important to how we personally manage our money and our spending.
- Good money management skills are not automatic. They must be learned and practiced. Developing knowledge, skills, and positive habits will help you make choices that are best for you.
- We all know that some choices work out better than others. Either way, you can always learn from the decisions you make.

Setting Financial Goals

(15 minutes)

One key part of money management is setting financial goals to help you know what you're budgeting for.

What do you think of when I say, "financial goals?"

Encourage people to briefly share their ideas.

As you can see from the definition at the bottom of **page 15** of your workbook, a goal is an achievement that you hope for in the future.

- Specifically, financial goals describe your desired future in terms of your income, your savings, and something you want to be able to buy.
- Goals provide a target to work towards and can be motivating.
- Your financial goals are related to your personal values and what's important to you when thinking about your money.

Activity: Setting financial goals

Now please **turn to page 16** of your workbook, titled "Setting Financial Goals."

Draw a positive picture inside the frame of what your life would look like if you achieved financial wellness.

- Don't worry about your skills as an artist.
- Just draw what a good, happy future would hold for you, if you had financial wellness.

Now look at your picture and ask yourself what would help that positive future come true?

- Think of new financial goals or things you'd need to buy.
- Try to write down 2 or 3 financial goals related to your future at the **bottom of page 16**.
- Don't worry about what your goals would cost, or whether they seem realistic. Just put down what you wish or hope for.

Discussion

Do I have any volunteers who are willing to tell us about your picture? What does a financially good or secure future look like for you? Or, how does it show what's important in your life?

Summarize, making positive comments about the pictures.

If needed, give an example for yourself as a way of prompting discussion.

- For example, if you drew a picture of a palm tree, you might say, “My family is very important to me, especially my sister. My positive future picture shows me taking my whole family on a relaxing vacation to Hawaii. Even though I know I can’t afford it, this picture captures my dream of having enough money to do what I want without any hardship.”
- Your example can start the discussion, if that would help, or you can share it towards the end, after a few others have talked about their pictures.

Who is willing to share some of the financial goals they listed related to their future?

Discuss goals briefly, acknowledging feelings and encouraging people to “stretch” in choosing their goals.

- Share a relevant goal of your own, such as, “I would like to save up for a trip with my family, even if it’s not to Hawaii.”
- You might want to share an inspirational quote, like the one attributed to Michelangelo: “The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low and achieving our mark.”

Thanks for sharing! Remember that the financial habits and routines we talked about in Class 1 and Class 2 can help you reach your goals.

- For example, a financial habit of checking your saved receipts each week will help you figure out where to reduce expenses to save money towards your goal.
- A financial routine of balancing your checkbook can help you avoid paying fees for any overspending on your account that cuts into your savings.

Paper Budgeting

(20 minutes)

Budgeting is also an important part of money management. As you remember from last week, budgeting means tracking, predicting, and planning what you will spend, based on how much money you have and how much you're already spending.

Last week we also looked at an example budget for someone named Bill. What do you remember about Bill's budget?

Encourage people to briefly share what they recall.

You will find another example of a budget **on page 17** of your workbook. This one is for someone named Tina.

As you'll see, Tina has been collecting receipts for everything she spent for the last week. This is the "tracking" part of budgeting that you've been doing for the past several weeks.

Tina listed the totals for the week in the "receipts" column in the chart in the middle of the page, using the categories listed in the chart.

What do you notice about Tina's expenses in the "receipts" column?

Acknowledge participants' observations, sharing the following information, as needed.

- Tina does not have any utilities costs, like heat and electricity, since those are included in her rent.
- Tina listed one week's expenses in the column labelled "receipts." She noted her rent payment even though she did not pay it during the week she was collecting receipts. This note reminded her to include rent costs in the estimate for the next month.
- Tina added three categories in the spaces marked "other." These are phone, cable, and eating out.
- She has a cell phone that she can add minutes to as she needs them. She adds minutes most months, but some months she adds more than others. The cost of buying the phone is not included here, just what she paid for minutes this week. Since she talked a lot on the phone lately, she thinks the \$40 is probably the most she will spend next month.
- Even though Tina doesn't eat out in restaurants very often, she goes to the coffee shop a few days each week, so she put that in the "eating out" category. She also

included any snacks that she didn't buy during her regular weekly grocery shopping, like when she stops at the corner store.

The information from her receipts helped Tina predict her costs for the next month. Since she only had one week of receipts, she doesn't know her costs for a whole month. So, to estimate her monthly costs, she multiplied each of her 1 week amounts by 4 for expenses that she has every week. She then wrote those totals in the column called, Next Month's Amount.

This is the "predicting" part of budgeting.

Note that Tina's "personal expenses" included a one-week expense for her haircut. She is predicting some additional expenses for the next month, which might include personal care products, like shampoo or hand lotion. Similarly, her one-week expense for medication was \$7 but she knows that there are other medication expenses during the month.

Tina is careful with her money, and rarely runs out before the end of the month. Based on her budget, she predicts that she will have \$40 left over at the end of next month.

What questions do you have about Tina's budget?

Address any questions.

Let's think about your own experience with budgeting.

How many of you are using a budget now? [ASK FOR A SHOW OF HANDS]

If nobody is using a budget, you can skip the next two bullet points.

- How is your budget similar to, or different from, Tina's budget?
- Is anyone willing to share how you made your own budget?

Thanks for sharing. You'll remember in Class 2 that we talked about how using a budget can be helpful. First, tracking spending makes you more aware of your habits, routines, needs, wants, and spending triggers. Also, if you know what you're spending, you know where you can make adjustments to save money.

Predicting your expenses lets you know what you must spend on your needs, so you can see what's left over for your wants.

Planning tells you where you can make changes. For example, Tina might be able to save money on her phone bill by using fewer minutes. She also could decide to spend a little less on her "wants," like eating out, or find some ways to cut her grocery bill a bit.

Does anyone have any other ideas for why budgeting is helpful?

Acknowledge participants' ideas.

Budgets are based on choices that you make using your values, goals, and available resources.

- Most people do not have enough resources to satisfy all of their needs and wants. Spending choices require trade-offs. Therefore, it helps to see the big picture to make clear, thoughtful choices.
- A budget based on someone else's ideas or goals for you probably won't work because it won't match what you want.

Of course, even the best budget plans can be changed by an emergency or crisis. Such situations usually increase costs or reduce income.

What is an example of an emergency expense?

If participants do not have examples, give a few of your own. For example, you might mention an unexpected car repair, a need to travel to see a relative or friend who is sick, or something that breaks and needs to be replaced.

Those are great examples! Some situations can be predicted and some can't. We can't predict an emergency, but we can plan for unexpected expenses.

- For example, if Tina's phone stopped working, she would need to get a new phone. Even if she can't predict when something might happen to her phone, she can plan ahead by saving for a new phone, just in case.

- Spending plans must be flexible enough to allow for the unexpected. Including a category called “emergency fund” in your budget will give you a cushion to cover crisis-related expenses.

There are several good ways to keep records on how you spend your money and what you plan to spend money on. Three examples are listed on the **top of page 18** of your workbook. You can use:

- A computer budget
- A paper budget
- Envelope budgeting

We are going to focus on using a simple paper budget, like Tina’s, because it is pretty easy to learn and gives you the practice you need to use one of the other types.

A Simple Paper Budget

Please look at **page 18** in your workbook, called “How to create your personal monthly budget.” Let’s start at the part where it says, “steps to creating a budget.”

A paper budget lists income and expense categories, with amounts assigned to each category. Most budgets are for a month or a year, but you can choose any time frame.

Looking back to Tina’s budget on **page 17**, we see that a paper budget begins with tracking expenses. Tina saved receipts for a week, as you’ve been doing for homework.

- We’re asking you to collect them every week because the longer you collect them, the better you can estimate your monthly expenses.
- As you collect receipts, you could store them in different ways, instead of in the bags we’ve given you. You might want to use a file folder, or an accordion folder purchased at a dollar store, or a storage box that is divided into sections.

Show example of an accordion folder and/or a storage box, if you have them.

Why do you think it’s better to organize your receipts, instead of throwing them all into a bag or box?

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Acknowledge participants' ideas, adding these points, if needed:

- If your receipts are organized, you can find receipts if you need to return anything to the store or if you need proof that you paid a bill.
- It can be helpful to create folders or sections for receipts for each week or month of the year. That way, you can look things up, or compare your expenses at different times of the year.
- Some people prefer to sort their receipts or expenses by what they're for, but this takes more time than just saving them by the week or the month.

Some people prefer to write down everything they spend, rather than saving receipts. If you want to try this, you can carry around a small notebook to record what you buy. This can be useful even if you are saving receipts, since you may not get receipts for some expenses. For example, there's no receipt if you drop change in a tip jar at a coffee shop, or buy water from a vending machine, but you could write those items down in your notebook.

Activity 1 for the Simple Paper Budget Method

Okay, let's get started on making a simple paper budget, using the bills and receipts you've collected over the past two weeks. The list of steps for how to create a personal budget are on **page 18** of your workbook. You can read this page more carefully later.

For now, let's turn to the Simple Paper Budget Worksheet on **page 19**.

Walk through the instructions to complete the simple budget worksheet.

- Give instructions for each step (these are included below), pause, and have participants complete it.
- If a participant doesn't know the exact amount for what was spent, or for upcoming expenses, putting in an estimate is OK.
- Have a back-up plan or worksheet for participants who don't bring in their receipts!

Read these instructions for the Simple Paper Budget Worksheet:

Step 1 is Gather information on your expenses

- This is the tracking part of budgeting.

- Take out the notes and receipts you stored in your bags, along with the credit card, phone, and other bills you brought in. Sort your bills, receipts, and spending notes into categories, like those you see in the blank chart on **page 19**.

Pause here to allow participants to complete this step.

- Hand out paper clips, if needed, to separate each pile of receipts.
 - Provide help when needed.
 - Define terms as needed, such as saying, for example, “Housing costs include rent, mortgage, taxes, homeowner’s fees, and other predictable costs of living where you live now” or “Utilities might include heating costs or electricity. You also could put telephone or cable here, although Tina listed those on separate lines.”
- Write the number “2” in the blank space next to “Receipts & Bills,” marked “(blank) weeks,” to remind you that you are adding up the expenses you had for two weeks.

- For each category in the table starting with “Housing,” add up what you spent, using your receipts and bills. Write that amount next to each category. For example, if you have 2 electric bills totaling \$60, write \$60 next to “Utilities.” If you didn’t spend anything in a category, you can leave it blank. If you have receipts or bills in a category that’s not listed, add it under “other.” Remember that Tina put her phone, cable, and eating out under “other.”

Before class, it’s helpful to recreate the table or portions of it on the easel pad or white board. That way, you can write in examples as you explain them, which will help participants see how to complete the table.

Let participants know that it’s OK to change the categories on the worksheet to make the budget personal and so it will work best for them.

- Now, add up the total amount of money you spent over the last two weeks. Put that number in the line marked “total” at the bottom of the “Receipts & Bills” column.

Pause here to allow participants to complete this step, using calculators, if they prefer. Provide help when needed.

Step 2 is Predict your income for next month

- This is the predicting part of budgeting.
- List all your sources of income in the space under “step 2.” Include paychecks, benefits checks, and any other predictable amount of money you get each month.
- If your paycheck or benefits check is the same each month, just use that amount. If the amount changes each month, make your best guess about what it will be for [NAME THE NEXT MONTH].
- Write down any extra money you expect to get next month, such as a gift or from a temporary job.
- Add up the total amount of income that you expect to get next month, for [NAME THE MONTH], and put that on the line next to “step 2.”
 - Pause here to allow participants to complete this step, using calculators, if they prefer. Provide help when needed.

Step 3 is Predict your expenses for next month

- This is the second part of predicting in budgeting.
- Now we’ll complete the final column in the chart on **page 19**. For each category, estimate what you expect to spend next month. You will multiply the number under “Receipts and Bills” by 2 to get your one-month estimate. For example, if you spent \$100 on food in the past 2 weeks, you would multiply that by 2 to predict next month. Then you would write \$200 for next month’s food estimate.
 - Write this example on the table you recreated on the easel pad or white board.
- If you forgot to bring in some information, like what you usually pay for phone or cable service, we will help you make an estimate.
 - Help participants make an estimate using the bills they brought to class. If you have internet access during the class, you can look up the average monthly cost of phone or cable service in your area to make an adequate estimate, but it’s best to do this ahead of time, so as not to be distracted during class.

- Add in any extra expenses that may be due in the next month. This includes any regular monthly expenses that you didn't pay in the last two weeks. This also might include any once-a-year expenses, such as the cost of renewing your driver's license, buying a gift, subscribing to a magazine, or paying an annual gym membership.

Pause here to allow participants to complete this step, using calculators, if they prefer.

Provide help when needed.

- Add up the total amount that you expect to spend next month and write that number on the "total" line at the bottom of the "Next Month's Amount" column. Also write this same number on the line next to "step 3," above the table.

Pause here to allow participants to complete this step, using calculators, if they prefer.

Provide help when needed.

Step 4 is Calculate your expected balance

- This is the final part of predicting in budgeting.
- Compare the numbers on the line next to "step 2" and the line next to "step 3."
- Is your monthly income total next to "step 2" more or less than your monthly expenses next to "step 3"?
- Subtract your predicted expenses from your predicted income to find out the exact difference.
- If you were not able to list all of your monthly expenses, or you were estimating certain bills, what you estimated for your total expenses may not be accurate. We'll help you come up with a more accurate estimate next week, when you bring in the missing information.

For now, we are going to skip step 5, which is "make adjustments in what you plan to spend." Making adjustments is the planning part of budgeting. If we have time, we will talk about this after the break.

It's OK if you didn't finish your budget. You can keep working on it between now and the next class with our help.

Discussion

Note: This discussion (all or part) may be moved to after the break, if time is short.

How did your budget come out?

Discuss answers briefly, but take the time needed to acknowledge feelings, whether they are positive feelings of hope and control, or difficult feelings like discouraged or overwhelmed.

Why would it be important for your budget to be as accurate as possible?

Relate this point to any participants' past experiences with budgeting.

In general, you want your income to be greater than your expenses.

- This can be challenging for many people.
- You may aim for just having your income roughly equal your expenses. This helps you to stay out debt and helps prevent you from being unable to pay your bills.
- Remember, having extra money at the end of a month is good. Running out before the end of the month can limit your financial wellness.

BREAK (10 minutes)

Activity 2 for the Simple Paper Budget Method

Note: You can skip this activity if you are short on time, or if it would be more helpful to use this time to extend the previous practice or discussion on completing a budget.

Welcome back!

Usually, people have to make adjustments in their budgets, especially in what they plan to spend. You will need to adjust your budget if you find yourself spending, or expecting to spend, more money than you actually have. This is common—it happens to people often—and there are ways to

adjust your spending to help avoid it. Let's look at some examples of what I mean.

Write the examples on the chalkboard, white board, or easel pad as you give the details. Explain to participants that these examples are not in the Participant Workbook.

The first example is for someone named Kate. She gets a monthly check for \$700. She knows she will have expenses of \$500. What is her expected balance?

Give participants a chance to answer.

- Kate will have \$200 left over at the end of the month. This is extra, or a surplus.
- She may decide to spend some or all of it. Or, she may save it all towards a big purchase like a car. Or, she may save it just in case of an emergency.

The second example is for someone named Sam. Like Kate, he gets a monthly check for \$700, but he estimates that he'll spend \$800 next month. What is his expected balance?

Give participants a chance to answer.

- Sam will run out of money before the end of the month. His expected balance is "minus" \$100. This is a shortage.

If your predicted expenses are more than your predicted income, you need to make adjustments. Sam needs to reduce his expenses by \$100 or increase his income by \$100 to come out even. What adjustments might he make to do either of these?

Give participants a chance to answer. If they don't suggest the following, then make these points.

- He could reduce his expenses by cutting back on some of his "wants." For example, he could buy less soda or snacks during the month. He also could be more careful about what he spends on some of his "needs." For example, he might be able to save money on groceries by buying what's on sale or by using discount coupons for items he buys often.
- He might be able to increase his income by doing yard work or walking dogs for neighbors.
- If participants suggest that Steve could borrow money, point out that this could limit his financial wellness, especially if he's unable to pay it back. You also may want to say that debt and credit will be covered in Class 5.
- If participants suggest taking money from a savings account, point out that he could do that only if he had been saving money. Also, note that money in savings is a

limited resource and is a lot like borrowing money. Even though you are “borrowing” from yourself, it’s best to do this only if you have a plan to pay it back.

To be satisfied with and in control of your financial situation, it can be helpful to look at the choices you make. Repeat the choices that help you stay on track and change the ones that cause problems.

Financial management may not be easy, but budgeting can help!

Introduction to Banking (survey)

(15 minutes)

Next, we’ll turn to your experiences with different financial institutions and different types of savings and checking accounts.

Please turn to **page 21** of your workbook, where you will find a banking survey with 12 questions that you’ll answer with a “yes” or a “no.” This survey is about your personal experiences, so there are no right or wrong answers.

We will be collecting the surveys to help me prepare for next week. After you complete it, you will remove the survey from your binder. We will return them next week, so you can put them back in your binder then. I’m going to read each item aloud, and you circle yes or no.

Read the items aloud, one at a time.

1. I have a checking account now.
2. I used to have a checking account, but I don’t have one now.
3. I use direct deposit for my benefits check and/or my paycheck.
4. I have a savings account.
5. I use only cash—no banks or cards.
6. I use an ATM debit card.
7. I have a credit card.
8. I have used a pre-paid debit card.
9. I use online or mobile banking.
10. I have used a check cashing service.

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11. I have taken out a payday loan.
12. I manage my own money (I do not have a representative payee).

Note: The term “payday loan” is defined on page 26 of the *Participant Workbook* this way: “Payday Lenders let you borrow money, with the agreement that you will pay it back on your next payday. Payday loans generally come with a fixed fee on the amount you borrow, which can add up quickly.”

Now, write your answers for 1 of the following 2 questions. If you do have a bank account, what is your main reason? If you do not have a bank account, what is your main reason?

Write your name on the survey at the bottom so we can return them next week. Please pass your surveys to us.

We’ll use the responses as we think about what to do in class over the next couple of weeks to make it relevant for everybody. As you completed this survey, you had the chance to see some common financial activities, as well as different types of banking services and accounts.

Discussion

What are some reasons people have for using, and not using, a bank?

Discuss responses non-judgmentally.

- Acknowledge experiences and beliefs.
- Explore financial, practical, social, and emotional barriers to banking.

Keep in mind that knowing these reasons will help you prepare for Class 4.

How many people here use a bank now or have in the past?

- You may be interested to know that about 7% of Americans don’t use banks or other financial institutions.¹⁵
- Another 20% of U.S. households are underbanked. Underbanked means having a checking or savings account, but still using a check-cashing service or a re-loadable debit card from somewhere other than your bank.¹³

It's important to know that using the full range of services that a bank offers can really work to your advantage. Bank accounts help you manage your money. Using a bank also can help build your financial security and financial control, leading to better financial wellness.

Next week, we'll provide more information about how to select a bank, and the type of accounts that might work best for you. If you're not ready to choose a bank, you'll still find the information useful for when you are.

Assignment

Turn to **page 23** of your workbook. As you'll see, this week's assignment has three parts.

Part 1 is to finish your paper budget. If you weren't able to finish it with our help today, then please finish your budget at home, by filling in the missing information.

Please also continue to track your expenses by saving your receipts or making notes for everything you buy. As we discussed, you might want to put these into an accordion or regular file folder, sorting them into categories. If not, you can use these plastic bags again.

Provide plastic bags to those who want them.

The day before our next class, which is [NAME THE DAY], add up all of your receipts or expenses from the week, including any bills you paid. Then, compare the amount you actually spent to what you just put in your paper budget. This will help you see if you need to make adjustments to your predictions.

Part 2 of the assignment is to pick something that you'd like to change or improve for your financial wellness, using the chart on **page 23** (at the end of the Class 3 section of the *Participant Workbook*). Pick one item from this chart that you'd like to change and note how or why.

Also, on this page, Part 3 is to write down something you would like to save up for, on the line at the bottom of the page. If you can, find out how much it might cost, and write that down, too.

The answers to Part 2 and Part 3 are possible financial goals for you.

What questions do you have about the assignment or anything else we have talked about today?

Answer any questions.

Summary and wrap-up

(10 minutes)

What did you learn during this session?

Give participants a few minutes to share what they learned.

What was useful or interesting about what we did today?

Give participants a few minutes to share their thoughts.

That's terrific! You learned a lot of new things today. Here are some additional thoughts we hope you'll take away with you.

- Money management requires knowing what you have spent and planning what you will spend.
- Budgeting helps you track, predict, and plan.

Wrap-up by:

- Thanking everyone for coming
- Reminding them of the next session date and time
- Letting them know about any supports available between sessions, such as how to contact the facilitators with questions or concerns

Class 4: Saving and Banking for Financial Wellness

This class provides an overview of the main financial services that are available to participants. Also reviewed are the benefits of saving money, especially in a bank. Finally, participants set a financial wellness goal and choose one step to take towards that goal.

Agenda for Class 4

Welcome & Housekeeping	5 minutes
Review and Overview	5 minutes
The Value of Savings	10 minutes
Overview of Common Financial Services	10 minutes
Strategies for Choosing a Bank	10 minutes
BREAK	10 minutes
Opening a Bank Account	10 minutes
Setting a Financial Goal	20 minutes
Summary and wrap-up	10 minutes
Total class time	90 minutes

Key Message for Class 4: Banks and other financial institutions can help you manage your money your way.

Learning Objectives for Class 4

At the end of this class, participants will be able to:

- Explain the value of savings
- Describe the benefits of using a bank account
- Set a specific financial goal

Special instructions for Class 4

Before Class 4, tally the responses to the *Banking Survey* you collected in Class 3. Use the results to plan your approach to Class 4. Some suggestions are made in the lesson for changing how the lesson goes. It's helpful for the co-facilitators to meet ahead of time and make decisions together, then to add notes to the lesson about any planned changes.

Materials needed for Class 4

- Blank name badges or name tents used previously
- Class 4 Attendance Log (if taking attendance)

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- Extra copies of the *Participant Workbook*
- A chalkboard, whiteboard, or large pad
- A list of ideas for saving money, prepared on the chalkboard, whiteboard, or large pad (see page 75 of this Facilitator Guide for a list you can use).
- A list of ideas for earning money, prepared on the chalkboard, whiteboard, or large pad (see page 76 of this Facilitator Guide for a list you can use).
- Download and copy the brochure on the costs of fast food vs. fresh food from: <http://www.oakton.edu/user/0/eermolen/Publication1.pdf>
- The tally of banking survey responses from Class 3
- The original surveys to return to participants for their binders
- A list of local financial institutions and information about their checking accounts. Include local banks, savings and loans, or credit unions that offer free checking. Check any local credit unions for eligibility criteria. For example, someone might be eligible because of where they live, where a family member is employed, or even because they belong to a certain church.
- *Optional:* Small prizes or resources for participants, such as memo pads, pencils, or small banks from the dollar store
- *Optional:* brochure from Social Security on direct deposit: <https://www.ssa.gov/deposit/>
- *Optional:* Internet access and computer equipment that will allow you to play the video (less than 4 minutes long) from Bank of America, listed below (resources).

Tips for facilitating Class 4

- Encourage participants to share their feelings and experiences.
- Be careful not to judge participants' choices (past or present).
- Acknowledge and respect participants' feelings, such as mistrust of banks.
- If you are considering using a video, such as the one from Bank of America, listed below (resources), watch it in advance to see if it will meet the needs of the participants. Be sure the video fits with the time available. If using videos, arrange to have the needed equipment available, such as multimedia projection and internet access.
- Complete your own "Setting a Financial Goal Worksheet" before class, which will help you give examples. Also, identify an activity or task you will do toward this goal, and carry through your commitment to complete it. This will help you experience this process and be a role model for participants.
- Remind participants that it takes time and preparation to set an effective, achievable goal.

Resources for further learning on banking tools and resources

- Bank of America offers a short video on saving (less than 4 minutes): <https://bettermoneyhabits.bankofamerica.com/en/saving-budgeting/how-to-save-money-tips>

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- The Social Security Administration recommends the low-fee Direct Express[®] Debit MasterCard[®] card (see the recommendation at <https://www.godirect.gov/gpw/>). For more about this card, see <https://www.usdirectexpress.com/>
- The low-fee Electronic Transfer Accounts are specifically for people who get government checks. For more information, and a list of financial institutions providing this type of account in your area, see <https://eta-find.gov/eta/>
- For information on SNAP cards, see <https://www.fns.usda.gov/snap/facts-about-snap>
- For financial education materials, including a “saving challenge” worksheet to encourage and track success in saving money, see <http://njaes.rutgers.edu/money/>
- This downloadable curriculum has tips on how to build up your savings (pages 15-16 of the Hands On Banking curriculum):
http://www.handsonbanking.org/en/resources/Adults_2_Money_Mgmt_Tools.pdf
- Here are more tips for saving that you might want to share: <http://www.americasaves.org/for-savers/make-a-plan-how-to-save-money/54-ways-to-save-money>
- You can download a free curriculum from this website to learn more about banking:
http://www.consumer-action.org/english/articles/banking_basics_leaders_guide
- This website also offers a free downloadable curriculum about banking and money management:
https://www.fdic.gov/consumers/consumer/moneysmart/overview_program.html
- The Federal Reserve Bank produced a brief document in 2007, titled, “Estimating the cost of being unbanked.” It is available for free online, and can be downloaded as a PDF by searching for the title.
- A book by Lisa Servon, a professor of city planning at the University of Pennsylvania, titled “The Unbanking of America” provides information relevant to the content of this class. For an interview with the author, go to <http://www.npr.org/2017/01/10/509126878/what-is-driving-the-unbanking-of-america>

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Welcome & Housekeeping

(5 minutes)

Welcome back to Class 4! It's great to see you here!

Remember to turn off cell phones or put them on vibrate.

If needed, remind participants of the following information:

- Location of washrooms
- Smoking regulations
- Emergency exit information

The same course agreements apply as for our first 3 classes. It's important to arrive on time, participate, and respect others.

- This is Class 4, out of six classes. We will be meeting this week and then 2 more times. [STATE THE DATES AND TIMES]
- We'll expect you to attend the 2 classes after this one unless something very important comes up or you're ill. If you can't make it to class, we'd greatly appreciate it if you'd let one of us know by calling [PROVIDE YOUR CONTACT INFORMATION AGAIN, IF NEEDED].
- As usual, we will take a 10-minute break in the middle of the class.

Review and Overview

(5 minutes)

Let's start by reviewing the last class. What is one thing you remember that we talked about or did during Class 3?

Encourage people to briefly share what they remember. It may help to explain that you are not looking for any specific answer and that anything they remember from last week is OK.

If needed, review these points:

- During Class 3, you drew a picture of a positive financial future and wrote some possible financial goals.
- We talked about budgeting and you made a paper budget for yourself.

You had an assignment to keep working on your personal budget. How did that go?

Discuss their experiences with the assignment and answer any questions. Arrange extra supports outside of class for people who need more help with developing a personal monthly budget.

Each week so far, we've talked about *strengths* you have that add to your financial wellness. Did anyone discover an additional financial strength they'd like to share with the group?

Encourage people to briefly share their strengths.

Those are great examples. They show how you can take charge of your finances to improve your financial wellness.

Please turn to **page 25** (the first page of the Class 4 section in the *Participant Workbook*).

Today, we will be talking about saving and banking.

- On **page 25**, you will find some definitions that may be helpful. You can refer back to this page whenever you want.

The Value of Savings

(10 minutes)

Let's start by talking about savings. Savings refers to the money that you set aside and do not spend.

What are some reasons to set aside some money as savings?

Briefly discuss participants' reasons.

Add these points, if participants don't mention them:

- To pay for emergencies
- To pay for "wants" that you cannot afford now
- To cover costs if your budgeted amounts were too low, such as if you have extra charges on your phone, or your electricity bill was higher than you expected

It can be hard to imagine saving money when you have a small income. You either have to increase your income, or decrease your expenses, or both.

If you plan to show the Bank of America video listed in the resources at the beginning of the *Facilitator Guide* for Class 4, this is a good place to do that. After you show the video, ask for a couple of volunteers to share what they thought about it. If nobody wishes to share, give some of your thoughts.

As hard as it can be to set aside money on a limited income, people are able to do it. You'll see here there are lots of ways to save money even when you don't have much. Let's review them, and then add some more to the list.

Be sure to write this list on the chart or board before class.

- Save your spare change in a jar
- Store a note with your cash that says, "Do I really need this?"
- Compare prices
- Try less expensive store brands (also called generic)
- Ask your prescriber about switching to a less expensive medication, such as a generic version of a brand-name drug
- Shop for sale items
- Buy frozen fruits and vegetables or when they are in season
- Don't buy what you don't really need (for example, skip the chips and soda to save money)
- Only buy what you will eat or use
- Use coupons, but only for things you need and will use
- Buy the best quality you can afford (cheap items that fall apart easily may not be a real bargain, if you have to replace them often)
- Walk, instead of paying for a short bus ride
- Quit smoking or smoke less.
- Make gifts instead of buying them.
- Get a library card to borrow magazines, books, videos, and music
- Prepare meals at home instead of eating out—most of the time, it's cheaper and healthier to make your own meals instead of getting pre-packaged or pre-cooked food

Give out brochure with an example of cost differences between eating out and cooking at home: <http://www.oakton.edu/user/0/eermolen/Publication1.pdf>

What else have people done to save money?

Take 2-3 volunteers and add their ideas to the list.

Sometimes, you can't cut your expenses any further, and you need to start thinking about how to increase your income. You'll see here ways that people can earn money. Let's review them, and then add some more to the list.

Be sure to write this list on the chart or board before class.

- Someone who is not working could get a job. If you are on benefits, consult a benefits specialist for information about how much you can earn (you may be surprised).
- For someone who is already working, get a second job, work some overtime hours, or get a higher paying job.
- Do online surveys that pay, join a research study for money, or participate in a paid marketing focus group.
- Do odd jobs for cash, like wash cars, walk dogs, or do laundry.
- *Temporary one-time income sources include:*
 - Selling books, old CD's, movies, or clothes to second-hand stores (*note*: some of these stores give credit instead of cash, but that still might be a good deal).
 - Having a garage sale or selling things on Craig's List

What are other ways that you've been able to increase your income in the past?

Take 2-3 volunteers and add their ideas to the list.

I see a lot of great ideas here to either reduce expenses or increase income. We might want to try some of these when working on our financial goals in the next few weeks, which we'll be talking about after the break today.

As you think about saving money, you also need to consider where you will keep it. Some people hide money or savings in their homes, such as under a mattress or in a home safe. Others put savings into a safety deposit box. There are several reasons why avoiding banks or a savings account might not be the best option, although we understand that some of us have felt comfortable using banks, and some of us haven't.

What do you remember from last week's discussion about why using a bank can be good?

Briefly discuss and summarize participants' ideas.

If needed, mention benefits such as:

- **Safety and security:** Your money is safe from theft. Plus, banks have insurance that guarantees your money is secure.
- **Cost:** If you have a checking or savings account, you may be able to save money on fees for cashing checks or on sending money to another country.
- **Convenience:** You may be able to get money quickly, especially if you have an ATM card. Writing a check or using an online bill-paying feature can be a convenient way to pay bills.
- **Building a financial future:** Having a savings account and a long-term relationship with a bank may be helpful if you want to borrow money in the future. With a checking account, you can develop a bill payment and credit history with a financial institution.
- Add any additional ideas from participants' banking surveys.

Thanks for sharing. It's helpful to keep these ideas in mind as we think about the different financial services that are available to us.

Overview of Common Financial Services

(10 minutes)

Last week, you completed a banking survey. Let's go over the results.

Summarize highlights of the tally of the survey responses, without naming specific participants. For example, you might say, "All of you have checking accounts and direct deposit for your benefits check. Most of you also use an ATM. Right now, nobody has a credit card and nobody uses online or mobile banking. Many of you have used payday lenders or check cashing services."

Return the banking surveys to participants now.

As we talk about different types of financial services, it will be helpful to share your experiences with one another.

Let's turn now to **page 26** of your workbook, titled "Banks and Accounts." You'll see a brief description of the main services offered by banks, as well as some other financial services.

First are checking accounts. Once you deposit money into this type of account, you can take it out, which is called a withdrawal. You can make a withdrawal using a written check, a debit card, or electronic transfers. Banks may charge a monthly fee for checking accounts, although they often allow you to make multiple withdrawals and unlimited deposits each month. You can sign up for alerts if your account balance is getting too low.

If some participants have checking accounts now, and time permits, ask one or more of the following questions:

- For those of you who use a checking account, what sorts of fees does your bank charge you?
- Who writes checks? How do you use the checks—is it mostly for paying bills?
- Have you signed up for alerts if your account balance is low? If so, how do you get your alerts (by phone, email, other method)?

Second, are savings accounts that pay interest. Interest is the amount of money you earn from the bank by keeping a savings account with them. The interest earned on most savings accounts is very small, but as we discussed, it is a secure place to keep your money.

Often, banks will limit the number of withdrawals you can make from a savings account each month. They also may charge fees if your monthly balance goes below a certain amount.

If some participants have savings accounts now, and time permits, ask one or more of the following questions:

- For those of you who use a savings account, how much interest do you earn each month? Remember, even small amounts add up over time.

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- Does your bank charge any fees for the savings account, such as if your account balance gets too low?
- How do you make withdrawals?
- If you have both a savings and checking account, are you able to make transfers between the accounts?

What do you think are some advantages and disadvantages of using checking and savings accounts?

Briefly discuss and summarize participants' ideas.

If needed, mention advantages such as:

- Checking accounts offer different ways to pay bills.
- Savings accounts pay interest (even if it is only a little bit, it can add up).
- Accounts in banks, S&Ls, and credit unions are insured.

If needed, mention disadvantages such as:

- Checking accounts may have rules that are hard to understand.
- Savings accounts may limit withdrawals.
- There seems to be a fee for everything.
- You need a personal computer for electronic and online banking (you wouldn't want to use a public computer or public wifi for this).

Now let's review some other financial services that people commonly use.

Looking again at **page 26**, you'll see that one such service is a pre-paid debit account. This is a debit card that you purchase and load with money, so it's different from a debit card linked to a checking account.

If some participants have used a pre-paid debit account, based on the banking survey results, and time allows, ask, "I know some of you have used a pre-paid debit accounts. What are some ways you used it?"

You can use the pre-paid card like any credit card to shop in a store, make online purchases, or use an ATM. The pre-paid card will be rejected if you try to spend more than you loaded onto it. Pre-paid debit cards can be convenient, but they often have fees. It's usually cheaper and safer to use a checking account that provides a debit card. If you can't do this, however,

be sure to compare fees before choosing a pre-paid card, in order to get the best deal.

What do you think might be some advantages and disadvantages of using a pre-paid debit card?

If needed, mention the advantage that pre-paid debit cards are convenient. Mention the disadvantage that debit cards are easy to lose.

Next is a check-cashing service, which will cash payroll and government checks.

If some participants have used a check-cashing service, based on the banking survey results, and time allows, ask, “Some of you have used a check-cashing service. Would you be willing to share some of your experiences?”

Sometimes you also can use check cashers to get travelers’ checks and money orders, or to get documents notarized. You also can pay your utility bills at some check cashers, or renew your state ID or driver’s license. Check cashers often charge very high fees to use their services. It’s usually more affordable to use a bank instead.

Finally, there are payday lenders that let you borrow money, with the agreement that you will pay it back on your next payday. Payday loans generally come with a fixed fee on the amount you borrow, which can add up quickly. In fact, about half of all payday loan borrowers end up paying \$185 in fees for their loans. Because of this, and for other reasons, some states don’t even allow payday loans to be made.

If some participants have used a payday loan service, based on the banking survey results, and time allows, ask, “Some of you have used a payday loan service. Would you be willing to share some of your experiences?”

If you need to use a check-cashing service or payday loan, there are some ways to make it financially safer or less costly. Does anyone know of a strategy for this?

Mention these, if nobody raises them:

- Be sure that the check-casher is licensed.
- Compare check-cashers and payday lenders to determine which have the lowest fees.

- Ask friends or family which financial services they use or avoid, and why.

What questions do you have about the financial services listed on **page 26** of your workbook?

Address questions, but keep an eye on the time and offer to talk with people after class if needed.

Strategies for Choosing a Bank

(10 minutes)

Although many people have reasons for avoiding banks, we believe that using a bank is the best way to move towards better financial wellness.

If some participants are not using banks, and listed reasons for not using banks on their banking survey, add this point: “You may not agree with this or may not feel ready to use a bank. That’s perfectly fine. But, we’d like you to know how to go about choosing a bank for when the time comes. If you already use a bank, reviewing this information is helpful in case you want to change banks, which many people do at least once or twice in their lives.”

If all participants are using banks, and nobody listed reasons for not using banks on their banking survey, add this point: “Based on your banking survey responses, most of you agree that there are many good reasons to use a bank.”

If all participants are using banks, based on their banking surveys, ask, “How did you choose your bank?” Refer back to these answers as you go through the content on choosing a bank.

Let’s look at **page 27** of your workbook. When choosing a bank, you want to start by doing research to find the best option. To do this, you can visit different banks to compare the types of accounts and services they offer.

- You also want to check whether they’re conveniently located to where you live or work.
- Some banks also offer financial education classes and personal financial counseling after you open an account with them.

- If you don't want to visit a lot of banks, you also can go to their websites to find out this information, or use a website that has a "compare" feature, such as the one at www.nerdwallet.com
- You also can ask family and friends which banks they use, if they think you should avoid any particular bank, and why.

When you're visiting banks or their websites, there are questions you'll want answered to help you choose the best one. These questions are listed on **page 27**. Do I have a volunteer who will start by reading the "Services" questions?

Read the questions if nobody volunteers.

Services

- Is there a free checking account option?
- How much interest will I earn on money in my savings account?
- Are the accounts linked to an ATM?
- Can I do direct deposit if I have a regular government check or paycheck?
- How long does it take for a deposit to clear?
- Do you offer online banking, including online bill paying?
- If I have an account here, can I cash checks or get money orders?

Which of these services is most important to you? Why?

Briefly discuss participants' responses.

- You may want to point out if certain services were mentioned on the banking survey as reasons to have a bank account.
- Encourage participants to put a star (★) next to the questions that are most important to them, so they remember to ask or look into them when doing their own research.

Do I have any volunteers to read the "Convenience" questions?

Read the questions if nobody volunteers.

Convenience

- Is there a branch near where I live or work?
- What are the hours?
- Is there a branch open on evenings and Saturdays?
- Does this bank have ATMs?
- Is there an ATM near where I live or work?

Which of these conveniences is most important to you, and why?

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Briefly discuss participants' responses.

- You may want to point out if any of the conveniences mentioned on the banking survey were mentioned in the earlier discussion as reasons to have a bank account.
- Encourage participants to put a star (★) next to the questions that are most important to them, so they remember to ask or look into them when doing their own research.

Do I have any volunteers to read the Costs and Fees questions?

Read the questions if nobody volunteers.

Costs and fees

- Is there a minimum deposit required for opening an account?
- Is there a minimum balance requirement?
 - If there is a minimum balance, how much is it?
 - What is the fee for dropping below it?
- Are there ATM fees?
- How many withdrawals can I make each month before the bank charges a fee?
- What happens if I overdraw the account?
- (If you are opening a checking account) What is the cost for ordering checks?

Which of these concerns about costs and fees is most important to you, and why?

Briefly discuss participants' responses.

- You may want to point out if certain costs and fees were mentioned on the banking survey as reasons not to have a bank account, or if “free” services were mentioned as a reason for choosing a bank in the earlier discussion.
- Encourage them to put a star (★) next to the questions that are most important to them, so they remember to ask or look into them when doing their own research.

Do I have any volunteers to read the “Other Important questions”?

Read the questions if nobody volunteers.

Other important questions

- Do the employees speak my preferred language?
- Will opening an account help me develop a bill payment and credit history?
- Is the bank insured?

Which of these is most important to you, and why?

Briefly discuss participants' responses.

- You may want to point out if any of these other questions or issues were mentioned in the earlier discussion or on the banking survey.

- Encourage them to put a star (★) next to the questions that are most important to them, so they remember to ask or look into them when doing their own research.

Thanks for sharing. Each of us values different things in a bank, which is why doing your own research is so important. That's true whether you aren't using a bank right now, or you have one or more bank accounts now and are thinking about making a change.

To help you get started, we've put together this list of local banks, which includes information about their checking accounts.

Distribute the list of local banks and other financial institutions, including information about their checking accounts, pointing out those that offer free checking with very low minimum balance requirements.

BREAK (10 minutes)

Opening a Bank Account

(10 minutes)

Once you choose a bank, it's time to open an account. Let's briefly review what to expect. This information also is summarized on **page 28** of your workbook, titled "Opening an Account." This is information you can use to prepare for your visit to the bank.

If all participants currently have a bank account, based on the results of the banking survey, ask, "What information did you need to provide to the bank when you opened your account?"

If the results of the banking survey show that some participants do not currently have a bank account, do go through all of the items listed below and on page 28, under "Information the Bank Needs."

First and foremost, the bank will need your full name, address, and Social Security number or other number you use to file your taxes. They'll also need a picture ID, such as a driver's license, a state ID, or a passport. They may ask you about your current employment or employment history.

The bank may check your financial history before agreeing to open an account for you. If they deny your application, it might be because you have a poor rating. You can request free reports to find out your rating at the websites we included in the handout.

Who would like to volunteer to read the bullets **in the middle of page 28**, starting after the paragraph, “You will need to sign some paperwork to show that you understand and agree to all the fees, terms, and conditions of the account?”

Read the bullets if nobody volunteers.

- Ask questions! Do not sign anything you do not understand.
- Be sure you get all of the information about your account in writing before signing.
- The bank will use your signature to match signatures on withdrawals, such as checks you write and deposits you make.

If the results of the banking survey show that some participants already have bank accounts, ask, “For those of you who already have a bank account, which of these do you remember from when you opened that account?”

On **page 29** of your *Participant Workbook*, you will find a worksheet of “Questions to Ask When Opening an Account.” You can take this out of your binder, or make a copy, and write on it when you visit or call a bank for information about opening an account.

On **page 30** of your *Participant Workbook*, you will find a worksheet for “Comparing Checking Accounts.” You can use this if you have gotten information from more than one bank and need to decide which bank to use. You might want to go over this information with someone you trust.

Whatever bank or accounts you use, you can expect fees. Some of the most common are included back on the bottom of **page 28**.

- One is an account maintenance fee, which is the monthly cost of having the checking or savings account. Sometimes, banks will waive these fees, so it’s always good to ask if yours will.

- You also want to find out whether they will charge you for using a different bank's ATM or to replace a lost debit or credit card.
- You want to ask if there are fees for spending more than you have in your account, which is called an overdraft fee.

Fees can add up quickly. In fact, some people say they don't want to open a bank account because of the fees. That's understandable, but it is possible to either find banks that charge low fees or use financial habits to avoid those fees. Let's turn to **page 31** to go over some ways to avoid bank fees.

Do I have a volunteer to read the first bullet point, about Keeping Track of what you spend?

Read it aloud, if nobody volunteers:

- **Keep track** of what you spend and your account balance, so you don't overdraw or go below your minimum balance.
Overdraft fees can be \$35 or more for each time you spend more than your account balance (or "bounce" a check). Paying two bills not covered by your balance would cost you \$70. This can happen if a deposit takes a while to "clear," meaning the bank waits a few days before you can access your deposited money.

Do I have a volunteer to read the second and third bullet points, starting with Check Your Statements?

Read them aloud, if nobody volunteers:

- **Check your statements** every month—either online or paper statements that come in the mail. Is it accurate? Did you get charged a fee? If you don't understand something, call the bank's customer service number or go in to ask questions.
- Only use **ATMs that are free** for you, such as the ones that belong to your bank.

Which of these habits and routines are strengths for you already?

Briefly discuss participant responses.

Bank fees may worry you, but other financial services may charge you even more.

- For example, check cashers take a percentage of money from your check, and the larger your check the bigger your fee. Often, they hit you with a service charge on top of that.
- As another example, payday loans usually come with high fees, and many people find it hard to pay them back when they get their next pay check. This then multiplies what they owe, and a vicious cycle of debt begins.

Similarly, we know that many people think a pre-paid debit card looks like a better deal than using a bank. But, when we look more closely at the fees, we see this is often not the case. Usually a bank is a better deal.

Let's review the examples on **page 31** to see what I mean.

- You'll see in Example 1, called *Checking Account from National Bank South*, this bank charges a \$12 monthly fee for their basic checking account. That adds up to \$144 a year, which is a lot!
 - However, if you ask questions and use your financial skills, you can avoid these fees.
 - Specifically, this bank lets you open an account with as little as \$20, and they won't charge you anything as long as you make one deposit or withdrawal each month.
 - So, if you set up direct deposit for your monthly check, your checking account at National Bank South would be free.
 - This example shows that checking accounts can be a good deal, as long as you use their services correctly, are careful not to overdraw your account, and only use their ATMs.
 - Also, the money you keep at a bank is insured, which means your money stays safe.

Now let's look at Example 2 on **page 31**, called *Pre-Paid Debit Card from QuickCharge*.

You'll see that there is a fee of \$5.95 just to buy the card. Then look at how quickly the fees add up for each month.

Read aloud from the example:

Monthly fee (paid every month, even if you don't use the card)	\$ 3.95
Transaction fee (\$1 if you buy something with the card, say once/week)	\$ 4.00
ATM fee (\$1 if you get cash from an ATM at any bank, say once/week)	\$ 4.00
Cash reload (paid when your check is direct deposited)	\$ 3.95
<i>TOTAL per month</i>	\$ 15.90

This pre-paid card costs \$15.90 per month. How much is that if you add it up over one year?

Give participants time to answer, then say, “Yes, it’s \$190.80 for the year,” which you can write on the blank line at the bottom of page 31.

We saw that, originally, the fees for a checking account at National Bank South were \$144 yearly, which is still cheaper than the pre-paid debit card. We also saw that there are things you can do at a bank to avoid fees, such as making monthly deposits. This is not the case with pre-paid debit cards. In fact, the more you use the card, the higher your fees will be. Also, they usually aren’t insured, so if you lose the card, you lose that money.

In general, you will get the best deal at a bank, but you need to compare prices¹⁶ and know how to avoid fees.

What final questions do you have about banks, accounts, or pre-paid debit cards?

Briefly discuss participant responses.

Setting a Financial Goal

(20 minutes)

We are going to wrap up today’s class by setting a financial goal and choosing one action we’ll take towards our goal.

Your financial goal is something you want to achieve or something you want to have. There are different types of financial goals listed on **page 32** in your workbook:

- You might want to build your capability by gaining new knowledge, skills, or develop new habits and routines.
- You may wish to purchase something you can't afford right now or save money for emergencies, without having a specific purchase in mind.
- You may want to get out of debt.
- You may want to reduce your expenses or increase your income.

At the bottom of **page 32** in your *Participant Workbook*, you'll find a place to write down what you would like to do to improve your financial wellness. This is your financial goal.

We'll give you a few minutes to think it over. Once you pick the one you want, write your goal in the line labeled "My Financial Goal." Be as detailed and specific as possible.

Assist people who need help to write their answers. If needed, write examples on the chalkboard, whiteboard, or large pad, to give people ideas, such as: "I want to start saving some money." "I want to open a checking account." "I want to buy a used car to get to work." "I want to take a computer class." "I want to get out of debt."

Try to help everyone pick one financial goal that they believe they can start working on over the next week. They don't have to fully achieve the goal before Class 5, but they should be able to start taking some manageable actions towards it.

As a facilitator, you need to pick a goal as well, because it helps for you to model how to choose specific and manageable actions to take towards a larger goal.

Do I have a volunteer to share what they chose?

Have only a few participants share, since all will be asked to share in a few minutes. For 2-3 participants who volunteer, ask follow-up questions such as these to help clarify and develop motivation.

- That's great! Tell us what it would look like if you were successful.
- Great choice! Can you tell us how that might help your financial wellness?
- That's interesting! Can you tell us what's important to you about that goal?

Next, we're each going to choose one small action you can take this week to work on our goal.

- We'll each pick something we can get done in the next 6 days.

- You can write the activity or task that you can do in the space at the bottom of **page 32**.
- Keep it simple, so you can be sure to do it.

Now, each of us will take a turn to share our goal and action. It is okay to pass if you really don't want to share, but we hope you'll still write down something that you can do.

I'll start. I chose [STATE YOUR GOAL], and I'm going to [STATE ONE SMALL OR MANAGEABLE ACTIVITY OR TASK YOU'LL TAKE TOWARDS YOUR GOAL THIS WEEK]. I'm excited to tell you next week how I did with it!

Have your co-facilitator go next, so you can both model how to choose a manageable activity or task that will be an action step towards your goal. Then, go around the room to encourage each person to state their goal and action.

Help people be as specific as possible, and to keep their actions manageable.

Remember to refer back to the lists you made of ways to reduce expenses or increase income. These will give participants actions to try in the coming week, if needed.

Be encouraging and keep the overall tone light and fun. You could even have little prizes (like pencils or small banks from the dollar store) for each person after they state their goal (or even if they don't share and just write it down).

Great work everyone! Next week, we'll be excited to hear how it went. But remember, if it turns out you can't or don't do what you planned, that's okay! Life happens. We'll just see if we can find something else you might want to try towards your financial goal instead.

Assignment

Speaking of the coming week, the instructions for your assignment are on **page 33** of your *Participant Workbook*.

The first item on the Assignment page is to bring copies of your bills from last month, or at least a list of what you paid for each bill. We will be using this information for an activity during Class 5.

- For the coming week, your main assignment (Part 1) is to take the action you chose towards your financial goal.
- For Part 2, please continue to track your expenses by saving receipts or listing your expenses, using either the plastic bag method, an accordion or other filing system, or a notebook. You can choose whichever one you prefer.

Also, bring in your monthly bills. These might include rent, electricity, telephone, and/or cable. Either bring in a copy of the bill for last month or bring in a list of what you paid last month with the amounts. We will need these amounts for an activity we will do in Class 5.

There is also an optional assignment to try saving.

- For this task, set aside some money for savings over the next week, no matter how small. This is listed as Part 3 of your assignment.
 - Some ideas are listed for ways to save.
 - If you are going to do this task, start by writing down what you will do to try to save some money.
 - At the end of the week, write down what you saved.
 - Then, figure out how much you would have at the end of a year if you saved that same amount every week.

What questions do you have before we wrap up for today?

Answer any questions.

Summary and wrap-up

(10 minutes)

What did you learn during this session?

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Give participants a few minutes to share what they learned.

What was useful or interesting about what we did today?

Give participants a few minutes to share their thoughts.

That's terrific! You learned a lot of new things today. Here are some additional thoughts we hope you'll take away with you.

- Saving money is an important part of money management.
- Banks can help you manage your money your way.
- Fees may be necessary, but many can be avoided if you're careful.

Wrap-up by:

- Thanking everyone for coming
- Reminding them of the next session date and time
- Letting them know about any supports available between sessions, such as how to contact the facilitators with questions or concerns

Class 5: Understanding Credit and Debt

This class will review credit and debt to build the knowledge needed to enhance financial security. As students have learned previously, financial stability involves having sufficient income to meet one’s needs, repay debts, save, and build assets. Over time, people with savings, and those who manage their money carefully, will become more financially stable and secure. In this class, participants will learn that borrowing money and buying on credit can build a person’s credit history, which can be desirable. They also will learn how these practices can lead to an uncertain financial future and strategies to avoid or manage this risk.

Agenda for Class 5

Welcome & Review	15 minutes
Credit	15 minutes
Debt	20 minutes
BREAK	10 minutes
Financial Safety	10 minutes
Taking Action Towards Your Financial Goal	15 minutes
Summary and wrap-up	5 minutes
Total class time	90 minutes

Key Message for Class 5: Ensure your financial wellness by using credit and debt wisely to avoid financial risks.

Learning Objectives for Class 5

At the end of this class, participants will be able to:

- Define credit and debt
- Explain the advantages and disadvantages of credit
- Identify their financial goal and choose an action step for the coming week

Special instructions for Class 5

Before Class 4, you tallied the responses to the *Banking Survey* that participants completed in Class 3. Review the results to decide what to emphasize in Class 5, based on participants’ experiences with credit and debt. It’s helpful for you to meet with your co-facilitator ahead of time and make decisions together. Then you can add a few notes to the lesson about what points you may want to stress and repeat.

Materials needed for Class 5

- Blank name badges or name tents used previously
- Class 5 Attendance Log (if taking attendance)
- Extra copies of the *Participant Workbook*
- Extra paper, pens, and pencils
- The lists of ways to decrease your expenses and increase your income—these were prepared for Class 4.
- *Optional*: Small prizes or resources for participants, such as memo pads, pencils, or small banks from the dollar store
- If you plan to use a video, arrange for multimedia projection and internet access.
 - Consider showing a video on predatory lending, such as this “loan shark” video (a fast-paced 3½ minute cartoon): <https://www.youtube.com/watch?v=xk11G3J3bvM>
 - Another possible video is this example of predatory lending (a 5-minute video with actors). It is more realistic than the cartoon, but less engaging, although it would provide an opportunity to discuss what the borrower might have done “right” and “wrong” in this situation: <https://www.youtube.com/watch?v=OLtMtxIzo8s>

Tips for facilitating Class 5

- Complete your tasks towards your financial goal, so you can report on your experience along with the participants.
- Remind participants it takes time and preparation to set a goal. Participants will continue to work on their goals in this class and Class 6.
- Remember that you are not responsible for helping participants improve their credit or pay their debts. The class aims only to increase awareness about credit and debt and to provide information for making decisions and accessing resources to improve financial wellness.
- Expect that some participants will have made some past borrowing or spending decisions that were risky and/or damaging. Encourage sharing experiences and feelings, while staying non-judgmental and facilitating support within the group.
- When brainstorming action steps, using the worksheet on Taking Action Towards Your Financial Goals in the Participant Workbook (p. 43), encourage participants to take their time. Examples of small and specific actions may be helpful, such as buying one cup of coffee per day instead of 3.
- Participants may benefit from a check-in call or other contact between classes, in case they need help completing the bill calendar or have questions about the assignment.

Resources for further learning on credit and debt

- For text, links, and 1-minute video on checking your credit report:
<https://www.ftc.gov/faq/consumer-protection/get-my-free-credit-report>
- For publications in several languages on a range of topics (such as credit cards, credit fraud, debt collection, and identity theft): <http://www.consumer-action.org/>
- For information on avoiding credit traps:
http://www.freddiemac.com/creditsmart/guide/pdf/CSIG_9_M8_AvoidingCreditTraps.pdf
- For information on avoiding payday loans:
<http://www.lawfoundation.org/repository/Payday%20Lending%20Curriculum%20Talking%20Points.pdf>
- Debt repayment: Utah State University Extension Service has an online program to set up a debt repayment calendar based on the “power pay method.” The online program allows you to try different repayment scenarios. Registration is required. <https://powerpay.org/>
- A free identity theft brochure is available at:
<http://www.ncpc.org/resources/files/pdf/fraud/Identity-Theft-Brochure.pdf>
- If you have an opportunity to discuss scams and security outside of this group, you might want to check out the instructions and materials to play “Fraud Bingo” from the Pennsylvania Department of Banking and Securities at
<http://www.dobs.pa.gov/Consumers/Learn/Pages/Fraud-Bingo.aspx>

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Class Outline for Class 5: Understanding Debt and Credit

Welcome & Review

(15 minutes)

Here we are at Class 5—welcome back!

Remember to turn off cell phones or put them on vibrate.

If needed, remind participants of the following information:

- Location of washrooms
- Smoking regulations
- Emergency exit information

The same course agreements apply as for the other classes. It's important to arrive on time, participate, and respect others.

- There is one more class after this one, and we expect you to attend unless something very important comes up or you're ill. If you can't make it to class, we'd greatly appreciate it if you'd let one of us know by calling [PROVIDE YOUR CONTACT INFORMATION].
- We will take a 10-minute break in the middle of the class.

Please turn to **page 35**. This is the first page of the Class 5 section in your *Participant Workbook*.

Today, we will talk about credit and debt.

But first, we're going to review Class 4. What is one thing you remember that we talked about or did last week?

Encourage people to briefly share what they remember. It may help to explain that you are not looking for any specific answer and that any answer they remember from last week is OK.

If needed, review these points:

- During Class 4, we talked about how to save money even on a limited income. We also talked about how to build savings by earning more money.
- We discussed that building your savings is an important reason to use a bank.

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- We also talked about the fact that banks offer different types of accounts and charge different types of fees.
- If you shop around, you probably can find a local bank with a free checking account.
- You can avoid fees using good financial habits, such as monitoring your bank balance and only using the ATMs from your own bank.
- A checking account at a bank is usually a better deal than using a pre-paid debit card.

You had a two-part assignment last week. The first part was to take one small action towards the financial goal you set in last week's class. If you need help remembering what goal you chose, turn back to **page 32** in the Class 4 section in your workbook.

Let anyone who missed last week's class know that you will help them to set a goal during the break or after class.

Let's spend a few minutes now sharing whether we took our planned action step, and how it went. I'll start.

Last week, I chose a goal of [STATE YOUR GOAL].

I decided to work toward that goal by [STATE THE SMALL ACTION STEP YOU CHOSE].

[NOW, REPORT WHETHER YOU TOOK THE STEP, AND HOW IT WENT. IF YOU DIDN'T DO IT, SHARE WHY NOT, IN ORDER TO MODEL THAT WE CAN'T ALWAYS DO WHAT WE PLANNED].

- Encourage as many people as possible to state their goal, the planned action, whether they did it and how that felt, and why they weren't able to take action, if relevant.
- Be sure to acknowledge that it can be challenging to take new actions towards a goal and to build new financial habits.
- Celebrate all completed activities and tasks.
- Wrap up the discussion on a hopeful and optimistic note, pointing out that trying results in learning, even if you are not successful on the first try. Also remind everyone that you'll choose another action step for the coming week, so it's a chance to try again.

For your assignment, you also were encouraged to continue to track your spending and to save some money. How did those activities go?

Encourage people to briefly share what they learned. Discuss their experiences with the assignment and answer any questions they have.

Credit

(15 minutes)

Let's talk now about credit. Using credit means that you are getting something now and you are paying for it later.

- You might use a credit card to buy a suit for a job interview and then pay for it later when the monthly bill is due.
- Or, you might take out a loan from a bank which means you get money to use now and agree to pay it back at a specific time, usually with extra money called interest.
- Another form of credit is called running a tab, where you buy things like groceries at a corner store for a short time like a month, and then pay for all of it at once at the end of the month.
- Still another form of credit is buying on installment, where you get something now and then pay for it gradually over time.

You can find these definitions at the bottom of **page 35** (the first page in the Class 5 section in your workbook).

Interest is the money you pay to a credit card company, a bank, or a business, on top of what you've borrowed from them. This is the extra money that a lender makes by giving you credit.

- A lower interest rate means you pay them less money.
- A higher interest rate means you pay them more money.

Using credit is how people create debt. We'll also talk about debt later, but it is basically the money you've borrowed that you need to pay back.

Activity/discussion

Next, please turn to **page 36** in your workbook to the handout, titled "Using credit wisely."

We want you to work with one or two partners to identify the advantages and disadvantages of having credit. You can write some notes in the spaces on this worksheet. After a few minutes of working on your lists, we'll have a discussion with the whole group.

If the banking survey results show that some participants already have a credit or debit card, divide the participants into groups where as many groups as possible include someone who has used a credit card.

Give participants a few minutes (no more than 5 minutes) to share their ideas with one another, then ask for the attention of the whole group.

What did you come up with for advantages or benefits of using credit?

Add a few of these points if they are not mentioned by participants:

- Credit is convenient. You do not carry a lot of money with you.
- Credit lets you buy things over the phone or online.
- If you don't have money now, but you know you will have it later, credit can help you pay for what you need and want.
- Purchases using a credit card usually are protected in case the item is damaged, lost, or stolen. Different credit cards offer different types of protection.
- Some credit cards include fraud protection, if someone steals your credit card or credit card number.
- You can use something you buy on credit, even though you are not done paying for it.
- You might be able to save money because you can take advantage of special bargains or sales when you don't have enough money right now, but will be able to pay later.
- Credit can allow you to buy things during emergencies such as unemployment, illness, or property loss.
- Using a credit card wisely can help you build a good credit history. Credit history is important for future credit needs, such as buying a house or car.

What did you come up with for disadvantages or risks of using credit?

Add a few of these points if they are not mentioned by participants:

- Credit is not free. Using a credit card or loan means that interest or other charges will be added to the original price, so you end up paying more.
- Buying something on credit might cost more than paying cash. For example, putting gas in your car can cost less if you pay in cash.
- When you use credit, you owe money that must be paid back from future income.
- Making monthly credit payments may mean that you have to give up some other things you need in order to make your payments.

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- If you have credit, you may be tempted to buy more than you can afford, and you may even buy things you don't want or need.

Understanding and Improving Your Credit History

Let's turn to **page 37** of Class 5 in your workbook.

Having good credit comes from a past history of repaying what you owe. Banks and other institutions keep records of whether you pay your bills and repay what you have borrowed. This becomes your credit history.

If you want to use a credit card or take out a loan, the bank or other financial institution is going to check your credit history. They do this by getting a credit report and a credit score for you.

Do I have a volunteer to read the definition of "credit report" on page 37?

If nobody volunteers, read the definition aloud.

- A credit report shows your history of borrowing money and paying your bills.
- Three different nationwide companies produce credit reports. These are Experian, Equifax, and Transunion.

Do I have a volunteer to read the definition of "credit score" on page 37?

If nobody volunteers, read the definition aloud.

- This number summarizes your financial history.
- The score is based on whether you pay bills on time, owe money, or have credit cards or loans. It is calculated from your credit report.
- Your score may look different, depending on who calculates the score. Usually the scores range from 300 to 850. A good score is 700 or more.

You're entitled to one free copy of your credit report every year from each of the 3 credit reporting companies.

- The website listed in the box on **page 37** in your workbook is the only website authorized to send you free credit reports. That address is www.annualcreditreport.com

- Through that website, you can request reports from all three of the credit reporting companies.
- You also may call to request your credit report, using the number in that same box, which is 1-877-322-8228.
- You will need to provide your name, address, social security number, and date of birth to verify your identity.

Remember, if someone contacts you and offers you a free credit report, just say no! It's a scam! They may be trying to get your credit card number or other personal information from you.

Many Americans struggle with having a poor or limited credit history. If that sounds familiar, you aren't alone. Fortunately, there are ways to begin improving your credit history.

- The best way is to pay all of your bills by the date they are due. Paying even one day late will cost you money and can hurt your credit score.
- If you have a credit card, you can improve your credit history by only buying what you can pay back by the time your bill is due.
- Pay your whole credit card bill every month. Do not leave a balance on your card.

People who do these things start to create a better credit history. It takes time, but it can be done.

Does anyone have any questions or comments about using credit or a credit history?

Address questions or comments, but keep an eye on the time. If you need more time to answer a question, let the person know to see you during the break or after class.

Debt

(20 minutes)

Next, we'll talk about debt.

Debt means you owe money to someone else. When you use your credit, you create debt. Debt is not always bad! When handled carefully, it can help you to build a good credit history.

Debt becomes an issue when you cannot repay what you owe. This causes you to pay more than what you originally borrowed, and it can hurt your credit history.

Now, please turn to **page 38** of Class 5 in your workbook to the handout, titled “Be a smart consumer!”

This page gives you a list of DOs and DON'Ts, and other tips, for using credit wisely and being careful about taking on debt.

Let's start with the first bullet. Do I have a volunteer to read this?

If nobody volunteers, read the bullet aloud.

DO get help if your credit score is low or your credit report has errors. To find a credit counselor in your area, contact your state's office of consumer protection or consumer credit counseling. Or, call the state Attorney General's office.

Pass out information on how to find a credit counselor in your area, such as the telephone number and website for your state's office of consumer protection.

The next DO suggests that you only borrow what you know you can repay.

Looking at a couple of the DON'Ts, you'll see suggestions not to give your social security number over the phone or by email. Another is to avoid sharing your financial information unless you know the person or institution is completely trustworthy. If a bank or a business contacts you first with a credit offer, be very cautious and do not share any personal information.

Some credit and debt situations are more risky than others. Risky borrowing situations include companies or people who want your money, but don't care if they hurt you.

You may have heard the term “predatory lender.” Predatory lending is when lenders convince borrowers to agree to unfair or risky loans. It also happens when lenders change the rules of a loan, like when a payment will be due, and borrowers are forced to follow these new terms.

If the banking survey results show that more than one participant has used a check-cashing service or taken out a payday loan, keep in mind that participants may not realize that this is “predatory” lending. Be careful not to make them feel ashamed about their past decisions.

Please look again at **page 38**. In the middle of the page, it says, “Avoid predatory lenders.” Who would be willing to read the list of bullet points in that section?

If nobody volunteers, read the list aloud:

- These people or companies charge high fees and interest rates.
- Sometimes a predatory lender is called a “loan shark.”
- Predatory lenders tend to target people with low incomes, limited English, or who are elderly.
- They may use high-pressure sales tactics, or offer a supposedly “free” seminar at a hotel or a supposedly “free” stay at hotel or resort.
- They also may try to sell you insurance that you don’t need, or hide extra payments or penalties in the paperwork they want you to sign.

If you plan to show the 3½-minute “loan shark” cartoon video listed at the beginning of the lesson, this is a good place to show it, followed by a brief discussion. For example, discuss the techniques used by the cartoon shark or the actions taken by the borrower in the other video with actors.

What can you do to protect yourself against this sort of lender?

Make these points if participants do not mention them:

- Be suspicious, ask questions, shop around, and don’t make a hasty decision about borrowing money or buying on credit.
- Never sign a blank form, a form with blank spaces, or anything you do not understand when buying or borrowing.
- Never give out your bank account number or your social security number over the phone or by email.
- Never give out your bank account number or your credit card number unless you contacted the seller yourself, and you know that they are trustworthy.

At the **bottom of page 38** is a set of tips about how to avoid common scams. These are for you to read over later.

Does anyone have any questions or comments about avoiding risky debt?

Address questions or comments but keep an eye on the time. If you need more time to answer a question, let the person know to see you during the break or after class.

Please turn to **page 39** in your workbook, to the handout called “Controlling Debt.” Our main take-away point here is that it’s often easier to avoid debt than it is to pay it off.

In past classes, we talked about the first two strategies you’ll see on this handout, which are to decrease your expenses and increase your income. These are written in bold, with bullets underneath

Now take a look at the third strategy in bold, called “Stop borrowing money.” As hard as it may be, controlling debt is best done by not borrowing money at all.

Our first tip for this is to put away or cancel your credit cards.

- As we discussed earlier, credit cards are not necessarily all bad and can help you build a good credit history. However, if you are trying to control your debt, getting rid of them still may be your best approach.
- If you owe money on a credit card, you won’t be able to cancel it, but you can put it in a safe place and stop using it while you’re paying it off.
- If you have a credit card but do not owe any money on it, contact the credit card company about how to close it.

Do I have a volunteer to read the rest of the bullets under “Stop borrowing money?”

If nobody volunteers, read the rest of the bullets aloud:

- Pay the bills that keep you safe and secure, such as housing and utilities.
- Organize your bills by when they are due, so you can plan to pay them on time. Try using the bill calendar worksheet on the next page (page 40).
- Include all of your bills and debt payments in your budget.

- Ask about payment plans. For example, instead of having utility bills that vary from month to month, you can arrange to pay the same amount every month, which makes it easier to budget.

Do I have a volunteer to read the bullet points at **the bottom of page 39** under, “Make a Plan to Pay Off Your Debt?”

If nobody volunteers, read it aloud:

- Decide what to pay first:
 - Bills with high interest rates
 - Debts with small balances
- After you pay off one debt, use the amount you were paying to pay off another debt.
- If you owe money to many different lenders, consider debt consolidation.
- Find a credit counselor if you owe a lot of money.

Another way to avoid debt is to have a good plan for managing your bills. It’s fairly common for people to avoid dealing with their bills. For many people, bills can be scary and overwhelming.

But, as stressful as they can be, ignoring bills just makes things worse. In the end, the best thing to do with bills is to pay them. This starts by knowing what you owe, and planning for your payments.

Activity: Know what you owe

Let’s turn to **page 40** of Class 5 in your workbook to the handout, “Know what you owe.” This worksheet, called a Bill Calendar, will help you keep track of your monthly and annual bills.

Filling out a Bill Calendar will help you stick to a budget because you can plan for upcoming expenses. A Bill Calendar also can help you set spending priorities, avoid interest charges and service fees, and pay off any debts you have now.

Once you complete a Bill Calendar, you can review it regularly to see when your bills are due, and to plan for having enough money to pay them. A Bill Calendar also can help you figure out if there are bills you could reduce or

eliminate, such as paying off and closing a store credit card, or changing to a cheaper utility company.

Last week, we asked you to bring in your bills from last month. Please take time out now to fill in the calendar for yourself.

If anyone forgot their bills, let them know that they can make estimates.

Start by listing your monthly bills by the day of the month when they are due.

- This includes rent or mortgage, utilities, phone, cable, and credit cards.
- Next, list the amount due for each bill. It's okay to estimate if the amount changes from month to month.

Now, list bills that are due once a year.

- This might include car expenses like registration, driver's license renewal, and car insurance. You might have tax payments or occasional large payments, like for heating oil delivery.
- List each one in the month it is due.
- If you don't know the amounts, that's OK.

Allow time for participants to fill in the bill calendar. If they don't have all of the information they need, make arrangements to help them complete it later.

Discussion

How might this Bill Calendar help you to follow your budget?

Acknowledge and briefly explore participants' ideas.

For some people, not all bills can be paid on time because there isn't enough money. When this happens, it helps to decide what to pay first. As we talked about earlier, we recommend starting with bills that keep you safe and secure, such as your rent and utilities.

After that, it helps to ask yourself a series of questions about each bill to see which ones to pay next. These are listed on **page 41** of your workbook.

For each bill, ask yourself:

- Will my health be affected if I don't pay this bill right now?
- Will my utilities be disconnected if I don't pay this bill right now?
- Is there a penalty, or extra charge, for late payment on this bill?
- Will I have to pay off the entire remaining balance if I miss a payment on this one?
- What else might happen if I don't pay this bill right now? Could I face a legal action?

What questions do you have about debt and paying off bills, before we take a short break?

Answer any questions people have about the content you just reviewed.

Please be sure to return promptly because we have a lot to cover.

BREAK (10 minutes)

Financial Safety: Protecting What You Have and Avoiding Risks

(10 minutes)

Welcome back!

For the second half of our class, we're going to spend some time talking about financial safety, and then, we'll set a financial action step for the coming week.

Before the break, we talked about risky loans and scams, which can reduce your financial security and safety. Another form of risk is identity theft.

What have you heard about identity theft?

Participants may have had their identity stolen or may have seen commercials on TV about identity theft protection for a credit card.¹⁷

There are two main types of identity theft to watch out for. These are listed on **page 42** of Class 5 in your workbook.

The first is financial identity theft. This is when someone uses your personal information to get credit cards, steal money from your accounts, apply for loans, set up accounts with utility companies, rent an apartment, or even get a job using your name. It's scary to think about this, but there are ways to protect yourself, which we'll review in a bit.

The second is medical identity theft. This is when someone uses your personal information to get prescriptions or other healthcare services.

Because identity theft has become more common, many banks or institutions will not hold you responsible for identity theft or purchases made in your name, as long as you report it promptly. However, sometimes people are held responsible for what thieves do in their names, so we want to encourage everyone to be cautious by protecting their financial and personal information.

To avoid any kind of theft, your best strategy is to prevent it. This means using strategies to prevent your financial information or identity from being stolen.

Let's look at some of these strategies on **page 42** in your workbook, in the middle of the page under "Protect yourself." Who will read this information aloud for us?

If nobody volunteers, read it aloud:

- Don't give out personal information unless you made the contact or are absolutely certain who is getting the information.
- Don't give out your Social Security number and don't carry it with you.
- List all your credit cards and account numbers, with the customer service numbers for each one, and keep it in a safe place at home.
- Shred any documents with personal information before putting them in the trash or recycling.
 - *Examples:* bank statements, tax documents, and health insurance papers.
 - Peel off prescription labels before throwing out empty medication containers.
- If you have a computer, use security software and firewalls.

- Be careful what you post on social media.

It's also important to protect your credit and debit card information. Who wants to read the next section of this handout?

If nobody volunteers, read it aloud:

- Keep your cards in a safe place.
- Use your debit card only at ATMs that are familiar to you, are well-lighted, and seem well-maintained, like those in your bank's own building.
- When entering your PIN, cover the keypad with your other hand if anyone is nearby.
- Use your credit cards only at stores and on websites you trust.
- Check your account statements for any charges that you don't recognize.
- If possible, get a "chip" card, which is more secure.

For any suspicious charges, you usually start by calling your bank or credit card company. For identity theft, you start by contacting your local police department or by following the steps from www.IdentityTheft.gov, as listed in the box on your handout.

Choosing secure passwords is also a great way to keep your financial and personal information safe. You'll find some Do's and Don'ts tips about choosing passwords at the bottom of **page 42**.

If time allows, ask participants to read them aloud. Otherwise, suggest that they read these tips to themselves later on.

PASSWORD DO's

- DO make passwords at least 8 characters
- DO mix capital and lower case letters
- DO add, numbers, and symbols
- DO use password manager app¹⁸

PASSWORD DON'Ts

- DON'T choose one password for everything
- DON'T use your birthday or phone number
- DON'T use names of pets or family
- DON'T tell anyone your password

What questions do you have about financial safety?

Answer any questions.

Taking Action Towards Your Financial Goal

(15 minutes)

We are going to wrap up today's class by choosing one action we'll take towards the financial goals set in last week's class.

Turn back to **page 32 in the Class 4 section** of your workbook. This is the worksheet you used last week to set your financial goal. Copy your goal to **page 43** (in the Class 5 section of the workbook).

If participants would like to revise their goals or set new ones now, that's OK

Thinking of the goal you set, let's each choose one small action you'll take this week to work on it. Remember to pick an activity or task that you can get done in the next 6 days.

Each of us will take a turn. It is okay to pass if you really don't want to share, but we hope you'll still write down what you'll do

I'll start. I chose [STATE YOUR GOAL], and I'm going to [STATE ONE SMALL OR MANAGEABLE ACTION YOU'LL TAKE TOWARDS YOUR GOAL THIS WEEK]. I'm excited to tell you next week how I did with it!

Have your co-facilitator go next, so you can both model how to choose a manageable action step. Then go around the room to encourage each person to state their goal and a manageable action step.

Help people be as specific as possible, and to keep their actions manageable.

It may be helpful to refer back to the lists you made in Class 4 of ways to reduce expenses or increase income. These will give participants ideas for actions to try in the coming week, if needed.

Be encouraging and keep the overall tone light and fun. Again, you could have small prizes (like pencils or small banks from the dollar store) for each person after they state their goal (or even if they don't share and just write it down).

Great work everyone! Next week, we'll be excited to hear how it went. But remember, if it turns out you can't or don't do what you planned, that's okay! We'll just see if we can find something else you might want to try towards your financial goal instead.

Assignment

Speaking of the coming week, the instructions for your assignment are on **page 44** of your workbook. Please turn to page 44 to follow along.

- For the coming week, your main assignment (Part 1) is to take the action you chose towards your financial goal.

While you have that action in mind, decide now how confident you are on a scale of 1 to 10 that you can do it. For example, on a scale of 1 to 10, I choose [STATE NUMBER HIGHER THAN 7] for how confident I am that I'll [NAME THE ACTION YOU PLAN TO TAKE TOWARDS YOUR GOAL THIS WEEK].

Have your co-facilitator go next, so you can both model sharing confidence.

Who would like to share how confident you are?

For anything less than 7, see if the person can modify what they want to do slightly to develop more confidence that they'll do it

- For Part 2 of the assignment, please continue to track your expenses by saving receipts or listing your expenses.
- For Part 3, try setting aside some money for savings over the next week, no matter how small. Three options to try are included, like putting your loose change in a jar at the end of the day. You might be able to come up with some other ideas, too. Write the amount you will save on the first line. Write how you will save it on the second line. Take this amount and multiply it by 52 to see how much this would be after a year. For example, if you save \$1 a week, you will have \$52 by the end of a year.

What questions do you have about the assignment or anything we have talked about today?

Answer any questions people have about the content you just reviewed.

Summary and wrap-up

(10 minutes)

What was useful or interesting about what we did today?

Give participants a few minutes to share their thoughts.

That's terrific! You learned a lot of new things today.

Wrap-up by:

- Thanking everyone for coming
- Reminding them of the next session date and time
- Letting them know about any supports available between sessions, such as how to contact the facilitators with questions or concerns

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Class 6: Creating a Financial Wellness Plan

During the past five classes, participants have learned about budgeting, savings, financial products and services, credit, debt, and the value of planning ahead. They've also learned that financial wellness is ongoing. It's a continuous process of achieving a series of short- and mid-term goals based on values and personal priorities. In this final class, participants will create a financial wellness plan to achieve a mid-term goal.

Agenda for Class 6

Welcome & Housekeeping	5 minutes
Review and Overview	15 minutes
Choosing a Financial Goal for the Future	10 minutes
Creating a Financial Wellness Plan	15 minutes
Creating an Action Plan	15 minutes
BREAK	10 minutes
Course Celebration	20 minutes
Total class time	90 minutes

Key Message for Class 6: Setting goals and planning action steps will help you improve your financial wellness.

Learning Objectives for Class 6

At the end of this class, participants will be able to:

- Commit to working on a goal that can be reached within 6 months
- Identify strengths, resources, and supports to support goal attainment
- Assess challenges and barriers to their goal
- List manageable action steps with target dates for goal achievement

Materials needed for Class 6

- Blank name badges or name tents used previously
- Extra paper, pens, and pencils
- Class 6 Attendance Log (if taking attendance)
- Extra copies of the *Participant Workbook*
- A calendar showing dates for the next six months
- Extra copies of the financial wellness planning worksheets
- Certificates of participation for all participants (see p. 130 of this Facilitator Guide for a certificate to print, copy, and complete with participant information)

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- Since this last class includes a celebration, bring anything you need for that. If you will be sharing food together, consider including healthy options, like vegetables and dip, rather than cake and cookies.

Tips for facilitating Class 6

- We have included time at the end of class to hold a celebration for the participants.
- Prepare the certificates ahead of time to have them ready to distribute during the celebration. Consider putting them in a paper frame or other special format for presentation. Many people feel proud when receiving a certificate.
- Encourage participants who wish to continue meeting to work on financial goals and action steps to set a schedule to do so.
- Complete all the worksheets for yourself before the class, so you are ready to share your own ideas, challenges, and experiences. You can use the goal you set during Class 4 or choose a new one, as the participants will be doing in this final session.

Resources for further learning on using a financial plan

Some participants may appreciate learning about the idea of a SMART goal. Information on this is easy to find through a web search. The letters SMART often stand for specific, measurable, achievable, realistic (or reasonable or relevant), and time-limited (or time-lined or target date). Keep in mind that it's the person setting the goal who decides if it seems achievable and realistic.

The financial wellness planning process used in this lesson is different from the many other resources available on money management and budgeting. It has been created based, in part, on the wellness coaching process developed by Dr. Peggy Swarbrick at Collaborative Support Programs of New Jersey, Inc. For more information, go to www.cspnj.org and double-click on "resources." Some of these resources, and many others, are available through the UIC Center for Integrated Health Care and Self-Directed Recovery at www.center4healthandsdc.org.

Class Outline for Class 6: Creating a Financial Wellness Plan

Welcome & Housekeeping

(5 minutes)

Welcome! This is our last class. It's great that you've stuck with it. Your commitment is a real strength.

Remember to turn off cell phones or put them on vibrate.

If needed, remind participants of the following information:

- Location of washrooms
- Smoking regulations
- Emergency exit information

The same course agreements apply today as for the other classes. It's important to participate, respect others, and come back promptly from the break. Even though this is our last class, you can follow up with us if you need more information or extra worksheets [PROVIDE YOUR CONTACT INFORMATION]. As usual, we will take a 10-minute break during today's class.

Review and Overview

(15 minutes)

Let's start by reviewing your assignment from last week. First, we chose one action step we would take towards a financial goal. [STATE YOUR GOAL AND THE OUTCOME OF YOUR ACTION STEP. THEN HAVE YOUR CO-FACILITATOR DO THE SAME]

Encourage participants to share their goals and the results of their planned action steps. If some participants weren't able to follow through on their steps, remind them that they'll have a chance to choose new actions (or even a new goal) today.

Last week's assignment also included tracking your spending. You have been tracking it for over a month now. Does anyone want to share something new that they've learned about their spending habits?

Encourage people to briefly share what they have learned.

Finally, last week we asked you to work on saving some money. How did that go?

Discuss their experiences. If needed, ask questions to prompt discussion, such as:

- How much did you plan to save?
- How much did you actually save?
- What did you do that helped you save successfully?

Thanks for sharing the different things you've been learning.

Now, please **turn to page 45**, which is the first page in the Class 6 section of your workbook.

We've covered a lot of information in the last five classes. Do I have a volunteer to read the bullet points under "Review of Classes 1 through 5?"

If more than one participant volunteers, divide up the reading, such as having one participant read each bullet. If nobody volunteers, read the list aloud.

- Financial wellness is linked to your values and strengths. It can influence all of the other dimensions of wellness.
- You can take charge of your finances to improve your financial wellness.
- Money management requires knowing what you have spent, planning what you will spend, and putting money away for savings.
- Using a bank can help you manage your money your way.
- Avoid risks. Use credit and debt wisely.

Thanks for sharing. We've learned a lot in this course.

Choosing a Financial Goal for the Future

(10 minutes)

Let's turn to **page 46** in your workbook. This page describes the process of creating a Financial Wellness Plan. We will go through this process together today.

Today, we want to help each of you set a goal and action steps for the next 6 months that will enhance your financial wellness. Setting a goal and action steps are part of what's called a *financial wellness plan*.

- This kind of plan is more than a budget. It's a step-by-step map that helps you to reach your financial goal.
- The purpose of the plan is to improve your financial control, stability, or security.

Creating a financial wellness plan begins with setting a financial goal. We all set a goal in Class 4, which we've been working on over the past 2 weeks.

Let's turn back to **page 43** in the Class 5 section of your workbook to look at the goal you set. Recall that there are different types of financial goals:

- Some of you decided to purchase something you can't afford right now.
- Others decided to save money for emergencies, without having a specific purchase in mind.
- Some of you chose getting out of debt as your goal.
- Others chose to reduce their expenses or increase their income.
- And some of you decided you wanted new knowledge, skills, or routines to increase your financial wellness.

Please take a few minutes now to think about whether you'd like to continue working on the goal you set, over the next 6 months.

- To help you decide, think about whether you've liked working on your goal over the past 2 weeks. Has it excited you, motivated you, or helped you to see that you can improve your financial wellness?
- If not, perhaps you haven't worked on it long enough to know yet. Or, maybe you'd like to set a different goal to take you into the future.

As you're thinking about it, also decide whether this is a goal you can reasonably accomplish in the next 6 months.

- If you believe that it will take longer than 6 months, you might want to pick something else.
- We want you to be able to complete something you've planned for and worked hard on. But, if you'd really like to stick with a goal that will take

longer than 6 months, that's okay, too. We'll plan for how you'll work towards it over the next 6 months.

Let's take a moment to decide whether you want to keep your goal or create a new one.

Give participants time to review what they chose, and to think about whether they want to keep working on the goal or change it.

Once you have decided on your goal, please go to the top of the worksheet on **page 47** and write down your goal. Start with the date. Six months from now is [GIVE DATE OF A SATURDAY (END OF THE WEEK) ABOUT SIX MONTHS FROM TODAY].

Give participants the time to record their goals, helping anyone who needs it.

Now I'd like to have a show of hands. How many of you are keeping the same goal that you have been working on to focus on over the next 6 months? Would a few people be willing to share why they'd like to keep their goal?

Allow a few participants to share. If nobody volunteers, share why you want to stay with your goal, then have your co-facilitator do the same (assuming you and/or your co-facilitator want to keep the same goal).

Raise your hand if you decided to change your goal from you have been working on. Would a few people be willing to share why they want to change, and what they'd like to do instead?

Allow a few participants to share. If nobody volunteers, share why you want to change your goal, then have your co-facilitator do the same (assuming you and/or your co-facilitator want to change goals).

Thanks everyone! It's great that we all have a goal we'd like to work on.

Creating a Financial Wellness Plan

(15 minutes)

Of course, just having a goal isn't enough to enhance our financial wellness. We also need a plan to help us achieve it. This is especially

important because we won't be meeting after today, so we need detailed and specific strategies to keep us on track.

Next, we're going to go through the rest of the worksheet on **page 47**.

We'll complete this worksheet in order to create a personal financial wellness plan. We already filled in our goal at the top.

- Notice that we're committing to complete the goal during the next 6 months. Knowing our timeframe will help us later, when we reasonably consider what it will take to reach our goal within that time.
- But, as I mentioned, if you want to set your goal for longer than 6 months, that's fine.

You'll see that the next part of a financial wellness plan is identifying your financial strengths.

What do you think I mean by strengths?

Encourage people to briefly share their ideas.

Your strengths are what you already know or do that can help you to reach your goal. The good news is that we've had lots of practice with this, since we've been talking about and working on financial strengths every week.

Some of the strengths we have worked on together include:

- Tracking your expenses, so you know exactly where you spend the most money right now
- Having new ideas for how to decrease your expenses and increase your income
- Opening a checking account for direct deposit of your monthly check

Looking at my own goal [REMINDEE THE PARTICIPANTS OF YOUR GOAL], my strengths that will help me to reach it include [NAME 2-3 STRENGTHS].

Who would like to share some of their own financial strengths? Try to choose strengths that are specifically related to your goal.

Allow participants time to share. It's best if people choose strengths that will help them meet their current goal, as listed on their worksheets.

- If people are struggling to come up with something, share a strength that you've noticed about them as they've worked on actions over the past 2 weeks.
- If you can't think of any goal-related strengths to point out, some other strengths might include: demonstrating commitment to learning about finances by attending all or most classes; saving receipts and tracking expenses; or getting more comfortable talking about money, which many people find difficult.

These are great, thanks for sharing!

Let's now record 2 or 3 of our main strengths that will help us to reach our goal. You'll see space for this in the second row of the plan on **page 47**.

Allow participants the time to record their answers, and help anyone who needs it.

The next part of a financial wellness plan is identifying supportive people who can help you reach your goal or cheer you on. Let's brainstorm different people who will support your goal, and how they might help. I'll start with a few [NAME THE PEOPLE AND HOW THEY'LL HELP YOU WITH YOUR GOAL].

You may want to have your co-facilitator start instead, for a bit of variety.

Here are 2 examples to model the type of answers you're helping participants to share:

- My best friend. I can tell her how much money I save each week to reach my goal of [NAME YOUR GOAL]. This will keep me accountable to someone, so that I stick to my savings plan. Also, she can help me think of new ideas if I'm not saving enough to reach my goal.
- My mother. She likes to cook, so I'm going to ask her to make me a big meal on Sunday, which I can eat for the next couple of days. I will put the money I save at the grocery store and from not buying fast food in a new savings account.

Are there any volunteers willing to share who their supportive people are, and how they can help? Try to be as specific and detailed as possible about how the person can help you.

As people call them out, write their ideas on the board or chart. Ask questions if needed to help them be specific.

Great ideas! Now let's write down the names of these people, and how they'll help, in the third row of the plan.

Allow participants the time to record their answers and help anyone who needs it.

The next part of the plan helps us to consider our challenges or barriers to meeting our goal. It can be uncomfortable or unpleasant to think about our challenges. At the same time, identifying them now also will allow us to plan for ways to overcome them. Again, I'll start [NAME 2-3 SPECIFIC CHALLENGES YOU FACE IN MEETING YOUR GOAL.]

If your co-facilitator went first before, have your co-facilitator go first again.

If you have trouble thinking of challenges, some common ones include: expensive habits like smoking, eating out, or drinking soda; liking to buy new clothes or collectibles that aren't really needed; running up credit cards when feeling emotionally vulnerable; not being able to work due to specific physical or mental health challenges; or not having the needed education or training yet to reach the goal.

Both co-facilitators should share challenges, in order to model doing this difficult part of the plan.

Is anyone comfortable sharing some of their challenges or barriers to their goal? Again, try to be specific, so that we also can come up with ways to overcome our challenges.

As people call them out, write their ideas on the board or chart (using non-triggering and non-shaming terms). Ask questions to help them be specific.

Let's write these challenges on the fourth row of the plan.

Allow participants the time to record their answers and help anyone who needs it.

Let's take a quick stretch break. Everyone who's comfortable doing so, stand up and stretch. Shake your arms and your legs. Roll your head in circles a few times. Great! Now take in a deep breath through your nose and blow out through your mouth. This will help us keep energy flowing for the rest of our planning.

Guide everyone to take their seat after the stretch break, and to get focused again.

Everyone is doing so well with this! We're nearly done.

Looking at your challenges, let's think about what actions you can take or resources you can use to overcome them. In other words, what can you do so your barriers won't stop you from reaching your goal?

- Let's say your barrier is that you don't have enough money to reach your goal. Your action steps might include ways to save money or new ways to earn money.
- Let's say you don't understand what you need to do to pay off your credit card. Your action steps would involve googling the phrase, "how to pay down my credit card," and reading some of the suggestions.
- Let's say your barrier is that setting and reaching a goal makes you anxious. In this situation, your action step might be talking with a friend who manages money well to get suggestions and support.

Have any of you thought of actions or resources that might help you to address your barriers? Would anyone like to share?

As people call them out, write their ideas on the board or chart. Again, ask questions to help them be specific.

Write down these helpful actions or resources in the fifth row of the plan.

Allow participants the time to record their answers and help anyone who needs it.

Excellent work. Pat yourselves on the back for creating a reasonable financial wellness plan. You're on your way!

Creating an Action Plan

(15 minutes)

There's one final step we need to take today, to ensure that we all can keep working on our goal after this class is over.

Turn to **page 48 of Class 6** in your workbook.

This is the first of 3 worksheets to record specific action steps that you will take towards your goal in the next month, between now and [GIVE A DATE ABOUT A MONTH AWAY].

The second worksheet, on **page 49**, is where you will record steps for the second and third months, which will take you to [GIVE A DATE ABOUT 3 MONTHS AWAY].

The third worksheet, on **page 50**, is where you will record steps for the last three months, which will take you to [GIVE A DATE ABOUT 6 MONTHS AWAY].

This gives us a full 6 months of working on our goal. Having these lists of actions will help you to track your progress. It also will let you see when you need to scale back or ramp up your actions, based on what's happening in your life over time.

Start by copying your financial goal into the top row of your 1-month action plan on **page 48**. This is just a repeat of the goal you put in your financial wellness plan.

Next, write down the date that's 1 month from now, which is [GIVE THE DATE OF A SATURDAY (THE END OF THE WEEK) ABOUT 4 WEEKS FROM TODAY].

Keeping that timeframe in mind, think of a few actions you will take toward your goal during the next 4 weeks. This is just like what we've been doing since Class 4.

- We want to choose small actions that are doable rather than big ones that you can't manage. As you're deciding on which actions to take, think of everything that's going on in your life right now, and be as reasonable as possible.
- You might want to choose 1 action for each of the 4 weeks, or you might want to pick just 2 or 3 things. That's up to you.

Has everyone recorded at least 1 action you can take towards your goal?

Walk around the room and make sure everyone has written down at least 1 task.

Great! Now, think about how confident you are on a scale of 1 to 10 that you'll be able to take these actions in the next month.

- Write down that number in the column next to each action.
- Remember, if you choose a number that is 6 or less, you might want to go back and make your action even smaller, so that you can increase your confidence to 7 or above.
- It's helpful to feel pretty confident, so you believe in your ability to take each step.

Has everyone written down their confidence levels? Great!

The bottom of the chart lists space for "people or resources."

- People are individuals who can help you in some way to do the actions that you listed.
- Resources are places or things that you need to complete an action.

You and/or your co-facilitator can give some examples of resources here that relate to your own action steps. For example, if your action is googling the phrase, "how to pay down my credit card," and reading some of the suggestions, you may need a computer to use. Public computers are available at the library, but if you want privacy, you may have to make other arrangements.

Next, write down the names of people you can count on to support you in taking each action.

- Next to their names, write down exactly what they will do to support you in that action. It's okay if you can't think of anybody, though. Not every action requires support from another person.
- You also can list resources that you need, if you think of any.

Walk around the room and help people complete this section as needed.

Finally, think about whether your action needs to be completed by a certain date, or whether it's something you'll do throughout the 4 weeks.

- If it needs to be done by a certain date, write that date down in the column called, "Date when completed."

- You may have some tasks or activities that you'll do regularly throughout the 4 weeks, such as saving spare change in a jar each week or walking to the store several times weekly instead of taking the bus. For ongoing tasks like these, you can write the word "daily" or "weekly" in the Date column.

At the end of 4 weeks, take out your plan and cross the date off if you've taken the action. This will show you what progress you've made.

Would anyone be willing to share what you put in your 1-month action worksheet? We'll want to hear about one of your actions, your confidence level, who will help you, if anyone, what that person will do, and the completion date.

If nobody volunteers, share one of your own and/or have your co-facilitator share.

Next, turn to **page 49** so you can fill in your 2-month plan. This is the plan you'll start after you finish your 1-month plan and will complete by [NAME THE DATE OF A SATURDAY (THE END OF THE WEEK) THAT IS ABOUT 3 MONTHS FROM TODAY, TAKING INTO ACCOUNT THAT THEY JUST COMPLETED A 1-MONTH PLAN].

Think about what actions you'll take to help you reach your goal during those 2 months.

- Look back at your 1-month actions to see if you want to carry any of them forward.
- Add any new actions that you might want to take during those 2 months.
- Like before, be sure to choose tasks or activities you know you can do or complete within a 2-month timeframe.

Now, please rate your confidence levels for completing these tasks.

- Again, if your confidence level is anything 6 or less, go back and make your task or action smaller to increase your confidence that you can do it.

Again, let's identify the people who will support you in these actions, and how. If you don't need help with certain tasks, like walking instead of driving to save on gas money, that's fine.

Finally, write down the date for when you'll complete your actions. As before, some actions will continue for the whole 2 months, and some will be done by a specific date.

Walk around the room and make sure everyone has completed their 2-month plan.

Would anyone be willing to share what you put in your 2-month action worksheet? Like before, we'll want to hear about one of your actions, your confidence level, who will help you, if anyone, what that person will do, and the completion date.

If nobody volunteers, share one of your own and/or have your co-facilitator share.

Turn the page to your final 3-month plan (**on page 50**). This is the plan you'll complete between [NAME THE DATE OF THE END OF THE 2-MONTH PLAN] and [NAME THE DATE OF A SATURDAY (THE END OF THE WEEK) THAT IS ABOUT 6 MONTHS FROM TODAY, TAKING INTO ACCOUNT THAT THEY JUST COMPLETED THEIR 1-MONTH AND 2-MONTH PLANS].

Think about what actions you'll take to help you reach your goal during those final 3 months.

- Look back at your 1-month or 2-month plans to see if you want to carry any actions forward.
- You'll likely have new actions to add.
- Like before, be sure to choose tasks or activities you know you can do or complete in a few months' time.

Now, please rate your confidence level for completing these tasks.

- Again, if you choose anything less than 6, go back and make your task or action smaller to increase your confidence that you can do it.

Now, take a minute to record the people who will support you, if needed, and how they will be helpful.

Finally, write down the date for when you'll complete these actions. As before, some of the actions will continue for the whole time, and some will be done by a specific date.

Walk around the room and make sure everyone has completed their final 3-month plan.

Would anyone be willing to share an action from their 3-month plan?

If nobody volunteers, share one of your own and/or have your co-facilitator share.

This is important work we've accomplished today on the road to greater financial wellness. Two things will be helpful to keep it going.

First, we encourage you to celebrate each step or milestone along the way. Celebrating doesn't have to involve spending money. It can be telling a friend or writing yourself a note of congratulations. What are some ways you like to celebrate when you've accomplished something?

Briefly discuss a few ideas for motivation through celebration.

Another way to keep this work going is to continue meeting after this class ends. At these meetings, you could talk about your progress towards your goal, give encouragement, and celebrate each other's successes. While we're not available to lead a follow-up group like that, we encourage anyone here who wants to take the lead in organizing meetings to talk with us later about how that might work.

Let's take a look at the Course Summary on **page 51**. This lists what we covered during the Financial Wellness Class.

Now we'll take a 10-minute break. When we come back, we'll have a celebration and give you certificates of participation.

Note: Everyone gets a certificate.

BREAK (10 minutes)

CELEBRATION

(20 minutes)

Welcome back! We are happy to celebrate what everyone has learned and achieved over these 6 weeks.

Each of the co-facilitators should share what they have appreciated about the participants and acknowledge their accomplishments.

Now let's pass out the certificates. As you receive yours, feel free to share something you've learned or gained from being in our class. But don't feel pressured if you don't wish to share anything.

Allow time for people to share as they receive their certificates.

After passing out the certificates, if possible, provide some healthy snacks and water or seltzer or sparkling cider to give a more festive feel.

Thanks again, everyone, for your dedication. There is a saying that "life holds special magic for those who dare to dream."¹⁹

We hope you have learned things about yourself and about money management that will give you the confidence to dream about a better financial future!

Building Financial Wellness Satisfaction Survey

Your answers to these questions will help us understand how to improve the Building Financial Wellness class. You don't have to complete this survey if you don't want to. Feel free to skip any questions you like. The survey is anonymous, so please don't put your name on it. Circle the answer that is the best match for how you feel.

1. How would you rate the **quality** of the information you got in this class? (circle one)

Poor

Fair

Good

Excellent

2. If a friend were in need of similar information, would you **recommend** our class to them?

No, definitely not

Probably not

Probably yes

Yes definitely

3. Has the information you received from our class helped you **feel more confident** about dealing with your finances?

No, it made things worse for me

No, it didn't help

Yes, it helped a little

Yes, it helped a great deal

4. Overall, **how satisfied** are you with the information you received during the class?

Very dissatisfied

Mostly dissatisfied

Mostly satisfied

Very satisfied

5. What did you **like most** about the Building Financial Wellness class?

6. What did you **like least** about the Building Financial Wellness class?

7. Which topics were **most helpful** to you? Please explain why.

8. How likely to continue to work on your financial goal using your financial action plan?

Definitely I will not

Probably I will not

Probably I will

I definitely will

Thanks for completing this survey! Your feedback is important to us!

Certificate of Participation

(name)

Attended the Building Financial Wellness Classes

ON

(date)

End Notes

The numbered references below correspond to points made in the text and marked with the small numbers in superscript, like this: text⁵

Other references and resources include

- Swarbrick, M. & Stahl, P. (2009). Wellness and recovery through asset building services. *Occupational Therapy in Mental Health, 25*, 335-342.
- Swarbrick, M. (2006). Asset-building financial self-management support model: A promising practice. *Journal of Psychosocial Nursing, 44*(10), 22-26.
https://www.researchgate.net/publication/6732018_Asset-building_financial_self-management_service_model_Piecing_together_consumer_financial_independence
- Stengel, L., Mathai, C., Jiminez, O., & Swarbrick, M. (2012). *We Can Save: A Provider's Guide to Promoting Economic Self-Sufficiency, A Recovery-Oriented Approach*. New York Association of Psychiatric Rehabilitation Services & New York State Office of Mental Health.

¹ Swarbrick, M. (2012). A wellness approach to mental health recovery. In A. Rudnick (Ed.), *Recovery of people with mental illness: Philosophical and related perspectives* (pp.252-263), New York, NY: Oxford University Press; Swarbrick, M. (2006). A wellness approach. *Psychiatric Rehabilitation Journal, 29*(4), 311- 314.

² Enterprise Foundation. (2000). *Elements of effective financial literacy training*. Retrieved from <https://www.enterprisecommunity.org/download?fid=10288&nid=13507>

³ The eight-dimension model of wellness was developed at the Wellness Institute of Collaborative Support Programs of New Jersey, which has a 25-year history building financial wellness for people served by the agency. For more information, see Swarbrick, M., & Yudof, J. (2018). *Wellness in eight dimensions*. Freehold, NJ: Collaborative Support Programs of New Jersey.

⁴ Swarbrick, M., & Yudof, J. (2015). *Wellness in 8 dimensions*. Freehold, NJ: Collaborative Support Programs of New Jersey.

⁵ Applebaum, P. S., & Redlich, A. (2006). Use of leverage over patients' money to promote adherence to psychiatric treatment. *Journal of Nervous and Mental Disease, 194*, 294-302.

⁶ Marson, D. C., Savage, R., & Phillips, J. (2006). Financial capacity in persons with schizophrenia and serious mental illness: Clinical and research ethics aspects. *Schizophrenia Bulletin, 32*(1), 81-91.

⁷ Swarbrick, M. (2006). A wellness approach. *Psychiatric Rehabilitation Journal, 29*(4), 311- 314; Swarbrick, M. (2012). A wellness approach to mental health recovery. In A. Rudnick (Ed.), *Recovery of people with mental illness: Philosophical and related perspectives*(pp.252-263), New York, NY: Oxford University Press.

⁸ Jiménez-Solomon, O., Méndez-Bustos, P., Swarbrick M., Díaz, S., Silva, S., Kelley, M., Duke, S., Lewis-Fernández, R. (2016). Peer-supported economic empowerment: A financial wellness intervention

framework for people with psychiatric disabilities. *Psychiatric Rehabilitation Journal*, 39(4), 222-233. doi: 10.1037/prj0000210.

⁹ Swarbrick, M. (2109). Peer-led services. In C. Brown, V. C. Stoffel, & J. Muñoz: *Occupational Therapy in Mental Health: A Vision for Participation*, 2nd ed. Philadelphia, PA: F. A. Davis Company.

¹⁰ Participants may name personal values. Values are the things that are important to you. They also guide the way you live and the choices you make. Some examples of value words are adventure, fun, safety, security, love, family, faith, and community. Your values can influence your spending choices.

¹¹ Jiménez-Solomon, O., Méndez-Bustos, P., Swarbrick M., Díaz, S., Silva, S., Kelley, M., Duke, S., Lewis-Fernández, R. (2016). Peer-supported economic empowerment: A financial wellness intervention framework for people with psychiatric disabilities. *Psychiatric Rehabilitation Journal*, 39(4), 222-233. doi: 10.1037/prj0000210.

¹² Each of the strengths on this list are related to financial control, stability, and security. For example: Financial control includes #8, #13, and #16. Financial stability includes #2, #5, #6, #9, #10, #15, and #17. Financial security includes #1, #4, #13, and #18.

¹³ Some positive financial habits include actions that seem small and insignificant, like putting your spare change in a savings jar every day. These are things that you'll want to continue and add to. Other financial habits are costly, like spending money on cigarettes or junk food. These habits are things you'll want to consider changing in order to improve your financial wellness, but we're not going to ask you to change or give up anything in this course if you don't want to. You'll decide for yourself whether you can change some costlier habits to improve your wellness. A collection of financial habits is a routine. To establish a routine, you have to give it some thought. For example, many people have a grocery-shopping routine that includes making a list and only buying what's on it when they go to the store. This routine helps them save money by not making impulse purchases that they don't really need. Other routines that can help you save money are packing a lunch or eating dinner at home instead of in a restaurant. Another routine involves bringing a water bottle to work rather than buying a bottle from the vending machine. Other routines help with long-term goals, like filing important papers that you'll need later or making regular savings deposit.

¹⁴ Bill's budget is based on a monthly payment of \$734 for 2017 (<https://www.ssa.gov/oact/cola/SSI.html>) and a sample budget found online at <http://hubpages.com/money/How-To-Live-Off-SSI>

¹⁵ <https://www.fdic.gov/householdsurvey/>

¹⁶ Many online resources are available to compare fees. For example, see:

- <https://www.nerdwallet.com/>
- https://bucks.blogs.nytimes.com/2012/05/23/comparing-checking-account-and-prepaid-debit-card-fees/?_r=0
- keep a lid on checking account fees:
<https://pueblo.gpo.gov/CFPBPubs/CFPBPubs.php?PubID=13009>
- Annual checking costs can run between \$250 and \$300 per account—see
<http://www.bankrate.com/finance/banking/sneaky-bank-fees.aspx#ixzz4WiMpQYVe>

- ¹⁷ A series of entertaining and disturbing commercials on identity theft was produced by Citibank™ and can be seen on YouTube. Citibank™ itself got in trouble for misleading consumers—see <http://www.consumerfinance.gov/about-us/newsroom/cfpb-orders-citibank-to-pay-700-million-in-consumer-relief-for-illegal-credit-card-practices/>
- ¹⁸ Password manager apps provide online storage for your list of passwords. The idea is that you only need one password—the one to access the app. Some charge a fee and some are free to download and use. Reviews of various apps can be found online.
- ¹⁹ The quote, “life holds special magic for those who dare to dream” is anonymous (it does not have an author attribution).