



ENCOURAGING FINANCIAL CONVERSATIONS

Action Worksheets



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ENCOURAGING FINANCIAL CONVERSATIONS

Contributors

All contributors are with the University of Wisconsin–Madison Division of Extension.

Project Lead

Carol Bralich, Associate Professor Human Development and Relationships
Institute (HDRI)

Authors

Jenny Abel, Financial Security Outreach Program Manager HDRI

Carol Bralich, Associate Professor HDRI

Peggy Olive, Financial Capability Specialist Center for Financial Security &
Division of Extension

Reviewers

Beverly Doll, Associate Professor HDRI

Jonathon Ferguson, Financial Capability Specialist

Sarah Hawks, Human Development and Relationships Educator

Alana Perez-Valliere, Human Development and Relationships Educator

Evaluation Development

Jenna Klink, Evaluation and Program Development Specialist



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ENCOURAGING FINANCIAL CONVERSATIONS



Financial Capability



Goal Setting



Maximizing Income



Spending



Saving



Borrowing



Protecting



Financial Problem-solving Guide



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Financial Capability



*“Our chief want is someone who will
inspire us to be what we know we could be.”*

—Ralph Waldo Emerson

Financial Capability Worksheets

- ▶ Financial capability
- ▶ Financial capability: What are you seeing?
- ▶ Financial well-being idea sheet



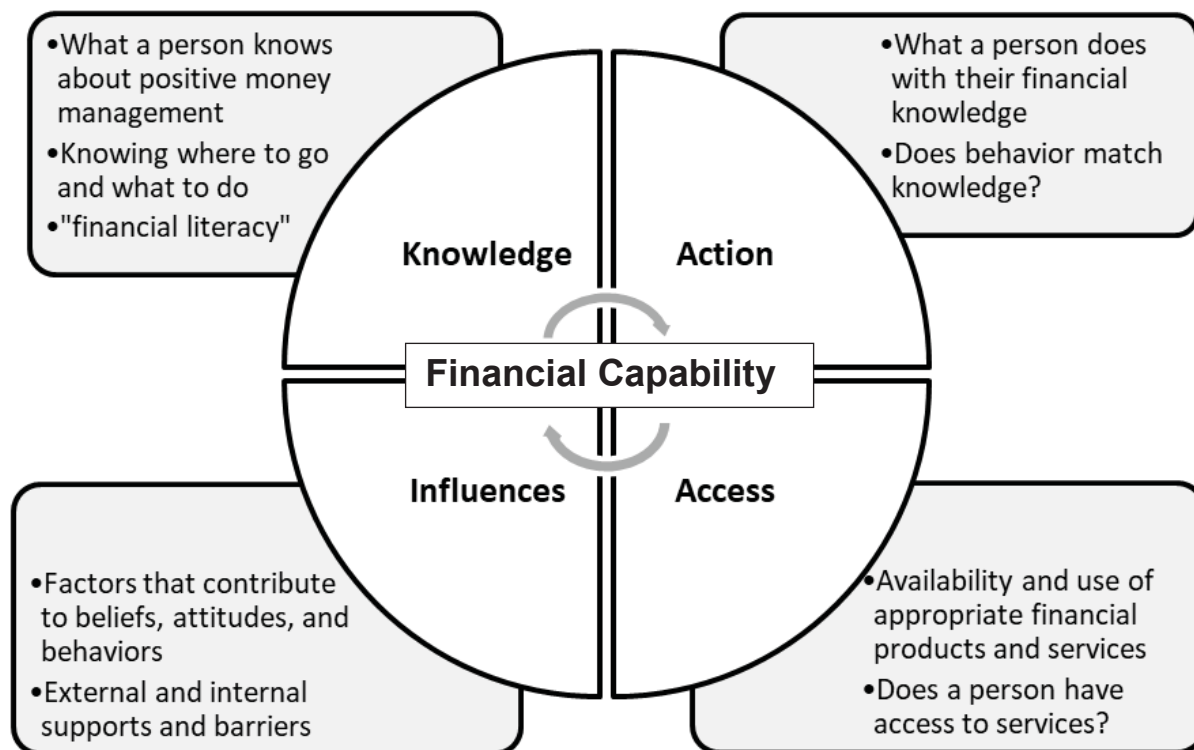
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Financial Capability

Over the past several decades, the financial landscape in the United States has changed significantly. Financial products and services, including mortgages and products used for banking, saving, and investing, have become more numerous and more complicated. Individuals must take greater charge of their financial well-being in retirement, including predicting future financial needs during and after working years. As credit records are increasingly used by employers, insurers, landlords, and others, a poor credit history can limit economic and social choices if left unaddressed.

The consequences of not having the skills to make sound financial decisions become more severe. This is particularly true in times of economic instability, when resources may be limited and negative financial events, such as a job loss or a sharp drop in income, are more frequent. Not only has managing day-to-day finances become more difficult for many Americans, but there are also greater risks in getting it wrong.

Financial capability is the ability to acquire resources, and then evaluate and apply positive financial decisions throughout the lifespan in order to develop financial security. Financial capability considers not only what people know about managing their money, but also looks at how they apply that information and whether they even have the opportunity to apply their knowledge.



Sources:

Core Personal Finance Topics, Family Financial Education Issue Briefs; Michael Collins. UW-Extension, 1/2010.

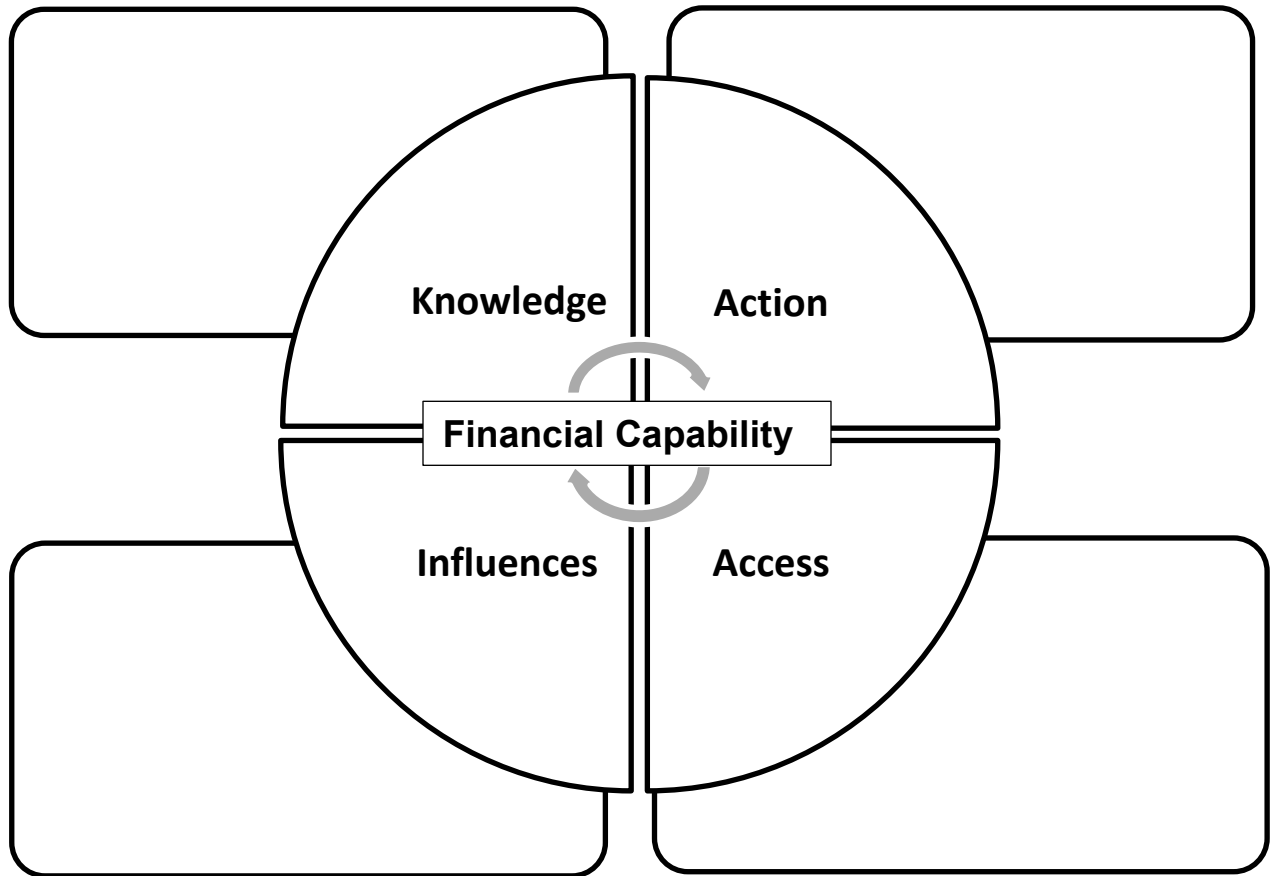
Delivering Effective Financial Education for Today's Consumer, Neighborworks America, 2011.

Financial Capability in the United States. FINRA Investor Education Foundation, 7/2016. www.usfinancialcapability.org

Financial Capability: What are you seeing?

1. What financial capability successes or barriers are you seeing with your clients?

Fill in the chart below with everyday examples of financial knowledge, action, access, and influences.



2. What types of resources are being used your clients?

3. What types of resources are still needed by your clients?

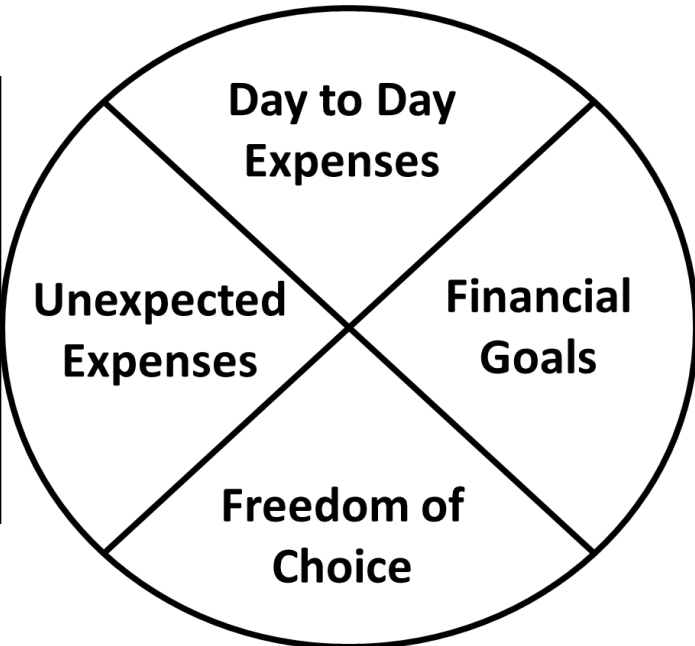
Financial Well-being Idea Sheet

What's one thing you can do in the next few weeks for your own financial well-being?

Pick an area and write in your action step.

ACTION:

ACTION:



ACTION:

ACTION:

Accountability Buddy:

Sometimes life gets in the way and we don't always act on our best intentions. Think about sharing your action step with a friend or family member who can follow-up and ask you how it's going.

I will do this step: _____

by this date: _____

Engaging in Financial Conversations



*“Build your castles in the air,
for that is where they should be.
Now put foundations under them.”*

—Henry David Thoreau

Financial Conversations Worksheets

- ▶ Personal values and money
- ▶ Engaging financial conversations practice worksheet



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Personal Values and Money

The following list contains words or phrases that illustrate values. Values are not like morals. There's no right or wrong. However, values guide our decisions and actions, so they might "feel" right or wrong to us personally.

When it comes to money and financial decisions, what feels right to us may not be right for someone else. The purpose of this activity is to get us thinking about the relationship between our values, beliefs, and actions.

1. Think about yourself in a professional or volunteer setting in which you would be working with a client. In the list below, circle the 5 values you feel are most like you. Then place an X in front of 5 values that you feel are least like you.

Accomplishment	Empowerment	Passion
Accuracy	Excellence	Peace
Acknowledgment	Excitement	Productivity
Action	Frugality	Quality
Adventure	Growth	Recognition
Authenticity	Harmony	Responsibility
Beauty	Honesty	Risk Taking
Belonging	Humor	Self-Expression
Caution	Independence	Service
Collaboration	Integrity	Solitude
Community	Joy	Spirituality
Compassion	Life-long Learning	Spontaneity
Contribution	Loyalty	Success
Creativity	Nurturing	Tradition
Directness	Orderliness	Trust
Duty	Participation	Other:_____

2. Think about a time when you've made a financial decision.
 - a. What was the decision?
 - b. In what ways did this decision reflect your personal values?
 - c. Did this decision conflict with any of your most important values?
3. Think about a time when a client, friend, or family member made a financial decision that you didn't understand or didn't agree with.
 - a. What was the decision?
 - b. How did you react to the decision?
 - c. How did this person's decision reflect or not reflect your own personal values?
 - d. How do you think the decision might have reflected the other person's values?

Encouraging Financial Conversations Practice

Directions: In your conversation, ask your client powerful questions around their personal financial goal. The point of this activity is to provide your partner with the time and space to think about what's important to them and what they might be interested in doing to reach their goal.

If you find it helpful, you're welcome to use this worksheet to take a few notes or write down a few questions you'd like to ask your partner. A few sample questions have been provided.

Client's Goal: _____

Explore the Goal:

- What's important about your goal?
- What's your ideal situation?
- How will you know when you reach that goal?
- Where are you getting stuck?

Action Planning:

- What's one step you might take in the next few weeks?
- What support do you need?
- How do you keep yourself on track?

Goal Setting



"The future belongs to those who prepare for it today."

--Malcolm X

Goal Setting worksheets

- ▶ Action plan tool
- ▶ Financial planning worksheet
- ▶ Financial goal priorities



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Action Plan Tool

- Identify and write a behavior change goal that you want to accomplish in the next six months.
- Make an action plan to help you achieve your goal. Write three actions you will take to reach it. Then check off each action as you complete it.

My goal is to: _____

Today's date: _____

Action 1 _____

Done _____

Action 2 _____

Done _____

Action 3 _____

Done _____

Where I will do it _____

When I will do it _____

How long I will do it _____

How often I will do it _____

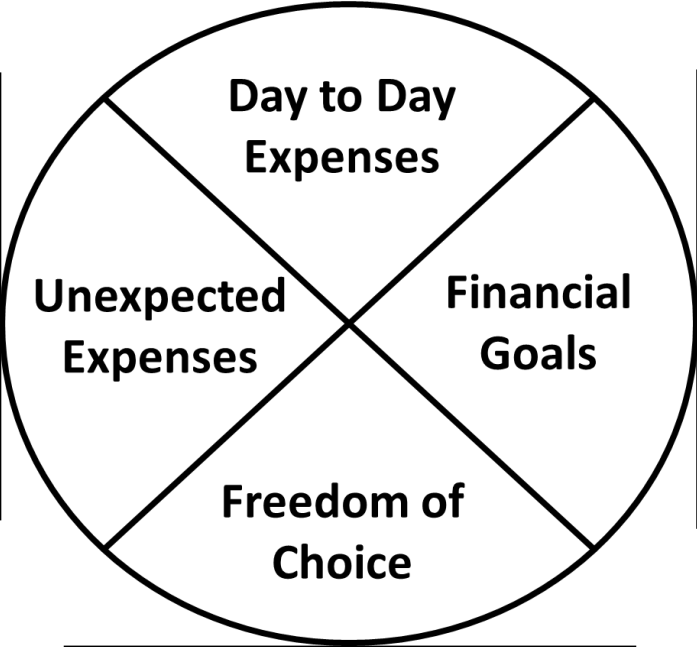
My confidence level (0 = no confidence to 10 = very confident) _____

Challenges I might face _____

Ways to cope with these challenges _____

Financial Planning Worksheet

What's one thing you can do in the next week for your own financial well-being?
Pick an area and write in your action step.

ACTION:		
ACTION:		ACTION:
ACTION:		

OPTIONAL OFFER:

If you would like to be held accountable for your action step, please feel free to send me an email. I will then email you on your deadline date to see if you're happy with your progress.

Case Manager E-mail:

I will do _____ (action step)
by _____ (what date).

Financial Goal Priorities

There are a lot of different ways to spend a dollar. These questions help you talk about your financial priorities and values. You can have other family members answer the questions too and then talk about your answers together.

1. I have just been laid off from my job. I must make a major cut in spending. The first thing to go is: _____
2. I would like to see me/us spend more money on _____ and less money on _____.

Financial Goals

The reason to plan is to make sure that you're spending your money on things that are the most important to you – your priorities. For each financial goal, figure out the total amount needed, the date you want to reach your goal, and how much you need to save monthly. For example, if you want \$500 in your emergency fund in one year, you need to save around \$42 every month.



Financial Goals	Total Amount Needed	Date Needed (in months) (6 months, 24 months, etc)	Amount to Save Monthly (Divide the total needed by the number of months)
<i>Example: Emergency Fund</i>	\$500	12 months	\$42 (\$500 / 12)
Total amount needed to save monthly:			

Are you able to save enough money each month for all your goals? Most people have more goals than they do money. The next step is to **prioritize** which goals come first.

Maximizing Income



"If you don't ask, the answer is always no. If you don't step forward, you're always in the same place."

--Nora Roberts

Maximizing Income Worksheets

- ▶ Do-it-yourself ideas for tight budgets
- ▶ Monthly cash flow worksheet
- ▶ Income and benefits tracker
- ▶ Strategies for increasing income and benefits



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Do It Yourself Ideas for Tight Budgets

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MONTHLY CASH FLOW WORKSHEET

When you have a sudden drop in your income, the first step is to figure out what your current income will be and how much your monthly living expenses add up to. Use this worksheet to estimate if your income will cover all of your current expenses and debt payments.

BASIC LIVING EXPENSES

Monthly Expense	\$ Amount
Rent/Mortgage	
Electricity	
Heating Oil or Gas	
Water/Sewer	
Cable/Satellite	
Internet	
Cell Phone/Landline	
Gas for Car	
Car insurance payment	
Eating Out	
Groceries	
"Stuff" for household & personal care	
Clothing and Laundry	
Doctor co-pays/ Prescriptions	
Entertainment – movies, hobbies, habits	
Pets	
Gifts/donations	
Health/Life insurance	
Money put into savings	

MONTHLY EXPENSES \$ _____
(total from above)
+ MONTHLY DEBT
PAYMENTS \$ _____
(total from debt chart)
= ADD UP TOTAL
MONTHLY SPENDING \$ _____

DEBTS (bills that charge interest)

Name of Creditor	Monthly Payment Requested	Total Amount Owed Still
Car Payment 1	\$	\$
Car Payment 2		
Medical Bill		
Past Due Utilities		
Credit Cards		
TOTAL DEBTS	\$	\$

TAKE HOME INCOME/PAYCHECKS

(after taxes/benefits are taken out)

Income (1) \$ _____

Income (2) \$ _____

Income (3) \$ _____

Income (4) \$

TOTAL MONTHLY - NET (TAKE HOME) INCOME

\$ _____

MINUS TOTAL MONTHLY SPENDING - _____

DIFFERENCE +/-

If your total spending is more than your total monthly take home pay, keep reading to find out more about working with creditors.





Plan the best times to save and spend with this **Income and benefits tracker**

1. Fill in the net income amount you receive each week for any category that applies to you. Note any income that comes at predictable times and in the same amount to help show you what income you can count on each month.
2. Add up the amounts you receive each week and write that in as the weekly total.
3. Add up the weekly totals to figure out your income for the month.
4. Make copies of the tracker to follow your income from month to month.

Term to know: net income

Net income is what you actually bring home in your paycheck. It's your total pay (gross income) minus taxes, insurance, and other deductions that are taken out.

Income for month of _____

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5
 Job 1					
 Job 2					
 Child support					
 Disability benefits					
 SNAP					
 TANF					
 Other government programs					
 Other:					

Total weekly income

--	--	--	--	--



Total income for this month



--



Think about strategies for **Increasing income and benefits**

1. Review the strategies for increasing income and benefits and check any that could work for you.
2. Write down ideas for how you can accomplish the strategies you've selected, like where you might look for a part-time job or when and where you might hold a garage sale.

CATEGORY	STRATEGY	IDEAS
 Use your skills and resources	<input type="checkbox"/> I can earn extra money with skills I have (providing childcare, doing yard work, etc.).	
	<input type="checkbox"/> I can use my talents or hobbies to make items to sell online or start a part-time small business.	
	<input type="checkbox"/> I can trade things (like house cleaning or baby-sitting) for services I need (like car repairs) from friends or relatives with those skills.	
	<input type="checkbox"/> I can run errands for other people for a small fee.	
	<input type="checkbox"/> I can become a driver for a ride-sharing service.	
	<input type="checkbox"/> I can rent a room in my home to a friend or relative (if allowed in my housing agreement).	
 Look for job opportunities	<input type="checkbox"/> I can ask for a raise or additional hours at my current job.	
	<input type="checkbox"/> I can get a part-time job.	
	<input type="checkbox"/> I can look for opportunities for training or education to increase my wages at my current job or help me get a better job.	

CATEGORY	STRATEGY	IDEAS
 Sell household items	<input type="checkbox"/> I can hold a yard sale/garage sale.	
	<input type="checkbox"/> I can sell items I don't need or want online.	
	<input type="checkbox"/> I can sell produce from my garden.	
 Consider government options	<input type="checkbox"/> I can see if I'm eligible for public benefits (TANF, WIC, SNAP, Medicaid, public housing, Social Security Disability, SSI, or unemployment).	
	<input type="checkbox"/> I can learn if there are tax credits I can claim.	
	<input type="checkbox"/> I can change my tax withholding (if I generally receive a large tax refund).	
	<input type="checkbox"/> I can decide when to claim Social Security to maximize my benefits.	

Spending



“It’s not about what we earn, it’s all about how we spend what we’ve earned!”

— Stephen Magnus

Spending worksheets

- ▶ Choosing how to pay bills*
- ▶ Bill calendar tool*
- ▶ Spending tracker*
- ▶ Spending plan
- ▶ Cutting back on spending
- ▶ Cutting expenses checklist*
- ▶ Prioritizing your bills*

* Consumer Financial
Protection Bureau



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Choosing how to pay bills can help you save money and time

1. Evaluate the benefits and risks of each bill payment method.
2. Write down questions you have about options that you think could be right for you.

	✓ BENEFITS	! RISKS	? QUESTIONS I HAVE
Cash	<ul style="list-style-type: none">● Easy to use and understand● There are often no fees, unlike getting a money order or a prepaid card	<ul style="list-style-type: none">● Requires bills be paid in person● Difficult to prove payment unless you have a receipt● May be stolen	
Check	<ul style="list-style-type: none">● Convenient once checking account is set up● Can be mailed● Easy to prove payment if there's a dispute● Funds in the checking account are secure	<ul style="list-style-type: none">● Likely requires a checking account, which may not be possible if you have a negative banking history● If you don't have enough money in your account to cover your check, you may be charged nonsufficient fund or overdraft fees● Can get lost in the mail	

**BENEFITS****RISKS****QUESTIONS I HAVE**

Credit card	<ul style="list-style-type: none">● Can pay bills by phone or online● Can make one-time payments or set up recurring (automatic) payments, which reduce the chance of paying a bill late● Easy to prove payment if there's a dispute● Protected from paying for unauthorized charges	<ul style="list-style-type: none">● Creates debt—you are borrowing money when you use a credit card● Costs more if you can't pay the full balance and have to pay interest● Creates another bill to pay once the credit card bill is due	
Debit card	<ul style="list-style-type: none">● Convenient and saves time● Can make one-time payments or set up recurring (automatic) payments, which reduce the chance of paying a bill late● Easy to prove payment if there's a dispute	<ul style="list-style-type: none">● If there isn't enough money in the account when the automatic debit happens, you may have to pay additional fees● If you have an issue with the card and you have to replace it, you will have to remember to update the information with the billers that are being paid with automatic debit	

	✔ BENEFITS	! RISKS	? QUESTIONS I HAVE
Money order	<ul style="list-style-type: none"> ● Easy to understand ● Can be mailed ● Can be more secure than a check in some cases, as no personal banking information is on the money order 	<ul style="list-style-type: none"> ● May be inconvenient because you have to buy the money order ● Cost per money order ● May be hard to prove payment unless you have the money order receipt and receive the receipt for payment ● Hard to recover if lost 	



- Bills:

Month of: _____

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday



A **Spending tracker** can help you analyze and change your spending habits

1. Get an envelope to collect your receipts.
2. Use the table to track your spending in the categories below. Don't forget about bills you share with others.
3. At the end of the month, add up each category.

Spending for the month of: _____

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	CATEGORY TOTALS
 Cell phone						
 Debt payment						
 Eating out						
 Education + childcare						
 Entertainment + personal care						
 Groceries + other supplies						
 Health expenses						
 Helping others						
 Housing + utilities						
 Pets						
 Transport						
 Other						

Total spending this month:

Month:

	Estimated	Actual
Total Income		
Total Expenses (fixed, variable, debts)		
REMAINING (+ OR -)		

Cutting Back on Spending

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Cutting expenses can help you have money for what you need most

1. Review the strategies for cutting expenses and think about if they are realistic for you.
2. Check off the strategies that you can commit to or add your own at the bottom.

EXPENSE	STRATEGY
 Car expenses	<div>I will renew my license and registration on time to avoid late fees.</div> <div>I will get regular oil changes and keep my tires inflated to reduce car repair expenses.</div>
 Eating out	<div>I will bring lunch to work instead of buying it.</div> <div>I will avoid buying fountain drinks.</div> <div>I will find out if local restaurants have cost-saving specials like "kids eat free" nights and will check what's included.</div>
 Financial service fees	<div>I will research if my accounts charge maintenance fees, ATM or overdraft fees, or fees to cash checks.</div> <div>I will look into switching to lower-fee or no-fee accounts.</div> <div>I will switch to a different credit card with no, or a lower, annual fee.</div>
 Furniture and clothing	<div>I will buy clothing and furniture second-hand or wait for sales.</div>
 Groceries and supplies	<div>I will use coupons.</div> <div>I will join with other family or friends to buy groceries and supplies in bulk (if the cost per serving saves money).</div>

EXPENSE**STRATEGY****Home energy expenses**

I will find out if I'm eligible for energy assistance, weatherization programs, or discounted utility rates.

I will set my thermostat lower during the winter and higher during the summer.

I will unplug appliances when not using them.

**Insurance**

I will increase the deductible on my car insurance to lower my premium payment.

I will ask about a good student discount for the young driver in my family.

I will check rates at other companies and look for discounts for moving home and car insurance coverage to one company.

**Late fees**

I will pay bills on time to avoid penalties or late fees.

I will request a new due date for some of my bills to make them better align with my income.

**Memberships**

I will cancel my gym membership if I don't use it regularly.

I will cancel discount store memberships if I don't use them.

**Phone**

I will check to see if I qualify for a "Lifeline" phone rate. (visit [fcc.gov/guides/lifeline-and-link-affordable-telephone-service-income-eligible-consumers](https://www.fcc.gov/guides/lifeline-and-link-affordable-telephone-service-income-eligible-consumers)).

I will consider prepaid or fixed-rate plans.

**TV, Internet, streaming services**

I will check with my providers about lower-cost plans.



I will discontinue my cable or streaming services.



**Other:**



Prioritizing bills helps you manage issues when you can't pay them on time

1. Read through the items that apply to you and write down the monthly amount of each bill. It's OK to estimate if this amount changes from month to month.
2. If you can't pay all your bills at once, think about the order you pay them in. Weigh the risks of not paying each one, then number them in the order you want to pay them, based on priority.

		AMOUNT	PRIORITIZE YOUR BILLS	CONSIDER...
 THINGS I NEED FOR A JOB	Transportation to get to work (car payment, gas or bus fare)			If you miss a car payment, you may have to pay a late fee. You risk possible repossession of your car, a negative entry on your credit record, and lowered credit scores.
	Equipment or uniform			
	Childcare			
				If your car is repossessed, you might have trouble getting to work and risk losing your job.
 INSURANCE I NEED TO PAY	Car insurance			Not having insurance may mean you can't drive your car, and it puts your assets, including your health and your family's health, at risk.
	Health insurance			
	Renters or home insurance			

		AMOUNT	PRIORITIZE YOUR BILLS	CONSIDER...
 THINGS I NEED FOR HOUSING	Rent, mortgage, or property taxes			If you're late with rent, you may have to pay a late fee, risk possible eviction, and strain your relationship with your landlord.
	Gas, electric			
	Water, garbage, sewer			
				If you don't pay your utility bills, they may get cut off. Utility companies may charge fees to get reconnected.
 OBLIGATIONS I HAVE TO PAY	Credit cards			If you're late with your credit card payment, you may have to pay a late fee. You also risk a negative entry on your credit record, lowered credit scores, and higher interest rates.
	Loans (student, payday)			
	Child support			
	Court-ordered fines and fees			If you don't pay court-ordered obligations, like child support, you may face legal consequences.

Saving



*“Do not save what is left after spending,
but spend what is left after saving.”*

—Warren Buffett

Saving worksheets

- ▶ Finding a place for savings
- ▶ My saving rule to live by
- ▶ Planning for life events and large purchases
- ▶ Creating a Savings Plan
- ▶ Ideas for saving money
- ▶ Saving and asset limits











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Finding a place for savings helps ensure it's there when you need it

1. Evaluate the benefits and risks of each place to keep your savings.
2. Write down questions you have about options that you think could be right for you.

	✔ BENEFITS	! RISKS	? QUESTIONS I HAVE
 Account at bank or credit union (savings, checking, or share draft)	<ul style="list-style-type: none">● Money is protected if the institution is federally insured, up to \$250,000 per depositor● Money can't be lost, stolen, or destroyed in a fire or other disaster● You can generally get it back if someone steals it by using electronic means or a debit card	<ul style="list-style-type: none">● May be charged fees if you don't follow the rules for the account, such as having to keep a minimum balance or overdraft fees● May be difficult to open an account based on previous banking history	
 Family member or friend	<ul style="list-style-type: none">● No costs to maintain it	<ul style="list-style-type: none">● Can be lost, stolen, or destroyed in a fire or natural disaster● Might put your friend or family member at risk of a home invasion● May put your money at risk if your friend or family member betrays your trust	

	 BENEFITS	 RISKS	 QUESTIONS I HAVE
 Home	<ul style="list-style-type: none"> ● No costs to maintain it ● Easy to access ● Convenient 	<ul style="list-style-type: none"> ● Can be lost, stolen, or destroyed in a fire or natural disaster ● Might put you at risk of a home invasion 	
 Prepaid card	<ul style="list-style-type: none"> ● Easy to access ● Convenient ● No bank or credit union account needed 	<ul style="list-style-type: none"> ● May have fees for activation, loading funds, using the card, etc. ● May not have the same protections as a bank account if your card or account information is lost or stolen <p>Note: Check the card agreement to make sure you understand the fees and whether you have protection from loss or theft.</p>	
 U.S. savings bonds	<ul style="list-style-type: none"> ● The money can't be lost or destroyed in a fire or other disaster. If you have a paper bond, the funds can still be recovered 	<ul style="list-style-type: none"> ● You lose some of the interest if you cash the bond before it matures ● More difficult to access if you need the money right away 	

My savings rule to live by

Step 1: Set a savings goal that works for you

- œ Decide on a goal, like saving a specific amount for a rainy day fund, a special purchase, or a long-term goal.

Goal: _____ Amount: _____

- œ Plan where to save your money (bank account, retirement account, etc.). Set up direct deposit so the savings is automatically deposited into a savings account, if possible.

Account: _____

Step 2: Create a rule to live by to help you achieve your goal

- œ Decide how you can cut your expenses or increase your income to save, and how much you can save every week or month.
- œ Write down your savings rule to live by amount below, sign this worksheet, and keep it where you can see it.

I will save \$ _____ per _____ (week, month, etc.)

or

I will save _____ % of my income

Step 3: Make a promise to yourself—and take action on your rule

I will use my unique rule to live by to help me achieve my savings goal.

(sign here)



Consumer Financial
Protection Bureau

Learn more at consumerfinance.gov



Planning for life events and large purchases can help you save for them

1. Brainstorm a list of expenses and when they're likely to happen.
2. Estimate the costs of these expenses.
3. Identify potential ways to pay for the expenses.

Common life events and large purchases to help you brainstorm:



Buying a car



Birth or adoption



Marriage



Tools for work



Birthday or rite of passage



Buying a house



College or training

Future purchase or life event I want to plan for	Timeframe	Cost	Amount I want to save	Amount of credit I'll need



Creating a **Savings plan** can make it easier to save

1. Write down the goal you're saving toward.
2. Figure out the total amount you need to save to reach that goal.
3. Decide how many weeks you have to save.
4. Divide the total amount by the number of weeks. That is your savings target.
5. Think about ways you can cut expenses to match the total amount you need to save per week.

Create a savings target.

	EXAMPLE	YOUR INFORMATION
Savings goal	Save \$1,000 for an emergency fund within 10 months (about 40 weeks)	
Total amount needed	\$1,000	
Weeks to reach goal	÷ 40	÷
Weekly amount to save	= \$25	=

Brainstorm strategies for saving.

	EXAMPLE	YOUR INFORMATION
Strategies for saving and amount saved per week	Switch from premium cable to basic (\$40/month = \$10/week) + \$10 Cut down on eating out + \$15	
Total projected savings per week	= \$25	=

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Learn how **Saving and asset limits** can affect your benefits

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

PROGRAM TYPE	PROGRAM	YOUR STATE'S ASSET LIMIT
 Disability	Social Security Disability Insurance (SSDI) ssa.gov/agency/contact	No limit
	Supplemental Security Income (SSI) ssa.gov/agency/contact	\$
 Groceries and household expenses	Supplemental Nutrition Assistance Program (SNAP) fns.usda.gov/snap/state-information/hotline-numbers	\$
	Temporary Assistance for Needy Families (TANF) acf.hhs.gov/programs/ofa/help	\$
 Housing and home energy	Low Income Home Energy Assistance Program (LIHEAP) liheapch.acf.hhs.gov	\$
	Public housing portal.hud.gov/hudportal/HUD?src=/states	\$

PROGRAM TYPE	PROGRAM	YOUR STATE'S ASSET LIMIT
 Medical	Family Medicaid medicaid.gov/medicaid/by-state/ by-state.html	No limit
	Medicare Part D Extra Help (Low-Income Subsidy) shiptacenter.org	\$
	Medicare Savings Programs shiptacenter.org	\$
	State Child Health Insurance Program (SCHIP) medicaid.gov/medicaid/by-state/ by-state.html	\$

Borrowing



“Money talks - but credit has an echo.”

—Bob Thaves

Credit Report worksheets

- ▶ Pick a strategy for requesting your free credit reports
- ▶ Annual credit report request form
 - Formulario de solicitud para el informe crediticio annual



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Pick a strategy for **Requesting your free credit reports**

1. Pick when you'll request your credit reports using the strategy that works best for you.
2. Write down when you'll request them from each company, Experian, Equifax, and TransUnion. You can get a free report from each company once every week.
3. Create a reminder on your calendar or phone to help you follow through.

Strategies for requesting your credit reports

REQUEST ON THREE SEPARATE DATES		REQUEST ON A SINGLE DATE	
Check your reports on three different dates throughout the year. Staggering them can help you see if anything is changing throughout the year or if any fraud has occurred.		Choose a single date that's easy to remember, like a birthday or holiday, to request all three of your reports at once. This is good if you're buying something big soon, that requires new credit, so you can correct errors right away.	
I will request my reports on these three separate dates:		I will request a report from all three companies on this day:	
DATE	COMPANY	DATE	COMPANY
	Equifax		Equifax, Experian, TransUnion
	Experian		
	TransUnion		

How to request your free reports

The federal government authorizes only one source for your free credit reports. You can make a request online, by phone, or by mail.

Visit AnnualCreditReport.com

Call (877) 322-8228

Request by mail. Download and complete the form at annualcreditreport.com/manualRequestForm.action.

Mail the completed form to:
Annual Credit Report Request Service
P.O. Box 105281
Atlanta, GA 30348-5281



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A 3x3 grid of 9 images showing a sequence of transformations from a handwritten 'y' to a handwritten 'V'. The sequence includes intermediate forms like 'y @', 'y @ V', 'y @ V #', 'y @ V @', 'y @ V @ V', 'y @ V @ V @', 'y @ V @ V @ V', 'y @ V @ V @ V @', and 'y @ V @ V @ V @ V'.

A 10x10 grid of dots. A small circle containing the letter 'O' is located at the top left corner, above the first dot in the first column.

A 10x10 grid with a vertical line at the 5th column. The top-left cell (0,0) contains 'y'. The cell at (1,4) contains '1'. The cell at (4,6) contains '0'.

0 00V 0.4V

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Dealing with Credit Concerns



Dealing with debt worksheets

- ▶ Debt log
- ▶ Debt action plan
- ▶ When debt collectors call
- ▶ Comparing auto loans
- ▶ Repaying student loans



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Track your debts and how much you owe with this **Debt log**

1. List all the debts you have, including who you owe them to. Fill out the table to see your total monthly debt payment.
2. Repeat this exercise every few months to track if your debt is growing or shrinking.

Remember, a bill isn't always debt.

For instance, your phone bill isn't debt, but any past due amount for that bill is. If you're repaying a loan (like a credit card or mortgage), the entire amount is considered debt and should be included here.

Common debt types to help you brainstorm:



Auto
loan



Back child
support



Credit card
debt



Friends
and
family



Medical
debt



Mortgage
or past-
due rent



Past-due
fees and
fines



Payday
loan





Student
loan

Debt	Payment due this month	Payment is up to date?	Total amount left to pay	Interest rate (if any)	Payoff date or goal
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
	\$		\$	%	
Total monthly debt payment	\$				



Start reducing your debt by making a **Debt action plan**

1. Review the pros and cons of each strategy for paying down debt.
2. List your top three debts, sorted based on the strategy you chose—either by smallest total dollar amount or highest interest rate.

	<div>PAY SMALLEST DEBT FIRST</div> <div></div>	<div>PAY HIGHEST INTEREST RATE FIRST</div> <div></div>																
Description	After you've made all your minimum payments, increase your payment on the smallest debt. After it's paid off, add that extra amount to your minimum payment on the next smallest debt.	After you've made all your minimum payments, increase your payment on the debt that has the highest interest rate. After it's paid off, add that extra amount to your minimum payment on the next highest-rate debt.																
Pro	If you have many small debts, you might see progress quickly by reducing the number of debts you owe.	By paying off the debts that charge you the highest interest and fees first, you save money overall.																
Con	If the interest rate and fees are high on your larger debts and you pay the smaller ones first, you might pay more in total over the length of the debt.	You might not feel like you're making progress very quickly, especially if the first debt is large.																
	<div>I'll pay down the smallest debt first, in this order:</div> <table><thead><tr><th>DEBT</th><th>AMOUNT</th></tr></thead><tbody><tr><td>1.</td><td>\$</td></tr><tr><td>2.</td><td>\$</td></tr><tr><td>3.</td><td>\$</td></tr></tbody></table>	DEBT	AMOUNT	1.	\$	2.	\$	3.	\$	<div>I'll pay down the debt with the highest interest rate first, in this order:</div> <table><thead><tr><th>DEBT</th><th>INTEREST RATE</th></tr></thead><tbody><tr><td>1.</td><td>%</td></tr><tr><td>2.</td><td>%</td></tr><tr><td>3.</td><td>%</td></tr></tbody></table>	DEBT	INTEREST RATE	1.	%	2.	%	3.	%
DEBT	AMOUNT																	
1.	\$																	
2.	\$																	
3.	\$																	
DEBT	INTEREST RATE																	
1.	%																	
2.	%																	
3.	%																	



You can be prepared to ask questions When debt collectors call

1. If you're contacted by a debt collector, ask them these questions and write down their answers.
2. To request more information about the debt, fill out and send the first template to the debt collector. Don't forget to check the boxes next to the information you're requesting.
3. If the debt isn't yours, fill out and send the second template to dispute the debt.

Be cautious and keep records.

- You don't have to share private information (like bank accounts) no matter what debt collectors say.
- Write down all dates, times, and detailed notes of what's said for each call.
- Save everything debt collectors send and make copies of anything before you send it (don't send originals).

WHAT TO SAY TO A DEBT COLLECTOR	NOTES
What is your (the debt collector's) name and address?	
What is the original creditor's name and address?	
What is the account number?	
What is the amount owed?	
What date did the account become delinquent?	
What date did you (the debt collector) obtain the debt?	
What was the amount of debt when you (the debt collector) obtained it?	
On what date will the debt's statute of limitations (the time you can no longer be sued for the debt) expire?	
If you don't believe you owe the debt or you already paid it:	
Please provide documentation proving I'm required to pay.	
Please provide me with a copy of the last bill.	

Resolve issues with debt collectors

If the debt is not legitimate (if it's not yours or you already paid it), don't delay in disputing it.

Use the second letter template to send the debt collector a letter disputing the debt immediately. You may lose your ability to dispute the debt if you wait.

If the claim is legitimate, don't despair.

At least now you know what you're dealing with. You still have options, depending on your financial situation and what you want to do with the debt.

- Negotiate a payment plan that will give you more time to pay down your debt.
See consumerfinance.gov/askcfpb/1447 for more information.
- Pay the debt in full and move on.
- Try to settle with the debt collector on a total amount of what you're willing to pay that will fully resolve the account. You can do this yourself by contacting the collector.

If you're sued by a debt collector, be sure to respond to court documents.

If you don't respond to court documents, or if you don't show up for a court hearing, the court will usually issue a money judgment against you. You may want a lawyer to advise or represent you at the hearing. To find a lawyer in your state to discuss debt collection with, visit consumerfinance.gov/askcfpb/1433.

I am responding to your contact about a debt you are trying to collect. Please supply the information I have marked so that I can be fully informed.

I have asked for this information because I have some questions. I need to hear from you to make an informed decision about your claim that I owe this money. I am open to communicating with you for this purpose. In order to make sure that I am not put at any disadvantage, in the meantime please treat this debt as being in dispute and under discussion between us.

In addition to providing the information requested below, please let me know whether you are prepared to accept less than the balance you are claiming is owed. If so, please tell me in writing your offer with the amount you will accept to fully resolve the account.

Thank you for your cooperation. Sincerely,

Name

About the debt you're trying to collect

Today's date

Debt collector's name and address

Name and return address

Account number for the debt

You contacted me on this date

Any other information given to me

You contacted me by

Phone

Mail

Please supply the information I have marked so that I can be fully informed.

WHY YOU THINK I OWE THE DEBT AND TO WHOM I OWE IT, INCLUDING:

The name and address of the creditor to whom the debt is currently owed, the account number used by that creditor, and the amount owed.

If this debt started with a different creditor, provide the name and address of the original creditor, the account number used by that creditor, and the amount owed to that creditor at the time it was transferred. When you identify the original creditor, please provide any other name by which I might know them, if that is different from the official name. In addition, tell me when the current creditor obtained the debt and who the current creditor obtained it from.

Provide verification and documentation that there is a valid basis for claiming that I am required to pay the debt to the current creditor. For example, can you provide a copy of the written agreement that created my original requirement to pay?

If you are asking that I pay a debt that somebody else is or was required to pay, identify that person. Provide verification and documentation about why this is a debt that I am required to pay.

THE AMOUNT AND AGE OF THE DEBT, INCLUDING:

A copy of the last billing statement sent to me by the original creditor.

State the amount of the debt when you obtained it, and when that was.

If there have been any additional interest, fees or charges added since the last billing statement from the original creditor, provide an itemization showing the dates and amount of each added amount. In addition, explain how the added interest, fees or other charges are expressly authorized by the agreement creating the debt or are permitted by law.

If there have been any payments or other reductions since the last billing statement from the original creditor, provide an itemization showing the dates and amount of each of them.

If there have been any other changes or adjustments since the last billing statement from the original creditor, please provide full verification and documentation of the amount you are trying to collect. Explain how that amount was calculated. In addition, explain how the other changes or adjustments are expressly authorized by the agreement creating the debt or permitted by law.

Tell me when the creditor claims this debt became due and when it became delinquent.

Identify the date of the last payment made on this account.

Have you made a determination that this debt is within the statute of limitations applicable to it? Tell me when you think the statute of limitations expires for this debt, and how you determined that.

DETAILS ABOUT YOUR AUTHORITY TO COLLECT THIS DEBT.

I would like more information about your firm before I discuss the debt with you. Does your firm have a debt collection license from my state? If not, say why not. If so, provide the date of the license, the name on the license, the license number, and the name, address and telephone number of the state agency issuing the license.

If you are contacting me from a place outside my state, does your firm have a debt collection license from that place? If so, provide the date of the license, the name on the license, the license number, and the name, address and telephone number of the state agency issuing the license.

I am responding to your contact about collecting a debt. I do not have any responsibility for the debt you're trying to collect.

If you have good reason to believe that I am responsible for this debt, mail me the documents that make you believe that. Stop all other communication with me and with this address, and record that I dispute having any obligation for this debt. If you stop your collection of this debt, and forward or return it to another company, please indicate to them that it is disputed. If you report it to a credit bureau (or have already done so), also report that the debt is disputed.

Thank you for your cooperation. Sincerely,

Name

About the debt you're trying to collect

Today's date

Debt collector's name and address

Name and return address

Account number for the debt

You contacted me on this date

Any other information given to me

You contacted me by

Phone

Mail



Comparing auto loans helps you get the best deal

1. Bring this with you when you shop for an auto loan.
2. Fill in each row to help find the best deal.

⬆️ = things you can negotiate

Figure out your upfront costs

	EXAMPLE	CHOICE 1	CHOICE 2
A. Price of the car ⬆️	\$20,000		
B. Additional features, services, or add-ons ⬆️ Optional items like extended warranties, upgraded packages, or service plans	+ \$300	+	+
C. Taxes, title, and non-negotiable fees State and local taxes, title fees	+ \$1,400	+	+
D. Negotiable fees ⬆️ Delivery charges, origination fees, document fees, and preparation fees	+ \$100	+	+
E. Cost of the car before interest (add rows A, B, C, and D)	= \$21,800	=	=

Calculate how much you need to borrow

F. Down payment ⬆️ A larger down payment will lower the total cost of your loan	- \$3,000	-	-
G. Trade-in value ⬆️ (if you already have a car) A higher trade-in value will lower the total cost of your loan	- \$100	-	-
H. Total amount to finance (row E minus rows F and G)	= \$18,700	=	=

Determine how much money you'll pay over the life of the loan

Before deciding on the length of the loan and payment options, calculate the total amount you'll make in loan payments. You might write down several possible loan option scenarios for the same car to see what works best for you.

I. Interest rate ⬆️ Negotiating a lower interest rate will lower your total cost	3.5%	%	%	%	%
J. Length of loan ⬆️ A longer loan term will increase the total cost	48 months (4 years)	___ months (___ years)	___ months (___ years)	___ months (___ years)	___ months (___ years)
K. Monthly payment Use a loan calculator or ask your lender or dealer	× \$418.00	×	×	×	×
L. Total amount paid on the loan (multiply months in row J by amount in row K)	= \$20,067	=	=	=	=

Find the total cost of your purchase

Choose your two best offers from row L and compare your total cost.

M. Add in down payment and trade-in value (add rows F and G)	+ \$3,100	+	+
N. Total cost of your purchase (add rows L and M) Total cost of the car, including all of the interest over the life of the loan	= \$23,167	=	=
O. Total cost of car before interest (copy row E from the prior page)	- \$21,800	-	-
P. Total interest paid over life of the loan (subtract row O from N)	= \$1,367	=	=



You may have options for **Repaying student loans** if you're struggling

1. Check the box that best describes where you are with your monthly student loan payments.
2. Review what options you may be eligible for based on what you checked and the type of student loan you have.
3. Learn more about your repayment plan options on the next pages.

With my student loan payment...	If you have a federal student loan...	If you have a private student loan...
<p>I'm struggling to keep up.</p> <p>I've missed three or more payments.</p> <p>I've temporarily postponed my payments and am in deferment or forbearance.</p>	<p>Consider changing your repayment plan to decrease your monthly payments. There's never a fee to change your plan.</p> <p>With income-driven repayment plans, your monthly payments are based on your family size and household income. You don't need to have a job or income to qualify, and payment can be as low as \$0.</p>	<p>Contact your student loan servicer to find out if you're eligible for an alternative payment program that lowers your monthly payments for a limited time. (Your servicer is the company that sends your student loan bill each month, and their contact information is on the bill.)</p>
<p>I've missed my payments for over 270 days and have been contacted by a debt collector.</p>	<p>Get your loan back on track by contacting your debt collector and asking for a loan rehabilitation plan. They can set up affordable payments based on your family size and household income.</p>	<p>If your loan is in default, work with your debt collector to create a repayment plan that you can afford.</p>
<p>I don't know my loan repayment status.</p>	<p>Reach out to your student loan servicer (the company that sends your bill each month) and ask them about your repayment status. Then use this tool to review your options.</p>	

Protecting



"As a young child my mother told me I could be anyone I wanted to be. Turns out this is identity theft"

--Anonymous

Protecting worksheets

- Submit a complaint



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Submit a complaint

Having an issue with a financial product or service? If so, you can submit a complaint to the Bureau and we'll work to get you a response from the company.

The Bureau has handled over 1 million complaints, helping consumers connect with financial companies to get direct responses about problems with mortgages, student loans, debt collection, credit reports, and other financial products and services.

Every complaint we receive gives us insights into problems that people are experiencing in the marketplace and helps us to identify and prioritize problems for potential action.

THE COMPLAINT PROCESS

After you submit a complaint, it goes through several steps.

1. Complaint submitted

You submit a complaint about an issue you have with a company about a consumer financial product or service. You'll receive email updates and can log in at cfpb.gov/complaint to track the status of your complaint.

2. Review and route

We'll forward your complaint and any documents you provide to the company and work to get a response from them. If we find that another government agency would be better able to assist, we'll forward your complaint to them and let you know.

3. Company response

The company reviews your complaint, communicates with you as needed, and reports back about the steps taken or that will be taken on the issue you identify in your complaint.

4. Complaint published

We publish information about your complaint—such as the subject and date of the complaint—on our public Consumer Complaint Database (consumerfinance.gov/data-research/consumer-complaints). If you consent, we also publish your description of what happened, after taking steps to remove personal information.

5. Consumer review

We'll let you know when the company responds. You'll be able to review the company's response and will have 60 days to give us feedback about the complaint process.

HOW TO SUBMIT A COMPLAINT



Online

consumerfinance.gov/complaint



By phone (180+ languages)

M-F, 8 a.m. - 8 p.m. ET

(855) 411-2372

(855) 729-2372 TTY/TDD



By mail

Bureau of Consumer Financial Protection

P.O. Box 2900

Clinton, IA 52733-2900



By fax

(855) 237-2392

Financial Problem-solving Guide



► Financial Management Scenarios



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Financial Management Scenarios

Read the following scenarios and discuss the questions at the end of this handout. Refer to the factsheets and worksheets provided in the handouts. Consider how you would start the financial conversation.

Lisa:

Lisa is a single mom of two children: a daughter age 5 and a son age 3. They live in a single family home for which she pays \$850 a month for mortgage and property taxes combined. Her ex-husband lives in Illinois with his new girlfriend and does not make consistent child support payments, so Lisa “never counts on that money.” She makes \$14.80 per hour and works 40 hours a week as a purchasing assistant, bringing home around \$2,200 a month. Her other bills and expenses include:

- \$100 per week on groceries
- \$30 a week on gasoline
- \$120 average for gas & electric bill each month
- \$95 per month on phone and satellite TV
- \$50 average per month for clothes and “miscellaneous” expenses
- Child care \$186 per week during the school year because her daughter is in 5-year old kindergarten (\$128 for her son and \$58 for her daughter)

The children are covered under their father’s health insurance plan, and Lisa has a high-deductible health insurance for herself through her employer. Her ex has been paying the children’s copays and deductibles. He also pays the car loan which is in his name each month and says “that’s his child support.” Since her divorce about a year ago, Lisa has been using credit cards for things she can’t afford to pay by check or cash, like getting her car fixed, groceries, clothes, going out to eat, and getting her hair done. Over the last year, she’s used her three credit cards a lot. They have a combined balance over \$9000 on them with minimum monthly payments totally \$165 per month. She has been paying everything on time, but the credit card debt is growing. Everything has finally caught up with her, and she realizes that she has to stop using credit. She doesn’t know what to do to get back on her feet.

Daniel:

Daniel is a 57 year old man who lives alone in a one-bedroom studio apartment which costs him \$565 per month in rent, heat included. He has some undiagnosed psychological problems, but has been able to keep his job at a large retailer for almost one year. He makes \$8.55 per hour and works 34 hours a week, taking home around \$1,050/month. He says he can’t afford their high deductibles and co-pays for medical benefits, so he doesn’t seek regular care. His other bills and expenses include:

- \$45 per month on his electric bill
- \$75 per week on groceries
- \$95 a month on phone/cable
- \$40 per week on gasoline

You ask if he spends money on things like cigarettes, alcohol or other miscellaneous items. He says that he doesn’t spend money on that stuff, but you smell the cigarettes as you sit across from him. He needs to pay for \$400 car repair, and doesn’t have the money. He does not have any credit or credit cards but is curious about payday loans. Daniel seems like he wants to tell you something and finally shares that he is behind on rent. He paid late the month before, and he hasn’t paid this month’s rent yet, and it’s now 16 days after the rent was due. His landlord has posted a notice. He got a tax return which helped cover several expenses, but the money is gone, and he doesn’t have enough money to pay all his bills right now. He also has a toothache and needs to see a dentist as soon as possible.

Charlotte:

Charlotte is 44 years old and lives with her husband Robert, her youngest daughter who is 17 and two grandchildren (Charlotte has custody of both), a grandson age 2 and a granddaughter age 5. Charlotte has an associate's degree from community college and used to work part-time but stopped several years ago due to a medical disability. She receives disability benefits of \$820 per month. Robert was employed full time, but lost his job a few months ago. He is getting unemployment benefits of \$1452 per month, but will only receive payments for another few weeks. The family is also receiving several public benefits: Food Share (SNAP) of \$230 per month, the granddaughter receives free meals at school, and all the children have BadgerCare+ health care. Charlotte also has a child support order for her daughter, but the payments are irregular and the most recent monthly payment was only \$25. The family has a checking account with \$40 and a savings account with \$5. When they filed their taxes this year using a commercial tax preparation service, Charlotte thinks they did get an EITC credit. The family's current bills include:

- \$850 for rent
- Utilities are around \$120 (although energy is past due owing \$300)
- \$95 for cellphones
- \$60 for cable
- \$185 car payment
- Around \$150 a month in groceries beyond what SNAP benefits cover

There is also a medical bill (in collections) and a judgment for an unpaid medical bill. The family does not currently follow a written spending plan. Charlotte says that her credit rating is poor due to several medical bills that are in collections for which she gets frequent calls from collection agents. There is a judgment on at least one of the bills. She is worried about being able to afford their basic needs and pay bills on time when the unemployment money stops coming. She is worried about losing their housing in the next few months and reports feeling overwhelmed about money issues.

Michelle:

This young woman just moved into her own apartment after she graduated from high school. She works for a retail store and brings home about \$285 per week. Michelle will be getting a raise in the next few weeks that will bump her up to \$310 per week. She also has been talking with a friend who may be interested in sharing an apartment with her. Until then, Michelle is responsible for all the bills. Michelle is debating if she should find another job. See below a list of all the things she needs to include in her budget:

- Rent – \$650 per month
- Cellphone – \$80 per month
- Electric – \$100 per month
- Water – \$50 per month
- Food (Grocery Store) – \$180 per month
- Food (Out to Eat) – \$40 per month
- Health Insurance – \$25 per month
- Renter's Insurance – \$100 per 6 months
- Car Insurance – \$80 per month
- Gas – \$40 per month
- Savings – \$100 (she would like to save)
- Emergency Fund – \$50 (she would like to save)

Discussion Questions:

1. What major financial issues is the household struggling with?
2. The household has some information regarding their monthly expenses and some information is missing.
 - a. Brainstorm on ways to approach your client and opening lines you can use to get a better understanding of the household's total monthly budget.
 - b. Pick one approach to share back with the large group.
3. Select 2 resources or worksheets from your handouts to help address the household's financial challenges. Which 2 handouts did you choose and why?
4. What resources is the household already using to help stretch their budget?
5. If this family lived in your community, what additional resources might the household explore for eligibility?

Sample Monthly Spending Plan

Basic Living Expenses

Monthly Expense	\$ Amount
Rent/Mortgage	
Electricity	
Heating Oil or Gas	
Water/Sewer	
Cable/Satellite	
Internet	
Cell Phone/Landline	
Gas for Car	
Car insurance payment	
Eating Out	
Groceries	
"Stuff" for household & personal care	
Clothing and Laundry	
Doctor co-pays/Prescriptions	
Entertainment – movies, hobbies, habits	
Pets	
Gifts/donations	
Health/Life insurance	
Money put into savings	
MONTHLY EXPENSES \$	
(total from above)	
+ MONTHLY DEBT PAYMENTS \$	
(total from debt chart)	
= ADD UP TOTAL MONTHLY SPENDING \$	

Debts (bills that charge interest)

Name of Creditor	Monthly Payment Requested	Total Amount Owed Yet
Car Payment 1	\$	\$
Car Payment 2		
Medical Bill		
Past Due Utilities		
Credit Cards		
TOTAL DEBTS	\$	\$

TAKE HOME INCOME/PAYCHECKS

(after taxes/benefits are taken out)

Income (1) \$ _____

Income (2) \$ _____

Income (3) \$ _____

Income (4) \$ _____

**TOTAL MONTHLY
NET (TAKE HOME)**

INCOME \$ _____

**Minus Total
Monthly Spending -** _____

Difference +/- _____