



“Tools for Success” WEBINAR SERIES FOR ASSETS FOR INDEPENDENCE GRANTEEES

Building IDA Participant’s Financial Savvy

February 20, 2014



Connecting to Audio

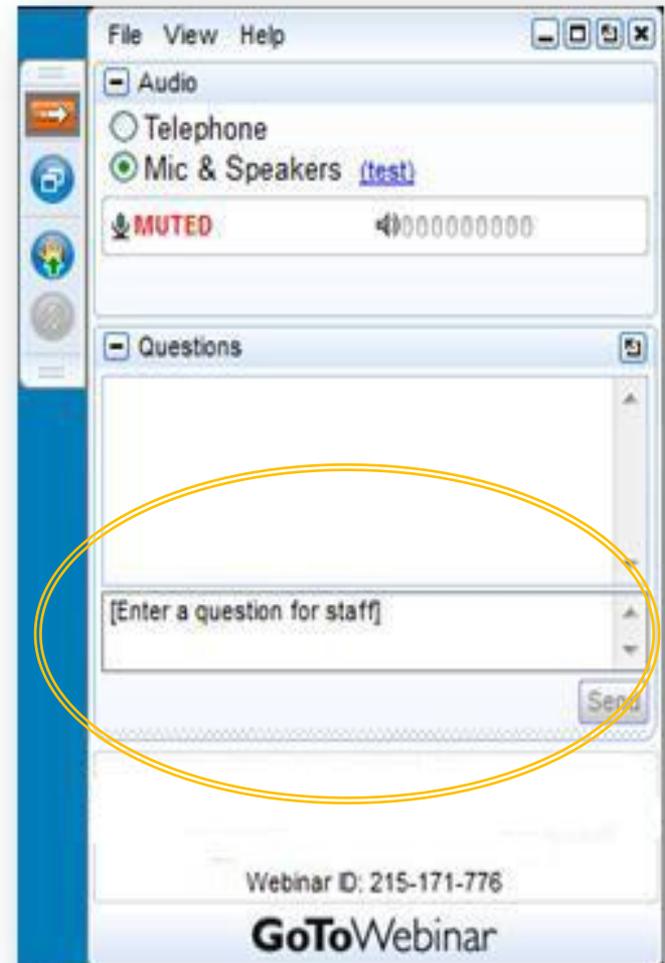
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- The webinar will last for 1 hour.
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- All webinar attendees are muted to ensure sound quality.
- Use the question box in your webinar Control Panel to ask questions at any time.



Your Presenter

- **Denise DeVaan**

AFI Resource Center

T & TA Provider of AFI grantees



Over fifteen years experience in asset-building field teaching financial education classes, developing successful IDA projects, and linking projects to asset building resources.

Guest Speakers

- **Scott Bennett**

UIDAN State Director for AAA Fair Credit Foundation. AFI Grantee



- **Shawna Thompson**

Financial Wellness Manager, Emerge Community Development, Minneapolis. AFI Grantee (FAIM Sub-Grantee)



Your Moderator

- **Dominique Derbigny**

AFI Resource Center



The AFI Resource Center provides training and technical assistance to AFI grantees, their project partners, and other organizations that are providing asset building services across the nation.

Today's Objectives

- Connect the importance of financial education to AFI IDA program goals.
- Show available resources to enhance and expand your financial education services to participants
- Engage current practitioners in showing how to address budget, cash, credit, debt, savings, consumer protection topics and pulling credit reports. Practitioners will emphasis lessons learned!

What is Financial Education?

- Financial education increases financial literacy knowledge about key topics: budgeting, savings, credit, debt, banking, consumer protection. This education is provided in groups, one on one coaching and online.
- Different than financial coaching or financial counseling.

What does AFI require?

- Assist participants to acquire the knowledge and skills necessary to achieve economic self-sufficiency (*AFI Act Sec. 407(c)*)
- Typically, AFI grantees provide both general financial education and asset-specific education to meet this requirement

Why is Financial Education Important?

- Quality financial education leads to successful IDA purchase and program completion - budget, cash, savings, credit
- Prepares participants for success post asset purchase
- Equips people to achieve financial stability - paying monthly bills on time, manageable debt, savings



AFI Resource Center

IDAresources.acf.hhs.gov

- Extensive toolkits and guides
- Live and pre-recorded webinars
- Interactive eLearning modules
- Links to official AFI reports and guidance
- Live one-on-one assistance through the Help Desk

Financial Education

Deliver effective financial training





U.S. Department of Health & Human Services Administration for Children & Families

AFI Assets for Independence Resource Center **IDAresources.org**

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About AFI Resource Center

About AFI

Success Stories

Locate a Project Near You

Apply for an AFI Grant

e-Newsletter

About AFI

Assets for Independence (AFI) enables community-based nonprofits and government agencies to implement and demonstrate an assets-based approach for giving low-income families a hand up out of poverty. AFI projects help participants save earned income in matched savings accounts called Individual Development Accounts (IDAs).

> Announcements

[Notification of Intended Changes to HHS' Grants Policy Statement](#) ▶

This memorandum is designed to notify grantees of planned changes to the Grants Policy Statement. [Read more.](#)

[Revised 2013 Application Due Dates and Modified Funding Opportunity Announcement](#) ▶

The due dates for the Fiscal Year 2013 AFI applications have been revised to **March 25, 2013** & **May 24, 2013**. [Read more.](#)

[Spring 2013 Applicant Webinar Series](#) ▶

The AFI Resource Center will host a series of webinars for new and returning applicants about planning, applying, and developing resources for an AFI project. [View the webinar descriptions and schedule.](#)

[AFI Awards Nearly \\$7 Million for IDA Projects in September 2012](#) ▶

The Office of Community Services (OCS) awarded 28 AFI grants in September 2012 totaling nearly \$7 million to community-based organizations and government agencies. [View Grants Awarded.](#)

[Upcoming AFI Grant Application Due Dates](#) ▶

> Topics & Tools

General Information

Managing Your AFI Grant

Guidance and forms for grantees



ASSET Initiative

A Partnership to Encourage Asset Development



Financial Education

Deliver effective financial training



Data Management

Learn to manage data to increase your project's efficiency and simplify the data reporting process.



Populations

Financial Stability for Families with Young Children

Connecting early learning communities to asset building



Building Assets for Fathers and Families

Helping families in the child support system



Financial Literacy

Tools for leveraging

EITC and Tax Assistance

People With Disabilities

ADMINISTRATION FOR
CHILDREN & FAMILIES

Focus Today

**The Budget &
Balance Sheet**



**Cash, Credit, Debt,
Savings**



**Consumer Protection
Issues, Resources**

Introducing Scott Bennett & Shawna Thompson

- **Scott Bennett**

UIDAN State Director for AAA
Fair Credit Foundation, AFI
Grantee



- **Shawna Thompson**

Financial Wellness Manager,
Emerge Community Development,
sub-grantee of FAIM- AFI Grant



Lessons: Screening, Assessment, Enrollment

1. How do you screen for AFI IDA Savers to make sure you enroll those who are ready to save?
2. Describe the different backgrounds of Savers you work with? How do differences affect the way Savers manage money?

Financial Education Classes

1. How many classes are required?
2. How big are the classes? Do non-AFI IDA Savers participate in the classes?
3. What is the order of topics you cover?
4. Describe interactive approaches each of you use during your financial education classes. Examples: video, games, exercises
5. Do you offer online calculators to supplement the classes? Example: debt reduction

Lessons: Teaching Budgeting

Scott Bennett, UT

Shawna Thompson, MN

- When you teach about budgeting, where do you begin?
- Describe how you help Savers find savings in the spending plan.
- Do you connect the EITC and state credits to saving, spending, debt issues?



Fair Credit: Budget Spreadsheet – Cash Flow Reserve tab (1 of 2)

		800-351-4195 www.FairCredit.org	Name: Date: # of Adults in Household: # of Dependent Children:
Expanding Financial Capability			
		Monthly Budget	Notes
Gross monthly income/salary (before taxes, etc) from all working parties:			
NET MONTHLY INCOME: Step 1			
Net income/salary (after taxes, deductions) from all working parties:			
Interest Dividends, Investments, Income from properties owned:			
Social Security, Military, or other Government Benefits:			
Other Income (Child Support, Help from Family/Friend):			
TOTAL:		\$-	
MONTHLY EXPENSES: Step 2			
Housing:	Rent		
	Mortgages		
	Property Taxes (if not included in mortgage) and HOA		
	Home/Renters Insurance (if separate from payment)		
Utilities:	Electricity		
	Gas/Heat		
	Water/Sewage/Trash		
	Phone Expenses (Home and Cell)		
	Cable/Satellite		
	Internet		
	Alarm System		
Transportation:	Car loan / lease payment		
	Other vehicle (RV, bike, etc.)		
Insurance:	Auto Insurance		
	Health (DONT include if already taken from paycheck)		
	Life (DONT include if already taken from paycheck)		
Debt Payments:	Credit Cards & Lines of Credit (monthly payment)		
	Monthly Loan Payments: personal, student, payday		
	Monthly Payments on Collection & medical accounts		
	ENTER NAME OF OTHER DEBT PAYMENT HERE		
SUBTOTAL:		\$-	



Fair Credit: Budget Spreadsheet – Cash Flow Reserve tab (1 of 2)

	A	B	C	D	E	F	G	H
42								
43			ADDITIONAL EXPENSES (VARIABLE): Step 3					
44	Housing:		<i>Repairs, Improvements, Maintenance</i>					
45			<i>Upgrades, Home Décor, Landscaping</i>					
46	Food:		Groceries					
47			Eating Out (see examples)					
48			Beverages (soda, coffee, alcohol)					
49	Transportation:		Gas, public transportation					
50			<i>Repairs, registration, maintenance</i>					
51	Personal Services:		Hair cuts, nails, makeup, laundry mat, toiletries					
52			Club/Union dues, memberships, subscriptions					
53	Children:		<i>School, sports, music, clubs, etc.</i>					
54			Child Support/Day care					
55			Other expenses (formula, diapers, etc.)					
56	Medical:		Pharmacy					
57			<i>Medical/Dental</i>					
58	Entertainment:		Recreational Activities (see examples)					
59	Savings:		IDA SAVINGS DEPOSIT					
60			Vacation Savings					
61			Additional Savings (not already taken from paycheck)					
62			Investments/stocks (not already taken from paycheck)					
63	Other:		<i>Gifts</i>					
64			<i>Clothing</i>					
65			Office / Work / School Supplies					
66			Tobacco					
67			Pets					
68			Charitable/Church Donations					
69			ENTER NAME OF OTHER EXPENSE HERE					
70			ENTER NAME OF OTHER EXPENSE HERE					
71			ENTER NAME OF OTHER EXPENSE HERE					
72	SUBTOTAL:			\$-				
73								
74								
75	Total Net Income:							
76	Total Expenses:							
77	Amount left:			\$				
78								
79	Total Debt payment:		Mortgage(rent), car, credit cards, personal/student loans					
80	Debt to Income:		Percentage of Income Necessary for Debt Payments:					
81								
82			***Italic font indicates expenses that may not occur monthly. List the amount you should save monthly to cover the annual expense.					
83								
84								



Fair Credit: Budget Spreadsheet – List of Debts tab (1 of 1)

1							
2					Name:		
3					Date:		
4							
5							
6							
7	Debt Type	Creditor Name	Account Number	Balance Owed	Minimum Payment	Interest Rate	Primary Account Holder
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
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24							
25							
26							
27							
28							
29							
30							
31	NOTE : DOUBLE CHECK YOUR ACCOUNT NUMBERS IF YOU USE THIS SPREADSHEET ELECTRONICALLY.						
32	Excel can round large numbers (like account numbers) to end in Zero. Please ensure they appear correctly in this spreadsheet.						
33							
34	Examples of Debt Type: Mortgage, Car Payment, Credit Card, Store Card, Collections, Medical Bill, Etc.						



Fair Credit: Budget Spreadsheet – AAA FCF % Guidelines tab (1 of 1)

	AAA FCF Recommended %	Maximum To Spend by Category	Actual Spending By Category	Actual % of Net Income
Monthly Net Income				
Mortgage/Rent	30%		\$0.00	
Tax, Insurance, Repairs, HOA			\$0.00	
Housing Total:		#VALUE!	\$0.00	
Vehicle lease/payments	15%		\$0.00	
Insurance			\$0.00	
Gas, maintenance, repairs			\$0.00	
Transportation Total:		#VALUE!	\$0.00	
Cards and LOCs	5%		\$0.00	
Loans			\$0.00	
Collections and medical			\$0.00	
Other			\$0.00	
Debt Total:		#VALUE!	\$0.00	
Groceries	16%		\$0.00	
Eating Out / Beverages			\$0.00	
Food Total:		#VALUE!	\$0.00	
Utilities	24%		\$0.00	
Additional Insurance			\$0.00	
Personal/Recreation/Vacation			\$0.00	
Children Expenses			\$0.00	
Other Expenses			\$0.00	
Other Total:		#VALUE!	\$0.00	
Savings and Investments	Min 10%		\$0.00	
Total Savings:		#VALUE!	\$0.00	
Expense Total:	100%		\$0.00	
NOTE: This worksheet is only valid after all data has been entered on the "Cash Flow Review" tab				



Emerge Budget Worksheet (1 of 2)

FFT COMBINED FINANCIAL ASSESSMENT (CFA)		BUDGET
Participant Name: _____		Date completed/updated: _____
<p>We are about to create a budget. Do you want it to reflect just your own finances, or the finances of your whole household? (Note to participants: please make sure all of your answers stay consistent with your response to this question.)</p>		
Budget reflects participant only		Budget reflects whole household
MONTHLY INCOME		
Wages (after tax)	_____	Worker's Compensation
Income from self-employment or business ownership	_____	Veteran's Compensation
SSI/SSDI	_____	Rental income
Food Stamps/WIC	_____	Income from other household members
Other Public Benefits	_____	Interest/Investment Income
Alimony/Child Support	_____	Other Income
Unemployment	_____	Total Monthly Income
MONTHLY EXPENSES		
Rent, Taxes & Home Maintenance		Health-Related
Rent	_____	If not deducted from paycheck, Health Insurance
Renter's Insurance	_____	If not deducted from paycheck, Dental Insurance
Mortgage 1 - Primary Residence	_____	Life Insurance (pro-rate if not paid monthly)
Mortgage 2, 3, etc. - Primary Residence (combined)	_____	Monthly Medical & Prescription Bills
HELOC(s) - Primary Residence	_____	Other
Real Estate - other than Primary Residence	_____	Credit Card/Loan Payments
Property tax	_____	Revolving Credit Cards
Homeowner's Insurance	_____	Student Loans
Home Maintenance	_____	Consumer Loans - Active
Other	_____	Informal Loans - family, friends, etc
Utilities		Business Loans
Gas/Heating	_____	Food
Electric	_____	Groceries
Water	_____	Other Food (dining out, school lunch, etc.)
Trash	_____	Personal Expenses
Sewer	_____	Cable/Internet
Phone (landline)	_____	Laundry/Dry Cleaning
Cell phone	_____	Tobacco & Alcohol
Other (note: cable and internet go in Personal Expense)	_____	Clothing & Accessories



Emerg Budget Worksheet (2 of 2)

Transportation		Hair Products/Toiletries	_____
Vehicle 1 Payment	_____	Beauty Salon/Barber Shop	_____
Vehicle 2 Payment	_____	Recreation (movies, CD's, vacation, etc.)	_____
Vehicle 3 Payment	_____	Other	_____
Gas	_____	Miscellaneous Expenses	
Car Insurance	_____	Charitable Giving	_____
Car Maintenance	_____	Gifts to Others	_____
Public Transportation	_____	Newspapers/Magazines	_____
Other	_____	Pet Care	_____
Child/Dependent Related		Allowances for Children/Dependents	_____
Childcare/Daycare	_____	Membership Dues (health club, licenses, etc.)	_____
Child Support (paid)	_____	Education (not student loan repayment)	_____
Education (for children/dependents) - tuition, books, etc.	_____	Financial Fees	_____
Other	_____	Other	_____
		Total Monthly Expenses	_____
MONTHLY NET INCOME			
		Total Monthly Net Income	_____
		Monthly Savings Target	_____

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Emerge Balance Worksheet (1 of 2)

Participant Name: _____ Date completed/updated: _____

We are about to create a balance sheet. Do you want it to reflect just your own finances, or the finances of your whole household? *(Note to participants: please make sure all of your answers stay consistent with your response to this question.)* (Note)

Balance Sheet reflects participant only Balance Sheet reflects whole household

ASSETS

- Checking Account(s) (total balance) _____
- Savings Account(s) (total balance) _____
- Cash - not in any type of account (total balance) _____
- Vehicle 1 (market value) _____
- Vehicle 2 (market value) _____
- Vehicle 3, 4, 5 etc. (combined market value) _____
- Primary Residence (market value) _____
- Real Estate - other than Primary Residence (market value) _____
- Other Investments/Assets - Stocks/Bonds/Mutual Funds/IRA/Retirement Accounts, etc. (total value) _____
- College Savings Account (529 or other) (total value) _____
- Business (estimated market value) _____
- TOTAL ASSETS** _____

LIABILITIES

- Housing**
- Mortgage(s) - Primary Residence (combined loan balance) _____
 - Home Equity Lines of Credit - Primary Residence (portion used) _____
 - Real Estate - other than Primary Residence (combined loan balance) _____
- Total Housing** _____
- Transportation**
- Vehicle 1 (loan balance) _____
 - Vehicle 2 (loan balance) _____
 - Vehicle 3, Vehicle 4, etc.(combined loan balance) _____



Emerg Balance Worksheet (2 of 2)

Credit Cards / Other Loan Balances	
Credit Card(s) (combined account balances)	_____
Student Loans(s) (total balance)	_____
Consumer Loans(s) (total balance)	_____
Business Loan(s) (total balance)	_____
Informal Loan(s) - money owed to family, friends, etc. (total balance)	_____
Total Credit Cards/Other Loan Balances	_____
Unpaid Bills (not in collections)	
Unpaid Utilities (total balance)	_____
Unpaid Rent (total balance)	_____
Unpaid Medical Bills (total balance)	_____
Money owed to banks and/or credit unions, i.e. bank overdrafts, bounced checks (total balance)	_____
Other (total balance)	_____
Total Unpaid Bills (not in collections)	_____
Collections/Judgments	
Medical Collections only (total balance)	_____
All Other Collections (total balance)	_____
Child Support in Arrears (total balance)	_____
Back Taxes Owed (total balance)	_____
Other Public Records (not including Child Support Arrears and Back Taxes)	_____
Total Collections/Judgments	_____
TOTAL LIABILITIES	_____
NET WORTH	
Total Assets	_____
Total Liabilities	_____
TOTAL NET WORTH	_____

Lessons: Managing Credit Reports

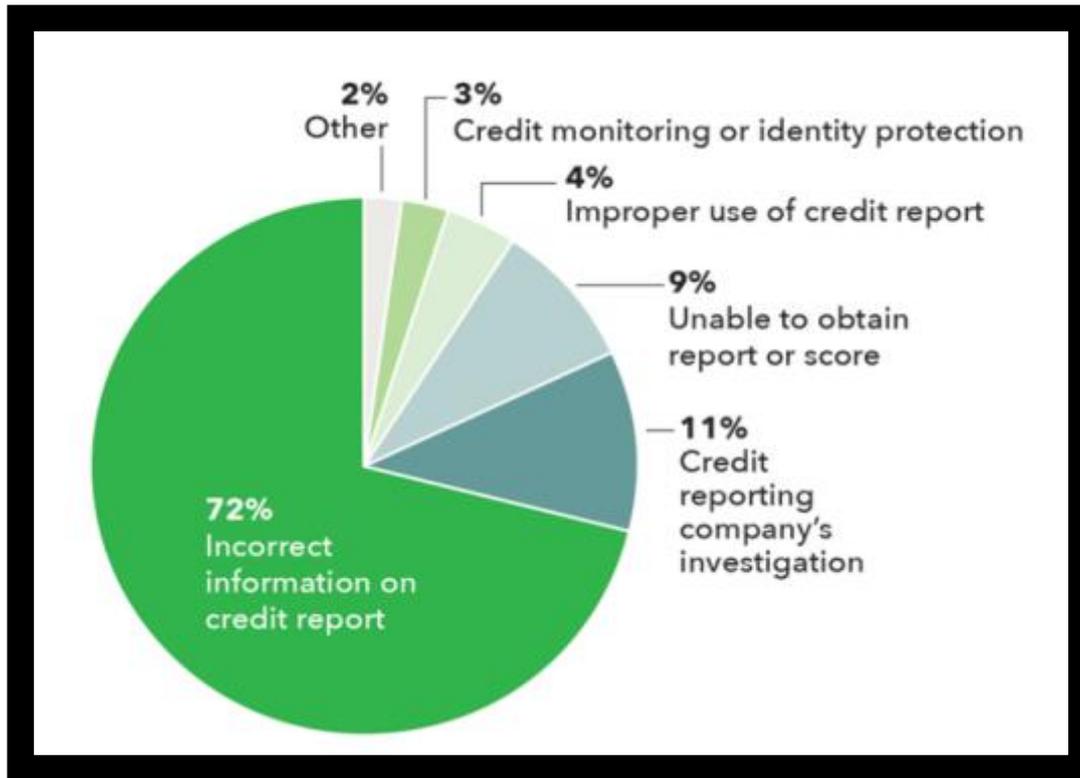
Scott Bennett, UT

Shawna Thompson, MN

1. How do you manage pulling credit reports with Savers in your financial education classes?
2. Once the credit report is pulled, how do work with Savers to correct the credit report?

CFPB website – ‘submit a complaint’

As of July 2013, the CFPB has handled approximately 14,200 credit report complaints.



Source: *Consumer Response: A Snapshot of Complaints Received*

http://files.consumerfinance.gov/f/201307_cfpb_snapshot_complaints-received-july.pdf, accessed 2/14/14

Consumer Protection Issues

Scott: Utah

- What are the common consumer protection issues experienced by your AFI IDA Savers?
- Do any of these issues get in the way of opening an IDA Account and depositing savings?
- If so, how do you work out the issues?

Shawna: Minneapolis

- What are the common consumer protection issues experienced by your Savers and clients?



CFPB website – home page www.consumerfinance.gov

An official website of the United States Government  [Español](#)

cfpb Consumer Financial Protection Bureau Contact us **(855) 411-2372**



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When it comes to shopping for a home mortgage, we believe it should be easy for you to find the information you need to make good decisions. If you're looking to buy a home, currently own a home, or need help with your existing mortgage, we want to help. [Here's what you need to know about mortgages.](#)



[New tools to explore mortgage data](#)

Our tool comes loaded with data from the Home Mortgage Disclosure Act (HMDA). You can use our tool to explore information about loans, lenders, properties, and borrower demographics in your area or across the nation. [Learn more about the new tool.](#)

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 **Money transfers**

- money transfers remittances overseas
- remittance transfers international
- wire money send money abroad ACH
- Automated Clearing House (ACH)
- Automated Clearing House network
- credit union electronic payments

 **Mortgages**

- housing counseling lender
- reverse mortgage housing counselor
- GFE Good Faith Estimate servicer
- closing settlement broker insurance
- foreclosure prevention

Other categories

- Student loans Auto loans
- Bank accounts and services
- Credit reports and scores Prepaid cards
- Credit cards Debt collection
- Payday loans Money basics

Especially for

- Servicemembers Students
- Older Americans Parents

CFPB website – ‘submit a complaint’

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Submit a complaint

Have an issue with a financial product or service? We'll forward your complaint to the company and work to get a response from them.

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Training Principles

- Start with your participants
 - Characteristics
 - Level of knowledge and skill
- Understand adult learning and participatory training methods, use of video in classes.



Effective Strategies and Tips for Trainers

Use participatory training techniques

- Exercises on topics that engage adult learners. Include video.

Know your audience

- [Understanding Client’s Needs Through interview, written or online assessments,](#)

Understand the constraints

- [Rural Delivery of Financial Education: On-line and In-Person,](#) Example: Montana

Address specific topics

- [Teaching Participants](#) to create a budget-starting with spending, debt reduction plan, find savings to deposit

Selecting Financial Education Curricula

- No official AFI curriculum. Select curriculum that matches participant needs.
- Assess curricula by looking at coverage of core competencies, appropriateness of training methods, length of course.

AFI Financial Education Core Competencies

- Developing Goals
- Managing a Budget
- Credit Management
- Financial Services
- Taxes
- Savings for the Future

General Curricula for Adult Learners

- MoneySkill.org (AFSA Education Foundation) (online)
- [Money Smart](#) (FDIC)
- [MoneyWise](#)
(Capital One and Consumer Action)
- [Freddie Mac's Credit Smart](#) (Freddie Mac)
- [Family Money Skills](#) (NEFE)
- [Finding Paths to Prosperity](#)
(NEFE and CFED)

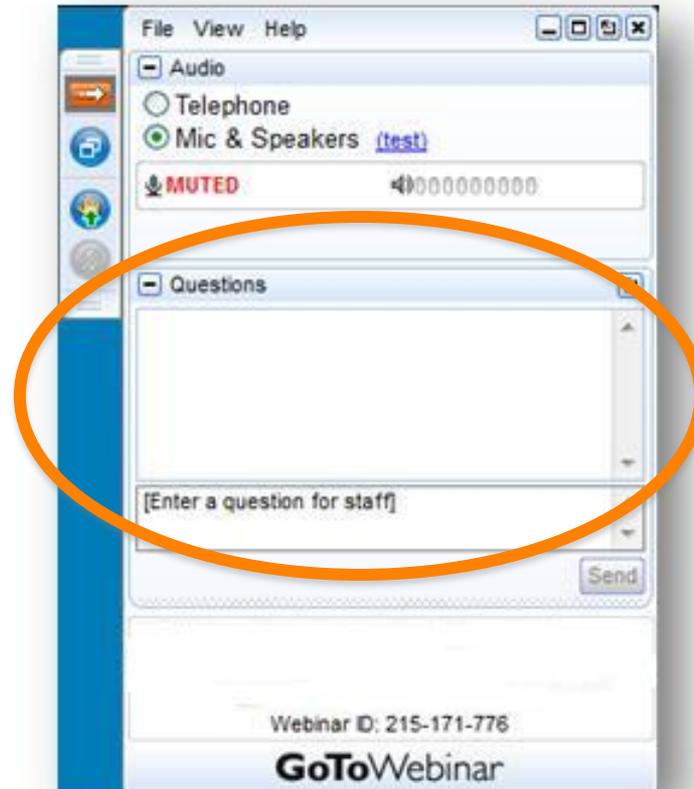
Curricula for Children and Young Adults

- [Money Smart for Young Adults](#) (FDIC)
- [MoneySKILL](#)
- [Financial Fitness for Life](#)
(Council for Economic Education)

Curricula for Native Communities

- [Building Native Communities](#) (First Nations Development Institute)

Questions?



Thank you!

If you have additional questions, please consult:

- Your AFI Program Specialist
- AFI Resource Center:
 - 1-866-778-6037
 - info@idaresources.org
 - www.idaresources.acf.hhs.gov