

A PERSON-DIRECTED & PEER-LED FINANCIAL  
EMPOWERMENT COURSE DESIGNED FOR  
PEOPLE WHO EXPERIENCE MENTAL HEALTH &  
ADDICTION CHALLENGES



# MONEY BASICS

## GUIDE FOR FACILITATORS





# **GUIDE FOR FACILITATORS**

Money Basics is a program of The Mental Health & Addiction Association of Oregon.

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## ACKNOWLEDGMENTS

Money Basics was originally developed by Peerlink National Technical Assistance Center, a project of The Mental Health & Addiction Association of Oregon (MHAAO). MHAAO is an inclusive, peer-run 501(c)(3) non-profit organization dedicated to self-direction, honoring the voice of lived experience. Peerlink operated from 2010 to 2020 as a federally-funded national consumer/survivor technical assistance center through the Substance Abuse and Mental Health Services Administration (SAMHSA). Money Basics was created in 2012 by Donita Diamata, Peerlink Director. We thank Donita for her hard work in building the original curriculum and facilitating Money Basics over the years. We are grateful for her vision of a strengths-based, person-directed financial literacy course designed by peers, for peers, and for bringing this important resource into our community. Additional contributions to the original Money Basics course were made by Jessica Carroll, Teanna Edwards, and Emily Nelson. We thank you all.

Money Basics was updated in 2021 by Chloe Safar through a partnership with AmeriCorps VISTA and Mercy Corps Northwest (MCNW). AmeriCorps VISTA is a national service program dedicated to eradicating poverty in communities across the U.S. The profound isolation, job loss, and economic stress experienced in our community during the COVID-19 pandemic has increased the need for resources such as this and the community these workshops can build. Chloe edited and re-wrote portions of the curriculum and developed the virtual *Facilitator Toolkit* and *Facilitator Training*. Chloe would like thank Sunny Briscoe, Emily Nelson, Scott Tidmore, Adrienne Scavera, and Kaity Riordan for all of their contributions and support. Without your help, this would not have been possible. Chloe would like to thank Emily Nelson, Sebastian Rodrigues, and Gregory Charles for kindly reviewing the curriculum and providing fantastic feedback. Chloe would also like to extend gratitude to Janie Gullickson and all of MHAAO's incredible staff for the important work they are doing in our community.

**We offer our sincere thanks to all contributors and hope that these efforts contribute to the continued recovery and healing of those in our community.**



# STUDENT GUIDE SYLLABUS

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| <b>WORKSHOP 1</b> | <p><u>Introduction &amp; Course Overview</u></p> <ul style="list-style-type: none"><li>• Welcome and introductions</li><li>• Ground rules, course goals</li><li>• Preview course schedule</li><li>• Pre-class questionnaire, demographics form, class topics questionnaire</li><li>• Thoughts and beliefs about money</li><li>• Mental health and money issues</li><li>• Addiction and money issues</li><li>• Mindfulness tips to reduce financial stress</li><li>• Poverty, class, intersectionality, and privilege</li><li>• Social justice and equity</li><li>• Financial resilience</li><li>• Poverty guidelines and living wages</li><li>• Individual course goals</li><li>• Money saving ideas</li></ul> <p>Homework:</p> <ul style="list-style-type: none"><li>• Choose one money saving idea and commit to using it this week. Facilitators will do this too. Note which ideas are going well and which are not.</li></ul> |
| <b>WORKSHOP 2</b> | <p><u>Setting Financial Goals; Person Directed Planning</u></p> <ul style="list-style-type: none"><li>• Welcome back and group sharing</li><li>• Person Directed Planning</li><li>• Life now; what works and what doesn't</li><li>• List of my strengths, gifts, and capacities</li><li>• My financial dream</li><li>• My life one year from now</li><li>• Action Plan</li></ul> <p>Homework:</p> <ul style="list-style-type: none"><li>• Choose one more money saving idea and commit to using it this week. If you'd like, continue the money saving idea from last class.</li><li>• Gather information (a list of expenses) for your personal budget.</li></ul>   |
| <b>WORKSHOP 3</b> | <p><u>Creating a Personalized Budget &amp; Resources to Save Money</u></p> <ul style="list-style-type: none"><li>• Welcome back and group sharing</li><li>• Different types of expenses</li><li>• Separating expenses into needs vs. wants</li><li>• Creating a personalized, working budget</li><li>• Additional budgeting options</li><li>• National, state, and local resources for saving money</li></ul> <p>Homework:</p>   |

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|                   | <ul style="list-style-type: none"> <li>• Choose one more money saving idea and commit to it for this week.</li> <li>• Find one community resource that could help save you money.</li> <li>• Commit to one week with your new budget.</li> </ul>   |
| <b>WORKSHOP 4</b> | <p><u>Banking Basics &amp; Checking Accounts</u></p> <ul style="list-style-type: none"> <li>• Welcome back and group sharing</li> <li>• Common banking terms</li> <li>• Different types of financial institutions</li> <li>• Common banking fees</li> <li>• How to open a bank account</li> <li>• What to do if you have poor banking history</li> <li>• Checking accounts</li> <li>• How to read a check, how to write a check</li> <li>• How to balance your checkbook</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>• Choose one more money saving idea and commit to it for this week.</li> <li>• Commit to another week with your budget and revise if needed.</li> <li>• Find out the amounts of 1-3 bank fees charged at your bank (or a bank you are interested in).</li> </ul> |
| <b>WORKSHOP 5</b> | <p><u>Debit Cards, ATMs, Online Banking, &amp; Money Safety</u></p> <ul style="list-style-type: none"> <li>• Welcome back and group sharing</li> <li>• Debit cards: how they work, fees and incentives, and safety tips</li> <li>• How to use an ATM</li> <li>• ATM safety</li> <li>• Internet banks and online banking</li> <li>• Mobile banking and cash apps</li> <li>• Direct Deposit</li> <li>• Debit system through Social Security</li> <li>• Automatic bill payments</li> <li>• Money safety: tips to avoid identity theft, resources</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>• Choose one more money saving idea and commit to it for this week.</li> <li>• Commit to another week with your budget and revise if needed.</li> </ul>                                     |
| <b>WORKSHOP 6</b> | <p><u>Credit &amp; Loans</u></p> <ul style="list-style-type: none"> <li>• Welcome back and group sharing</li> <li>• How credit works; credit reports and credit scores</li> <li>• Credit facts and terms</li> <li>• Pros and cons of credit</li> <li>• How to build credit</li> <li>• How much credit is too much and steps to paying down credit cards</li> <li>• How loans work; reasons for taking out a loan</li> <li>• Pros and cons of loans</li> <li>• Understanding loan contracts and interest rates</li> </ul>   |

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|                   | <ul style="list-style-type: none"> <li>Predatory lending: warning signs and resources</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>Choose one more money saving idea and commit to it for this week.</li> <li>Commit to another week with your budget and revise if needed.</li> <li>Gather information on interest rates of personal debt.</li> <li>Gather information on any loans you have (or are thinking about).</li> </ul>   |
| <b>WORKSHOP 7</b> | <p><u>Debt &amp; Tools to Get Out of it</u></p> <ul style="list-style-type: none"> <li>Welcome back and group sharing</li> <li>Thoughts on debt</li> <li>Figuring out how much you owe</li> <li>Debt to income ratio</li> <li>Methods for organizing debt payments</li> <li>Other options for getting out of debt: debt consolidation, credit counseling</li> <li>Pros and cons of bankruptcy</li> <li>Action Plan for working your way out of debt</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>Choose one more money saving idea and commit to it for this week.</li> <li>Commit to another week with your budget and revise if needed.</li> </ul>  |
| <b>WORKSHOP 8</b> | <p><u>Mental Health, Relationships &amp; Money; Financial Crisis Planning</u></p> <ul style="list-style-type: none"> <li>Welcome back and group sharing</li> <li>Poverty and mental health challenges</li> <li>Financial issues and addiction challenges</li> <li>Financial issues and physical health issues</li> <li>Creating a Financial Crisis Plan</li> <li>Identifying someone to support you</li> <li>Relationships and money issues</li> <li>Financial abuse: recognizing warning signs, resources</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>Choose one more money saving idea and commit to it for this week.</li> <li>Commit to another week with your budget and revise if needed.</li> <li>Complete your Financial Crisis Plan and share it with someone you trust.</li> </ul> |
| <b>WORKSHOP 9</b> | <p><u>How to File a Tax Return &amp; Resources for Doing So</u></p> <ul style="list-style-type: none"> <li>Welcome back and group sharing</li> <li>Taxes and mental health</li> <li>Why we file taxes</li> <li>Federal vs state taxes</li> <li>Common forms and common terms</li> <li>How to file a federal income tax return</li> <li>Resources for filing: free websites, IRS support, VITA and TCE</li> </ul>  |

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|                    | <ul style="list-style-type: none"> <li>• Claiming deductions and credits</li> <li>• Owing and paying taxes; payment plans</li> <li>• Tax extensions and back taxes</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>• Choose one more money saving idea and commit to it for this week.</li> <li>• Commit to another week with your budget and revise if needed.</li> <li>• Brainstorm small-scale, short-term financial goals or purchases you'd like to save up money towards.</li> </ul>   |
| <b>WORKSHOP 10</b> | <p><u>Savings Accounts &amp; Savings Goals</u></p> <ul style="list-style-type: none"> <li>• Welcome back and group sharing</li> <li>• Different types of saving accounts and their pros and cons</li> <li>• ABLE accounts</li> <li>• Asset-building</li> <li>• Individual Development Accounts</li> <li>• Retirement plans; investments</li> <li>• Savings goals: dreaming big with minimal resources</li> <li>• How to save money on a limited income</li> <li>• Working toward a goal: planning saving into your budget</li> </ul> <p>Homework:</p> <ul style="list-style-type: none"> <li>• Choose one more money saving idea.</li> <li>• Commit to another week with your budget and revise if needed.</li> <li>• Commit to one or two goal(s) that require(s) saving money. Work out a budget to support that goal.</li> </ul> |

## COURSE GOALS & EXPECTATIONS

Welcome to the **Facilitator Guide** for the Mental Health & Addiction Association of Oregon's Money Basics curriculum! Money Basics is a financial literacy and empowerment program that is peer-led and person-directed; designed for individuals who identify as having lived experience of mental health and/or addiction challenges and recovery. It is a series of interactive and empowering workshops created by peers, for peers.

*Thank you for taking the time to facilitate this course and to learn and grow with your fellow peers.*

**Course Goals:** The goals of Money Basics are for participants *and* facilitators to leave the course with increased knowledge about money and finances, to improve their financial skills, to have increased confidence in their ability to handle their own finances, and to develop healthy financial goals and habits.

An additional goal of this course is to invite participants to question their current financial situation so they may begin to strategize ways to change it and improve their economic well-being. Peers will develop new skills to reduce financial stress and anxiety and feel empowered to budget, save, and spend money in ways that work for them.

**Methodology & Philosophy:** Money Basics is a financial empowerment course, designed specifically for people who experience mental health and/or addiction challenges. Money Basics is a peer-led course designed to build peer-to-peer relationships and a sense of community and trust. Money Basics honors Peer Recovery Practices by following a strengths-based and person-directed approach. Facilitators will adhere to the Peer Support Recovery Practices of listening, mutual learning, respect, and hope.

One of your tasks as a facilitator will be to create a safe space where peers can connect through shared lived experiences and feel supported by their Money Basics community. An important first step to creating this kind of space is for facilitators to share with participating peers their own lived experiences with course topics. This can include sharing stories about money management; financial insecurity and poverty; financial challenges like building credit or paying off debts; and the relationship between money and mental health and/or addiction challenges (as is applicable). Beginning this type of sharing on Day One can help set the tone for the remaining workshops and build trust among peers.

Economic stability is a key social determinant of health, and it is our hope that these workshops provide participants with the skills and the tools to improve their economic well-being and support them on their self-directed journeys to recovery, healing, and wellness.

**Facilitator Expectations:** Facilitators are not expected to be “experts” on financial issues. This course is designed with the intention that facilitators will learn and grow alongside participants. However, facilitators are expected to complete MHAAO’s virtual **Money Basics Facilitator Training**. The Facilitator Training will prepare you with the tools and knowledge needed to facilitate each workshop and provide peers with the tools and resources to improve their economic situation. The training will enable you to support your community of peers with their finances in group or one-on-one settings, in-person or online.

Facilitators are also expected to spend time prior to each class familiarizing themselves with the content and materials and learning about local and state-wide resources available in their community. Facilitators are expected to review the curriculum and accompanying activities, handouts, and resources in order to plan and prepare for each class.

*To facilitate this course, you will need to:*

- Complete the virtual Facilitator Training.
- Read through the Money Basics Guide for Students.
- Read through this Guide for Facilitators.
- Review the course materials on the Facilitator Toolkit website.
- Identify a co-facilitator from your organization (optional but highly recommended).

**Professional Development:** Being a Money Basics facilitator is a professional development opportunity. The financial skills and resources learned will help peer specialists support their communities in and outside of the Money Basics course. By learning this material and by facilitating this course to your community, you are not only gaining knowledge about money management and personal finance but also public speaking skills and facilitation experience. As you will discuss with peers in Workshop 10, workforce development and continuing education are important asset-building strategies, which can help a person increase their financial resiliency.

**Teamwork:** Due to the complex and often emotional material covered in this course, it is ideal to have two peer facilitators who work as a cohesive team. Two facilitators can provide participants with more support in and outside of class, especially if participating peers experience any financial

crises or need help problem-solving or identifying resources. If comfortable, facilitators can choose to be available outside of class hours to provide support to the participants. The team structure can also ensure that the class stays on schedule in case one facilitator is unable to attend.

**Setting Boundaries:** If you decide to support peers outside of class, it is very important to set boundaries based on your personal preferences and your role within your organization. For example, if you provide peers with your phone number and let them know they can call you for support outside of class, you may choose to specify that they can only call you during work hours. These boundaries will be important for avoiding burnout and compassion fatigue. You may need to determine these boundaries with your co-facilitator and/or your organization.

**Class Dynamic:** For many, the subject of finances can be intimidating, boring, anxiety-producing, depressing, overwhelming, shameful, or distressing. Facilitators should strive to make each class not only educational but interactive and fun.

The pace and structure of the class should be altered as needed so that every participant feels included. The intention of the course is to reduce participants' feelings of shame and hopelessness around money in a safe, judgment-free space. Peers will come to the class with a wide range of skills, knowledge, experiences, and feelings about money and personal finance. This should be addressed at the beginning of the course and the pace and structure of the workshops should be altered as needed so that every participant feels listened to and supported.

**Making This Course Your Own:** As you know, the journey to recovery, healing, and wellness does not follow a one-size-fits-all approach. Neither should a peer-led financial empowerment course! Money Basics is designed to support peers on their self-directed recovery journeys. This course will *need* to be adapted, in large or small ways, to best meet the needs of your specific group of peers.

In this Guide, you will find suggestions and resources for lesson plans, course content, activities, homework, and more. All of the suggestions presented throughout this Guide are merely suggestions. Feel free to adapt these materials to best meet the needs, interests, and goals of your peers.

Adjustments may include:

- Altering segment times
- Changing the syllabus or the workshop order

- Adding new ideas and materials for hands-on exercises, including additional handouts or resources from the Facilitator Toolkit or from your own research
- Skipping any topics that do not serve participants and spending more time on those that do.

Before or during the first class, participants should complete the *Class Topics Questionnaire* so that facilitators can determine which topics and workshops they should spend the most time on and which they should briefly go over or skip altogether. For example, participants may be familiar with banking topics such as using a debit card or opening up a bank account. If that is the case, you may choose to spend the allotted time for those topics on subjects that the participants will benefit from more, like filing taxes or paying off debts. As the course progresses, you'll get to know the students you are working with and can make decisions as a group about what to include.

In this Guide, each topic and activity will have an estimated amount of time it will take to complete. These time estimates are flexible and can be changed based on group discussion and engagement. Facilitators should encourage participants to ask questions and share any relevant stories, information, skills, or resources with their classmates throughout the workshop.

**Trauma-Informed Care:** Participants will have different lived experiences with the topics discussed in this course, including poverty, financial insecurity, debt, money safety, public assistance, predatory lending, money and relationships, and more. At the beginning of each workshop, facilitators should give an overview of the topics that will be discussed that day so participants can know ahead of time if a topic might be distressing to them or may activate difficult emotions or memories.

Let the participants know that at times they may feel discomfort. Invite them to push through that discomfort if they feel they are able to and let them know that they *always* have the option to take a short break from class to do whatever else they need to take care of themselves. Let the participants know that if they need to take a short break from class, they can contact one of the facilitators for support, resources, or someone to talk to.

*Trauma-Informed Oregon's "Principles of Trauma-Informed Care in the Classroom" include:*

- **Safety:** The classroom activities and settings ensure the physical and emotional safety of its students.
- **Choice:** The classroom activities and settings maximize student experiences of choice and control.

- **Collaboration:** The classroom activities and settings maximize collaboration and sharing of power between students and staff.
- **Empowerment:** The classroom activities and settings prioritize student empowerment and skill-building.

*Additional trauma-informed practices to keep in mind:*

- Ensure there is adequate personal space provided for each student.
- Ensure that exits are clearly marked & easily accessible.
- Keep secondary trauma in mind when asking students to talk about their personal experiences.
- Encourage students to take care of themselves during class by standing up, drinking water, stretching, etc. as they are able.
- Be clear, consistent, and transparent about roles, tasks, boundaries, activities, expectations, rationale, student rights, etc.
- Clearly display an agenda that includes break times and stick to it.
- Allow for as much student choice as possible in classroom activities.
- Remind students to only share personal information that they want to share.
- Create Community Agreements and revisit them throughout the duration of the course.
- Provide instructional materials in as many formats as possible (paper, screen, video).
- Remind students that “pass” is an option (ice breakers, reading aloud, classroom discussions, etc.)
- Solicit student feedback and incorporate it into classroom practices.
- Ensure classroom content reflects the diversity of the students within the classroom.<sup>1</sup>

“Trauma-informed care is a strengths-based framework that is grounded in an understanding of a responsiveness to the impact of trauma, that emphasizes physical, psychological, and emotional safety for both providers and survivors, and that creates opportunities for survivors to rebuild a sense of control and empowerment.”<sup>2</sup>

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<sup>1</sup> “Trauma Informed Care in the Classroom: A Resource Guide for Educators in Higher Learning.” *Trauma Informed Oregon*, 2016. <https://traumainformedoregon.org/wp-content/uploads/2016/03/Trauma-Informed-Care-in-the-Classroom.pdf>

<sup>2</sup> Hopper, E. K., Bassuk, E. L., & Olivet, J. (2010). Shelter from the Storm: Trauma-Informed Care in Homelessness Services Settings.

## HOW TO USE THIS FACILITATOR GUIDE

**Workshops:** Each workshop of the Money Basics program is separated into its own PowerPoint presentation. The PowerPoint slides are recommended whether you are facilitating in-person or virtually. The presentation slides for each workshop can be found on the Money Basics website with other resources for facilitators, including handouts, videos, and additional reading.

**Class Structure:** This course is designed to be very interactive. Facilitators should encourage participants to ask questions and share stories, information, skills, and resources with the rest of the class. It is recommended that each class should begin with a check-in as a chance for participants and facilitators to connect with one another and talk about the homework assignments from the previous workshop.

The first few minutes of class will also include the day's agenda, a review of the Community Agreements that participants and facilitators will develop in Workshop One, and a reminder that participants are welcome to get up, move around, or leave at any time to use the restroom or attend to personal business. The final minutes of class will be set aside for questions, comments, and to go over the homework assignments.

**Size of Class:** The optimum size of this class is 6 to 12 participants. Small class sizes are ideal for both in-person and online cohorts. However, this course can be taught in larger or smaller groups or facilitated in one-on-one sessions with peers. The workshops are flexible and facilitators should choose a class size or format that works best for them and their group of peers. Regardless of the size, expect a percentage of the participants to drop out sometime in the first two sessions, and expect a percentage of people who register for the class to not show at all.

**Length of Course & Length of Individual Classes:** Money Basics is designed to span 10 weeks with 90-minute class periods and an additional class for the graduation ceremony (optional). This recommended time span allows for 10 weeks of support for participants in managing their personal finances, accessing resources, and for many, learning and planning ways to achieve greater economic well-being.

The course length and class times can be modified. Facilitators may decide to split-up classes to be shorter, or double-up classes to be longer, depending on the needs of the participants and facilitators and the amount of time available. Some participants may prefer shorter classes (45-60 minutes) for a longer period of time, in order to take the material at a slower pace and have

more time for financial resources, guidance, and support. Others may prefer a “crash-course” workshop style, with longer classes that span just a few weeks. Co-facilitators should meet up before the first class to discuss which option they prefer, and open up the schedule to participants as well on the first day of class.

It is recommended to go through each workshop one at a time to provide participants enough time and space to process the content and ask questions. There is a lot of information in each Workshop, and it may be useful to divide them up even further or allocate some time at the beginning of each class to finish up any conversations or questions from the previous class. Keep in mind that too much information at once can be overwhelming.

**Breaks:** If you decide to do 90-minute classes or longer, be sure to include a 10-15 minute break in the middle of class, or two 5-minute breaks. Encourage participants to bring snacks and water to in-person and virtual classes, and provide snacks if your budget allows.

**Advanced Preparations:** The “Advanced Preparations” page at the beginning of each workshop has a list of materials that you will need to prepare for each workshop. This will include familiarizing yourself with the topics for that workshop and preparing the handouts, videos, and activities you plan on using during that class.

**Navigating Class In-Person:** Holding in-person classes in a location that is easily accessible, easy to find, and is close to public transportation is ideal. A classroom with access to a projector for the PowerPoint presentations is also ideal.

The size of the room will depend on the anticipated number of participants, but it is helpful to choose a room that allows space for participants to move around during interactive components of the class or to stretch or chat with other participants during breaks. There should be tables available for all participants. Because the class is designed to be supportive and interactive, having the tables configured so everyone can see one another, such as in a large circle or semicircle, is preferred.

It is extremely important to make sure your classroom and table and chair arrangements are ADA accessible. Additionally, you may need to take into account some room arrangement considerations to ensure the space is trauma-informed and all participants feel comfortable and safe. Some trauma-informed practices include ensuring each participant has adequate personal space and knows where the bathrooms, exits, drinking fountains, etc. are, and arranging tables and chairs so no individual’s back is facing the door. To learn more about trauma-informed care

in the classroom, there is a handout by Trauma-Informed Oregon located in the Facilitator Toolkit. Accessibility and trauma-informed care are central values of this course.

*If holding class in-person, you will need:*

- This Guide
- Student Guides for each participant (printed or virtual copies)
- A whiteboard
- A projector, computer, and the PowerPoint slides
- Easel/poster paper
- Markers; extra pens or pencils
- Writing paper
- Calculators (enough for all participants)
- Hand-outs and worksheets

**Navigating Class Online:** If holding classes virtually, this course would be best taught on Zoom or a similar virtual meeting space, such as Google Meets, Microsoft Teams, or Skype. Zoom is recommended, however, facilitators will need access to a subscription to hold classes longer than 45 minutes.

Be sure to ask for everyone's email addresses before the start of the course to send reminders, online meeting details, necessary paperwork, worksheets, etc. Before the start of each class, facilitators should have the PowerPoint slides displayed on the shared screen. Ensure that all participants have Internet access and a quiet space to attend class. Headphones are highly recommended. Ask the participants at the beginning of each class to mute themselves when others are talking to limit background noise.

*If holding class online, you will need:*

- This Guide
- Student Guides for each participant (printed or online copies)
- A computer with Internet access
- An email address (facilitators and participants)
- A Zoom, Microsoft, Google, or Skype account to hold virtual meetings
- The PowerPoint slides
- Headphones

- Something to write in (journal, notebook, paper, computer document)
- Calculators
- Virtual copies of handouts and worksheets
- A virtual “whiteboard” to type on. We recommend using a Google Document that can be shared after class, Zoom’s White Board feature, or Google’s Jam Board feature for a more collaborative option.

A few tips for virtual facilitation:

- It may be useful for some participants to turn on live transcription.
- It may be useful record each workshop for anyone who is absent, but make sure you get all the participant’s consent before doing so.
- It may be helpful to utilize Breakout Rooms with groups of no more than 5 people.
- We recommend using Google’s Jam Board feature for interactive class discussions. Participants can add post-it notes anonymously to a shared screen in response to a discussion question. This can be a helpful tool for virtual collaboration and discussion.
- On the Money Basics Facilitator Toolkit website, there is a document with tips for facilitating a class virtually, including tips for keeping students engaged on Zoom.

**Advertising:** Advertising this course and what it will offer to prospective participants is an important step to holding successful classes. There are several avenues you can use to advertise these Money Basics workshops. After connecting with a co-facilitator and deciding on a starting date and time, it is recommended that you create a flyer that will generate interest. The flyer should emphasize that Money Basics is facilitated by peers and is not only educational, but fun and interactive.

The flyer should include the following:

- The name of the course
- Who is encouraged to attend (i.e. peers)
- The names of the facilitators
- The starting date; length of the course; and the time and day of the week each class will be held
- That this course is free
- Whether it is online or in-person; and the class location, if in-person

- Contact information (facilitators' emails, phone numbers, and organization website, if applicable)

Where you advertise will depend on who is eligible to attend. If the class will be made available to anyone in the community, some ideas for spaces to post the flyer are:

- Peer support recovery groups
- Drop-in centers and community centers
- Shelters and supported housing communities
- Libraries and coffee shops
- Clinics, hospitals, mental health/SUD treatment centers, and other service providers
- Social service programs
- Nonprofit organizations supporting low-income, houseless, or housing and/or food insecure communities

Other avenues of advertising include:

- Making presentations at staff meetings, management meetings, clinical meetings, etc.
- Making presentations at peer-run meetings (drop-in center leadership meetings, board meetings, client councils, Peer Support for Peer Support Specialists groups, continuing education/training programs, etc.)

Make sure that you advertise on the Internet and social media. Include a virtual copy of your flyer on your organization's website and social media pages, and in emails to peer staff, clients, and partner organizations.

MHAAO has provided marketing material templates in the Facilitator Toolkit, which you can customize with your location, date, time, and facilitator contact information. We ask that you please continue using the Money Basics logo and give credit to the Mental Health & Addiction Association of Oregon if using this flyer or creating your own.

**Registration:** It is important that people who are interested in the course are able to contact the facilitators easily and that registration is simple. If registering individuals over the phone, be sure to get their names, addresses, phone numbers, and email addresses when possible. Ask if they will need any accommodations to attend, such as a space to access Wi-Fi or headphones or

transportation to the classroom site. Keep registration records on an easy to follow spreadsheet or document that both facilitators have access to.

You may choose to send the registered participants the *Pre-Class Questionnaire*, the *Class Topics Questionnaire*, and the *Demographics & Registration Form* ahead of time, asking them to complete these forms in advance and bring them to class, or they can complete the forms during Workshop 1. As the date of the first class approaches, email and call registered participants the week before and the day before to remind them of the course start day and time.

**Course Budget:** If you are facilitating this course in-person and have additional funds available in your budget, one option is to buy the participants a meal during each class period and eat together as a community. Another option is to use the money to print copies of the Student Guide and to pay for snacks and classroom supplies such as notebooks and pens. If you are facilitating this course virtually and have additional funds available, you could mail printed copies of the Student Guide, course handouts, notebooks, pens, or headphones to the participants.

**Working with Participants' Peer Support Specialists:** Some of the participating peers may be individuals you are already providing peer support to, while others may have a different peer support specialist or may not be receiving peer support currently. If peers are receiving support from a Peer Support Specialist/Certified Recovery Mentor/Peer Wellness Specialist outside of this class, these peer specialists could be a great resource for peers during and after the course. Peer Support Specialists could help participants with their homework assignments, like following their budgets or calculating their total debt. They could also serve as natural continued support when the course ends, taking over the role of the Money Basics facilitators in checking in with peers about their finances and supporting them in accessing resources, following their person-directed plans, etc.

#### **Facilitator Key:**

- **Blue – Teaching**
- **Purple – Discussion**
- **Green – Activity**

# WORKSHOP ONE: INTRODUCTION & COURSE OVERVIEW

## **Advanced Preparations for Workshop 1:**

**Set-up:** Prepare room for class with adequate chair/table arrangement, sign-in sheets, pre-class questionnaires, Student Guides, and handouts. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance (sign-in sheet if in-person, facilitators take attendance if class is virtual)
2. Whiteboard (or virtual whiteboard)
3. Facilitator Guide
4. Student Guide: Workshop 1
5. Laptop & projector
6. PowerPoint slides: Workshop 1
7. Poster paper and markers (in-person)
8. Writing paper and pens
9. Pre-class questionnaire
10. Demographics & Registration form
11. Class Topics Questionnaire
12. Workshop 1 Worksheets
13. "Poverty and Hunger in America" Handout
14. "The Hidden Rules Among Classes" Handout
15. "Steps Toward Financial Resilience" Handout
16. "Poverty and Intersectionality in Oregon" Handout
17. "How Poverty is Measured in the U.S." Handout
18. Snacks (if budget allows)

## **Learning Objectives:**

*Upon conclusion of Workshop 1, participants will:*

1. Have a basic understanding of what to expect in this course.
2. Recognize subtle and pervasive thoughts and reactions toward money.
3. Have a basic understanding of how mental health challenges and financial difficulties impact one another.
4. Learn new tips for mindfulness and self-care.
5. Have a basic understanding of poverty in the U.S. and how it relates to classism, intersectionality, privilege, equity, and social justice.
6. Have a basic understanding of financial resilience and how to build human capital.
7. Identify the financial areas that are most important for them to address.

## Welcome & Introductions

**Lead Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guide p. 9-10; attendance sheet; whiteboard; poster paper and markers (in-person); registration forms

### **Teaching:**

Introduce the course and the instructors. Ask the participants to introduce themselves. Introductions can include: their names, how they would like to be referred to, where they are from, and why they are interested in taking this class. Instead of asking for preferred pronouns, we recommend asking students to share how they would like to be referred to, which may include their preferred pronouns, their name, or both. This is so that no participant feels forced to choose and share pronouns if they don't want to.

Make sure everyone has a print or digital copy of the **Money Basics Guide for Students**. Review housekeeping items (location of restrooms and exits, what to expect from the class, virtual class etiquette, etc. as is applicable).

Go over the course expectations and course goals:

#### **Course Expectations:**

- Listen carefully to other speakers and to your own reactions
- Respect and accept the validity of another point of view, even if you disagree
- Suspend judgement and approach other people's opinions with an open-mind
- Speak up and share your views fully and honestly.

#### **Course Goals:**

Participants will leave the course with:

- Increased knowledge and improved skills relating to money and finances;
- Greater confidence handling their finances;
- Healthy financial goals and habits;
- The ability to reflect upon their current financial situation and strategize ways to improve it.
- Participants' feelings of shame or hopelessness around money and their financial situation are reduced as they learn new information and skills in a safe environment.

### **Discussion:**

Ask the participants to add any additional class-wide expectations, values, and goals to a list of *Community Agreements*. Community Agreements are a collective vision for how the group wants to be in community with one another. Instead of facilitators creating a rigid set of goals and asking participants to adhere by them, everyone will work *together* to create a shared list of expectations, values, and different ways that the group will support one another throughout this course. To begin this activity, you can ask the class: “What do you need from every person in this group in order to feel safe, supported, open, productive, and trusting?”

Emphasize the importance of being curious, open, and kind to oneself and one another. Everyone has different backgrounds and lived experiences when it comes to the topics covered in this course, and the goal of the Community Agreements is to create a set of expectations so everyone can feel safe, respected, and heard.

If you are holding class in-person, facilitators can write down the Community Agreements on poster paper and tape it onto a wall in the classroom. If class is online, add the rules to the class slides or share them on the screen at the start of every class. *Make sure to keep the list of Community Agreements after you create it so you can reference it at the beginning of each workshop.*

| <b>Example of Community Agreements:</b>   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Mutual Respect</li><li>• Active Listening</li><li>• Practicing empathy and compassion</li></ul> | <ul style="list-style-type: none"><li>• Speaking up or stepping back to make space for others to speak up</li><li>• Lean into discomfort</li></ul> |

### **Teaching:**

Go over the agenda for this workshop. Let the participants know that this is something you will do at the beginning of each class to give them a heads-up in case any of the topics activate difficult emotions or memories. Encourage the participants to push through discomfort (that is how we grow!) but emphasize that they are *always* welcome take a short break from class if they feel they need to. Also emphasize that you, as a peer facilitator, are there to provide support if they need it. The day's agenda can be found in the syllabus and on the PowerPoint slides.

Discuss the course schedule and go over the syllabus together. Let participants know that the schedule is flexible and they can always ask questions, share concerns, suggest topics they'd like to discuss, and spend longer than the allotted time on certain topics and activities.

#### **Activity:**

Ask the participants to fill out the *Pre-Course Questionnaire*, the *Demographics & Registration Form* and the *Class Topics Questionnaire* and hand/submit them online to the facilitators (if they haven't already done so before class).

The *Pre-Course Questionnaire* will ask participants to indicate how they feel about a number of statements regarding their current financial situation and current relationship with money and personal finance. The same questions are on the *Post-Course Questionnaire*, which participants will take during the final class to track their progress from the beginning of the course to the end.

The *Class Topics Questionnaire* will ask participants to indicate which topics they are already familiar with and which they are interested in learning more about. This will help you modify the course schedule so that workshops are focused on the topics participants are most interested in.

### **Thoughts & Beliefs about Money**

#### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guides p. 10; Workshop 1 worksheets; pens/pencils, whiteboard

#### **Activity:**

In the space in the Student Guide or in the Workshop 1 worksheets, ask the participants to think about and jot down a few words or phrases that represent their thoughts, feelings, or beliefs about money and their current financial situation.

You will ask participants to think about the following questions:

- What is your situation with money now?
- What was it like when you were a child?
- What are some beliefs about money that you've heard from friends and family, or in the media?

Ask them to respond to each question with a few words or phrases that describe how they feel about money. Examples could include words such as “broke,” or “necessity” or phrases such as “never enough” or “money can’t buy happiness.”

One option to make this activity more interactive is to ask participants to write these feeling words on the whiteboard or on sticky notes and stick them on pieces of poster paper around the room. If facilitating virtually (or if you want a paperless option), you can use Google’s Jam Board website, which will allow participants to add virtual post-it notes to a shared screen.

Once everyone’s words and phrases are on sticky notes or poster paper, ask the class to distinguish whether these are positive, negative, or neutral words. You can go through them one by one and categorize them as positive, negative, or neutral and why. While one facilitator guides this process, the other should be writing down what is said on the whiteboard.

### **Discussion:**

After this discussion, ask participants to share any “feeling” words and thoughts that come to mind for *how they would like to feel* about money. Write down their answers and keep their responses to review at the end of the course. Let the participants know this is their starting point and that one of the goals of the course is to change the relationship people have with money.

**Note:** If comfortable, this is a good place for facilitators to begin sharing any personal stories and lived experiences having to do with financial challenges, economic insecurity, and mental health/addiction challenges, and money. This sharing can create a sense of community and shared lived experience among peers.

## **Mental Health/Addiction & Money; Mindfulness**

### **Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guides p. 11-13; Workshop 1 worksheets; whiteboard

### **Activity:**

Ask the participants to journal in the space provided in the Student Guide or Workshop 1 worksheets about their perspectives on poverty and the impact financial stress may have had on their lives and their mental health and/or addiction challenges.

The questions in the Student Guide are: *In what ways have mental health issues affected your financial situation? In what ways has your financial situation affected your mental health?*

Ask them to think about how financial stress and/or lived experience of poverty can impact one's physical health, mental health, and one's relationships with friends, family, and their partners. Encourage participants to think about how addiction and/or substance use challenges can affect a person's finances, and how poverty and financial insecurity can make it difficult to access recovery and treatment services.

Facilitators should do this activity with the participants, and should share some of their thoughts after everyone is done writing. Open up the space for sharing. If comfortable, facilitators can share personal stories and invite participants to do the same. Let the class know you will delve more into these topics in Workshop Eight.

#### **Teaching/ Discussion:**

Discuss the importance of mindfulness and self-care to help address financial stress. Ask the class: *why do you think self-care is important?*

Go through the tips for practicing mindfulness on a budget in the Student Guide and ask participants to share anything they do each day to take care of themselves. While one facilitator leads the discussion, the other can write down these self-care tips on the whiteboard or a shared document. For a more interactive option, you can ask participants to write their suggestions on Jam Board post-its and read them aloud when everyone's finished.

**Optional Activity:** following this discussion of mindfulness, facilitators may choose to begin each class with two or three deep breaths, a few minutes of stretching, or spending time writing down one thing each person is grateful for.

#### **Poverty, Intersectionality, Social Justice**

**Facilitator:**

**Suggested time:** 20-30 minutes

**Materials:** PowerPoint slides; Student Guides p. 14-20; whiteboard; Workshop One Handouts 1-5; YouTube videos (located in the Facilitator Toolkit)

### **Teaching:**

In order to understand how to improve one's financial situation, it is important to recognize how poverty, class, privilege, power, and oppression function in the United States and create immense barriers to economic mobility and financial success for members of marginalized communities. It is impossible to discuss poverty and social class without discussing the other systems and institutions that interact with, and reinforce, poverty, class, and other inequities. Poverty and classism intersect with other systems and policies that discriminate and harm, which can affect a person's economic situation as well as their mental health and/or addiction challenges, recovery, and overall well-being.

In this section, you will go through the definitions of poverty, economic mobility, economic insecurity, economic well-being, income/wealth inequality, classism, intersectionality, systemic racism, redlining, privilege, social justice and equity in the Student Guide. To make this section more interactive, invite volunteers to read a definition aloud. Facilitators should leave space for discussion and questions and add any additional facts, knowledge, or experiences as they feel comfortable.

Facilitators should acknowledge how systemic (institutionalized) racism has denied BIPOC communities the same access and opportunity as White Americans to build generational wealth and experience economic mobility. The ability to create and pass-on wealth and achieve a comfortable standard of living is a form of privilege. Systemic racism also manifests itself as large wealth and unemployment gaps as well as discrimination in healthcare, education, and arrests/incarceration rates.

**Note:** If your organization has DEI and/or anti-racism statements, this would be a good time to include them.

### **Discussion:**

Invite participants to discuss these terms and share any experiences or knowledge they might have surrounding these topics. Provide the participants with virtual or physical copies of the "Poverty and Hunger in America" handout and "Poverty and Intersectionality in Oregon" handout (if you are facilitating this course in Oregon). Allow time for participants to read through these handouts and invite discussion when finished.

Participants will have diverse backgrounds when it comes to these topics – some may be very familiar while others may not. Be patient and answer questions as they come up, and be sure to emphasize that this is a judgment-free, respectful, and safe space. *A key goal/hope of this course is to create a community that is inclusive, diverse, respectful, and which uplifts and empowers the voices of lived experience at all intersections.*

**Please note** that this is a very brief and incomplete overview of very important and nuanced topics, and it is recommended that instructors and students do outside research on these topics to better grasp their importance and to further engage social justice and equity work in this course.

Culturally responsive practices and anti-racism work is ongoing work. The conversations and the materials learned in this section should be on-going throughout the course. It is integral that this section be taught thoughtfully and intentionally so as to give these topics the attention they deserve and to not further harm participants with marginalized identities who are already experiencing intersecting systems of oppression every day.

People need to be in the right place mentally and emotionally to have these conversations and to stay focused, thoughtful, and open. This includes facilitators. It may be helpful to check in with participants before delving into this section to see what their energy level is to make sure they can be fully engaged in these conversations. There are documentary and video suggestions and additional handouts on the Facilitator Toolkit website that may be helpful in engaging with these topics. This include videos on intersectionality and systemic racism in the United States, readings on race, poverty, income inequality, and white privilege; and documentaries on Oregon's civil rights movements and disturbing history of exclusion, displacement, redlining, and segregation.

#### **Teaching/ Discussion:**

Connect these conversations back to the course goals by going over the section on financial resilience and human capital. Emphasize that the work you all will be doing in this course is a form of building human capital and financial resilience. Hand out "Steps toward Financial Resilience" and invite discussion.

Review the U.S. Department of Health and Human Services Poverty Guidelines in the Student Guide. Provide copies of the "How Poverty is measured in the U.S." handout. Connect these guidelines to the information on living wages in the Student Guide. Leave space for questions and any comments/experiences participants may have with minimum vs. living wages.

If in-person, hand out the “Hidden Rules among Classes” sheet to participants. If you are facilitating online, provide participants with a link to the handout and pull it up on the shared screen so that everyone can view it together. Go through each point and invite discussion.

Connect these conversations back to the course goals: to build upon existing money management and personal finance skills, which can help mitigate some of the stress, anxiety, or shame felt around money that can negatively affect a person’s mental health. This course is designed to provide financial skills and tools to participants while they direct their own recoveries.

## Individual Goals

**Facilitator:**

**Suggested time:** 5-10 minutes

**Materials:** PowerPoint slides; Student Guides p. 21; Workshop 1 worksheets; pens/pencils

**Activity:**

Ask the participants to write down in their Student Guide, Workshop 1 Worksheets, or notebook what they hope to get out of this course and the financial areas that are most important for them to address. Invite sharing of these goals in small groups or as a class. Ask them to save these goals so that they can reflect on them at the end of the course. Let participants know that next class, they will create an action plan for achieving their financial goals.

## Wrap-up

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides, Student Guides p. 22-26; Workshop 1 Worksheets

**Teaching:**

Go over the Homework Assignment for this week:

1. Ask the participants to refer to the Money Saving Ideas section in the Student Guide (p. 22-26) and choose one money saving idea to commit to for the next week. *Both facilitators will commit to one idea as well, which needs to be stated.*
2. Participants will mark in their Guidebooks or Workshop 1 Worksheets which actions they are already doing and which they will try out for the next week. Let the participants know

that they will commit to one money saving idea each week to develop a toolkit of tips and resources for saving money in their daily lives. Ask them to keep track of these ideas and note which ideas are working well and which are not (there is space for this in the Workshop 1 Worksheets).

3. Let the participants know if they found an idea that worked well for them, they are welcome to continue it the next week while trying out a new idea. However, caution them against getting too burned out by doing too many ideas at once. The goal is to be intentional with sticking to a specific money saving idea each week to decide whether it's something they'd like to continue.

**Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

**After Class:**

1. Facilitators should fill out the class reflection forms at the end of each class.
2. Facilitators should plan to meet up in person or via phone or video call before the next class to plan, practice, and compare notes from the previous class.

## **FACILITATOR REFLECTION:**

This form should be filled out by both facilitators immediately upon the conclusion of the class while impressions and details are still fresh.

**Thoughts about the class:**

**Lessons learned:**

# WORKSHOP TWO: SETTING FINANCIAL GOALS

## Advanced Preparations for Workshop 2:

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard
3. Facilitator Guide
4. Student Guide: Workshop 2
5. Laptop & projector
6. PowerPoint slides: Workshop 2
7. Workshop 2 PDP worksheets (editable documents/pdfs or print copies)
8. Poster paper, markers, tape (in-person)
9. “What is Person-Directed Planning” Handout
10. Writing paper and pens

## **Learning Objectives:**

*Upon conclusion of Workshop 2, participants will:*

1. Have a basic understanding of person-directed planning and why it can be useful
2. Create their own Person-Directed Plan
3. Create an Action Plan for achieving their financial goals

## **Welcome Back & Group Sharing**

### Facilitator:

Suggested time: 10 minutes

Materials: PowerPoint slides; attendance sheet; registration forms; Community Agreements; homework assignments (money saving ideas)

### Teaching:

Welcome back the participants and take attendance. If there are any new participants, welcome them to the class, update them on what they missed last class, and ask them to fill out the *Demographics & Registration Form*, *Class Topics Form*, and *Pre-Class Questionnaire*.

Before getting started, review the *Community Agreements* created last class. Go over the day's agenda and let participants know that if any of the topics covered are distressing in any way, they always have the option to push through the discomfort or to leave the class briefly to have a few minutes for themselves or reach out to a facilitator for peer support.

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues relating to money and personal finances and how their first money saving idea went. If there have been any savings as a result of using the idea, this should be shared, with an estimated dollar amount.

Provide examples to the participants of how one might estimate the amount of money they saved. For example, if a participant made their own coffee, they could multiply the price of coffee at a café (say, \$4) by the number of days they decided to make coffee at home instead. Note that some of these ideas will not translate as easily into estimated dollar amounts (for example, turning old clothes into rags) and you can work together as a class to come up with creative estimates. Give each participant, and both facilitators, 1-2 minutes to share.

**Note:** the length of this workshop in this Guide and the Student Guide will seem shorter than the other workshops. However, it will likely take just as long because each step of the PDP process will take some time to complete.

## **Financial Person-Directed Plans**

### **Facilitator:**

**Suggested time:** 50-60 minutes

**Materials:** PowerPoint slides; Student Guide p. 30-36; Workshop 2 Worksheets; "What is Person-directed Planning?" handout; example PDPs; poster paper and markers

### **Teaching:**

Begin by asking the class if they've ever used person-directed planning before or if they are familiar with the term. Person-Directed Planning (also referred to as person-centered or strengths-based planning) is a tool used to assist people in making life changes. It focuses on an individual's strengths and guides them towards identifying their long term goals and the short term steps they

can take to get there. Provide the participants with the “What is Person-Directed Planning” handout.

Before beginning the person-directed planning process, explain the steps and go over the rules in the Student Guide. Explain that, for the purposes of this course, their Person-Directed Plans should concentrate on personal finances, although these plans are often used to help with other aspects of a person’s life and their goals and dreams.

Money Basics is a peer-led and *person-directed* financial empowerment course. What this means is that we will be incorporating a number of person-directed planning ideas and processes in these workshops to center the individual and their unique experiences, strengths, skills, goals, and dreams when creating plans for their future. By doing so, we hope to create a sense of agency and empowerment among participating peers.

Improving one’s financial well-being is their own unique, personalized process. Participants know themselves best and can identify the tools, supports, and resources that will work best for them. This type of planning enables an individual to be in charge of their finances and their future and to recognize the many strengths and abilities they already have.

### **Activity:**

Facilitators will guide the participants through the PDP worksheets (Workshop 2 Worksheets), which will be done individually, in pairs, or in small groups. Ask the class which option they prefer.

Facilitators can give verbal examples for each section or have prepared PDPs on display. These can be fictitious examples prepared ahead of time, which could provide an opportunity to add humor by using celebrity names or pop culture references. Participants will follow the instructions in the Student Guide to fill out the Workshop 2 PDP Worksheets.

#### **Step 1: Life Now** (5 minutes)

If in-person, ask the participants to fill out the *Life Now* worksheets in their Student Guides, Workshop 2 Worksheets, or on sheets of poster paper in the classroom. If online, have the participants work on each worksheet on their own or divide the class into pairs or small groups and put them in Break Out Rooms for this activity.

Facilitators can do this activity with participants or move around the room/check in on Break Out Rooms to assist each group. Allow approximately 5 minutes for each person to complete the worksheet.

Example of a completed worksheet:

| Life NOW  |
|---|
| I live on SSI.  |
| I live in a group home.                               |
| I have a checking account with \$16.00 in it.         |
| I don't have any savings.                             |
| I don't have a job.                                   |
| My case manager makes most of my financial decisions. |
| I get nervous when I think about money.               |

### **Step 2: What Works & What Doesn't** (5 minutes)

Once both participants are done with their Life Now worksheets, ask them to move on to the space in the Student Guide/Workshop 2 Worksheets to list *What Works and What Doesn't* in their financial lives. Again, allow 5 minutes per person.

Everyone's list of what works and what doesn't will look different. We all have our unique preferences and needs. For example, automatic bill payments work well for some people because knowing their bills are taken care of can reduce anxiety. For others, automatic bill payments may cause anxiety because they prefer to be in control of the situation.

Example of a completed worksheet:

| What Works:  | What Doesn't Work:  |
|--|---|
| I am careful with my money.<br>I don't lend friends any money.<br>I don't borrow money from friends.<br>I am on time with making my loan payments every month. | When I am manic, sometimes I buy things I can't afford.<br>I don't have anything in savings.<br>I don't have enough money to really do what I want to do. |

### **Step 3: Strengths, Gifts & Capacities** (5-7 minutes)

Referring to the Student Guide, ask the participants to fill out the *Strengths, Gifts, & Capacities* worksheet and explain what these terms mean. Strengths are valuable or useful abilities, assets, or qualities, such as being good at math, writing, or public speaking. Gifts are special talents or a

natural ability that you seem to have been born with, especially an artistic ability or social skill. Being compassionate, empathetic, or a good listener are examples of gifts. Capacities are areas of potential growth, development, or accomplishment; such as your physical, mental, or financial power to accomplish something. For example, being a good communicator or quick learner can boost your capacity/ability to do a number of jobs or activities.

For many, identifying their strengths, gifts, and abilities can be very difficult and they might not be able to come up with a list of these qualities very quickly. It is important to provide examples to participants. If they're having trouble, ask them to think about **transferable skills**. Transferable or "portable" skills are skills and abilities that can be transferred from one job to another, or one situation to another. They are often thought of in the context of job interviews and resume building, but they can be very useful in person-directed planning.

Some common transferable skills include:

1. **Communication skills:** verbal communication, written communication, active listening, nonverbal communication, responsiveness, public speaking, and how you give and receive feedback.
2. **Dependability skills:** work-ethic, punctuality, integrity, honesty, and the ability to meet deadlines.
3. **Teamwork skills:** relationship-building skills, collaboration, active listening, empathy, strong communication, and conflict resolution skills.
4. **Critical thinking skills:** problem solving, decision-making, creativity, and analytical thinking.
5. **Organization skills:** multitasking, time management, attention to detail, analytical thinking, and an ability to follow instructions well.
6. **Leadership skills:** dependability, relationship-building, delegation, project management, interpersonal skills, and conflict resolution skills.
7. **Adaptability:** flexibility, creativity, positivity, patience, the ability to learn new skills and processes, the ability to complete goals even as aspects of the project change.
8. **Empathy:** emotional intelligence, listening skills, mediation skills, curiosity, and the ability to see another person's perspective.<sup>3</sup>

Encourage conversation and collaboration. Allow 5 minutes per person to complete this section.

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<sup>3</sup> <https://www.indeed.com/career-advice/resumes-cover-letters/transferable-skills>

Example of a completed worksheet:

| <b>Strengths, Gifts, &amp; Capacities</b> |
|---|
| I have a great memory.                    |
| I am good with numbers.                   |
| I have a great sense of humor.            |
| I keep organized records.                 |
| I am always on time for appointments.     |
| I am very good with animals.              |
| I stay active and am on three committees. |

#### **Step 4: Financial Dreams & Goals** (5-7 minutes)

Assist the participants with completing their *Financial Dream/Goal* worksheets. Ask the participants to picture their lives in 5-10 years and imagine what they would like to have by then. Encourage them to dream big with no barriers. Emphasize focusing on big, long-term goals and dreams. Encourage conversations and brainstorming between participants. Allow 5-7 minutes per person.

Example of a completed worksheet:

| <b>My Financial Dreams/Goals</b>                             |
|--|
| I have a full-time job in an office.                         |
| I own a nice house in a good neighborhood.                   |
| I have my own dog.   |
| I have a good car.   |
| I plan trips to Hawaii and the Bahamas.                      |
| I have a credit card in my own name.                         |
| I have at least \$5000.00 in savings.                        |
| I have a good retirement plan.                               |
| I go out to eat at a nice restaurant at least twice a month. |
| I have a hot tub.  |

#### **Step 5: Life One Year from Now** (5-7 minutes)

While keeping in mind their long-term financial goals, ask the participants to imagine what their life will be like in one year by filling out the *One Year from Now* worksheet in the Student Guide. *Where will they live? Where will they be working? Do they have money in savings?*

Emphasize that in one year from now, participants will be one year closer to their financial dreams. This exercise is to imagine shorter-term goals that will help participants achieve their long-term goals laid out in the previous worksheet. Encourage conversation between participants. Allow 5-7 minutes for each participant.

### **Step 6: Financial Action Plan** (5-10 minutes)

Ask the participants to create an *Action Plan* for how they will achieve their short-term and long-term financial goals. Examples may include: opening a savings account, building credit, buying a used car, applying for an apartment, or going back to school. Participants will focus on small steps to achieve these bigger financial goals.

For example, improving your credit score is a big financial goal that can be divided up into small, achievable steps and shorter-term goals. The first step might be to create a list of debts. The second step might be working through one debt at a time, using one of the debt-payoff techniques outlined in Workshop 7. The third step could be applying for a secured or beginner credit card after all debts are paid off. These steps are short-term goals that can help an individual achieve a better credit score, which can help them with future financial goals, such as getting lower interest rates on loans or mortgage payments.

Emphasize the importance of focusing on small, achievable steps, which can build self-efficacy. Self-efficacy is defined as “people's beliefs in their capabilities to exercise control over their own functioning and over events that affect their lives. One's sense of self-efficacy can provide the foundation for motivation, well-being, and personal accomplishment.”<sup>4</sup> Encourage collaboration between participants. Allow 5-10 minutes for each person to complete their Action Plan.

### **Discussion:**

Once everyone's PDPs are complete, make sure to include time for sharing and discussion on how the process went. Ask participants to share what they liked or disliked, what they found useful, and how the activity made them feel. You can also ask the participants to share one item on their Financial Dreams/Goals or Action Plan with the class.

If they don't finish their PDPs by the end of class, participants can work on them at home or spend the beginning of next class finishing them up. Make sure the participants save their completed PDPs so they can refer back to them throughout the course.

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<sup>4</sup> <https://www.simplypsychology.org/self-efficacy.html>

## **Wrap-up:**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides, Student Guide p. 22

## **Teaching:**

Go over the Homework Assignments for this week:

1. Ask participants to choose one more money-saving idea to commit to for the next week. Facilitators will commit to one idea as well. If it was useful, they can continue their idea from the previous class.
2. Ask the participants to create a list of all of their expenses. They should bring this list to the next class to help them create their own personalized, working budgets.

## **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

### **After Class:**

1. Facilitators should fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet up in person or via phone or video call before the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

|                                  |
|----------------------------------|
| <b>Thoughts about the class:</b> |
|                                  |
| <b>Lessons learned:</b>          |
|                                  |

# WORKSHOP THREE: CREATING A BUDGET & RESOURCES TO SAVE MONEY

## Advanced Preparations for Workshop 3:

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard
3. Facilitator Guide
4. Student Guide (Workshop 3)
5. Laptop & projector
6. PowerPoint slides (Workshop 3)
7. Workshop 3 Worksheets
8. Calculators
9. Paper and pens/pencils/markers
10. Additional budgeting worksheets and resources
11. “Budgeting Apps” Handout
12. “Budgeting Tips” Handout
13. “Money Saving Resources Handout”
14. List of local money-saving resources

## **Learning Objectives:**

*Upon conclusion of Workshop 3, participants will:*

1. Understand the definitions of fixed expenses, variable expenses, non-monthly expenses, and unexpected expenses.
2. Differentiate their expenses into needs and wants.
3. Create a personalized, working budget and commit to working with it for the next week.
4. Identify areas in their budgets in which they need to adjust their spending and make a plan to do so.
5. Have learned at least three new resources in the community for saving money.

## Welcome Back & Group Sharing

**Facilitator:**

**Suggested time:** 5-10 minutes

**Materials:** PowerPoint slides; attendance sheet; Community Agreements; Financial PDP worksheets

**Teaching:**

Welcome back the participants. Take attendance. Review the *Community Agreements* and go over the day's agenda.

**Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues relating to money and finances and how the money saving ideas went. If there have been any savings as a result of using the idea, this should be shared, with an estimated dollar amount. Give each participant 1-2 minutes to share, as well as the second facilitator.

Ask the participants if they were able to gather and create a list of their monthly expenses as homework. This list will help them with the budgeting activity later on in this workshop.

**Activity:**

Ask participants to read through their PDP worksheets (particularly the Financial Dream, Life One Year from Now, and Action Plan sections) from last class before delving into the budgeting worksheets to remind themselves of their financial goals and how budgeting can be a tool to help them get there. If participants didn't finish these worksheets last class, facilitators can dedicate some time here or at the end of this workshop to wrap them up.

## Budgeting Basics

**Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guide p. 40-41; whiteboard and markers; Workshop 3 handouts 1-2

### **Teaching/ Discussion:**

Using the Student Guide, explain the various types of expenses (fixed, variable expenses, non-monthly, and unexpected expenses). Write them down on the whiteboard and ask participants if they can think of other examples of expenses that fall into these categories. Ask the participants to have these in mind when creating their own budgets.

Review the budgeting basics information in the Student Guide. Discuss what a budget is, the benefits of creating and using a personalized budget, and why budgeting is a key tool for financial success.

Remind the participants that beginning the process of budgeting can be daunting, especially if they have never used a personal budget before. It is important that they find a budgeting worksheet or tool that works for their needs, lifestyle, and learning style.

Remind them of the additional budgeting worksheets and resources in the Toolkit and Student Guide. They can choose between additional budget templates, websites, apps, and other tools to find a budget that works best for them. Some individuals may prefer to use a spreadsheet, while others may prefer to use an app.

Emphasize that the most important thing is to make their budget work for them and their own unique needs. Hand out the “Budgeting Apps” and “Budgeting Tips” handouts.

### **Activity:**

Using the information in the PowerPoint Slides, discuss a fictional person who is spending more than they're earning. Write their expenses on the whiteboard or project the example table below, using the PowerPoint slides.

Ask participants to work in small groups (in the classroom or in Breakout Rooms) to figure out which monthly expenses to cut out and which to keep, determining the expenses that are important to them.

**Note:** This is an opportunity to make the class more interactive and fun by adding humor to this example scenario, such as a silly name for the example person or funny or unusual expenses in their budget.

For example:

| Archie Andrews  |                  |                             |               |
|---|------------------|-----------------------------|---------------|
| Monthly Income:   |                  | Monthly Expenses:           |               |
| Paycheck (after taxes)  | \$2100           | Rent                        | \$800         |
| Other Income:   |                  | Electric                    | \$95          |
| Tax return (March)  | \$600            | Cable (with HBO & Showtime) | \$120         |
| Christmas bonus (December)  | \$150            | Cell phone                  | \$77          |
| Birthday money (October)  | \$100            | Credit card (minimum)       | \$95          |
| Overtime  | \$320            | Landline phone              | \$60          |
| <b>Total Annual Income:</b>   | <b>\$26, 370</b> | Car insurance               | \$90          |
| Non-monthly Expenses:   |                  | High speed Internet         | \$48          |
| Dog groomer (6 times a year)  | \$360            | Car loan                    | \$190         |
| Annual trip to the beach  | \$860            | Groceries                   | \$120         |
| Heat in winter  | \$420            | Pet food & supplies         | \$30          |
| <b>Total:</b>   | <b>\$1640</b>    | Dining out:                 | \$140         |
| Archie has one dog and lives alone in a two-bedroom apartment. He works full time, picking up a two overtime shifts a year. He owes \$3960 on his credit card and \$4390 on his car loan. |                  | New clothes                 | \$60          |
|   |                  | Household goods             | \$60          |
|   |                  | Toiletries                  | \$70          |
|   |                  | Starbucks                   | \$95          |
|   |                  | Gas for car                 | \$60          |
|   |                  | Barber                      | \$20          |
|   |                  | <b>Total:</b>               | <b>\$2230</b> |

## Budgeting Worksheets

### Facilitator:

Suggested time: 35-45 minutes

Materials: PowerPoint slides; Student Guide p. 42-50; Workshop 3 Worksheets; calculators; paper and pens/pencils; different budgeting worksheets (printed or online); homework assignment (list of expenses)

### Activity:

Guide the participants through the five to completing the generic budgeting worksheet in their Student Guides. Ask them to work through this budget template first before moving on to other worksheets, apps or websites. Provide them with other budgeting worksheets as additional options/resources. There are several templates on the Facilitator Toolkit website and several examples of apps and websites in the Student Guide.

Facilitators should have completed their own budget, following the same steps, during the Facilitator Training. You should be familiar with the process and should be available to help participants with tallying up their total income and expenses and identifying areas to cut.

Write the following steps on the whiteboard to guide the participants through the process of creating a personalized monthly budget. Facilitators can email or print out copies of the Workshop 3 Worksheets for steps 1-5 ahead of class.

**Step 1: Income.** Have the participants write down their total income, including wages, tips, SSI/SDI payments, tax refunds, odd jobs/ “under the table” work, alimony, etc. Ask participants to keep this list as a working, usable resource they can add to or review from time to time.

**Step 2: Expenses.** Using their homework assignment and the worksheets, ask the participants to write down all of their regular expenses, including rent or mortgage, bills, loan or debt payments, insurance etc.

Next, using their homework assignment and the worksheets, ask the participants to write down all of their monthly expenses, such as groceries, medicine, clothing, childcare, pet care, etc. Again, ask participants to keep this list as a working, usable resource they can add to or review.

**Step 3: Needs vs Wants.** After adding up their total income and compiling their list of expenses, ask the participants to separate their expenses into *needs* vs. *wants*. Emphasize that needs and wants will look very different from person to person. Each participant’s list will be unique. Emphasize the importance of having an open mind.

**Step 4: Optional Activity: Maslow’s Hierarchy of Needs.** Ask the participants to view and discuss Maslow’s Hierarchy of Needs. Ask them to list specific items from their needs and wants lists that would fall into each category. Allow time for sharing.

**Step 5: Create a Budget:** Using the Basic Budget Worksheet in the Student Guide or Workshop 3 Worksheets, participants will enter their income and expenses and see if they have any money left over. If their expenses are greater than their income, facilitators should help them to brainstorm ways these expenses could be reduced or cut, referring back to their Needs vs Wants lists.

Once everyone has worked through these 5 steps, you will facilitate a class-wide discussion on how to cut down on spending. There are some suggestions in the Student Guide, but open it up to class discussion, writing suggestions down on the whiteboard or asking participants to add ideas to a Jam Board.

**Note:** If the participants do not finish their budgets by the end of class, they can work on them at home or spend some time on them at the beginning of next class.

## **Resources for Saving Money**

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 51-55; whiteboard and markers

### **Teaching:**

Once everyone is finished with their budgets, through some tips and resources on how to save money with a limited income. As a class, read through the federal, state, and community resources outlined in the Student Guide and pass out the “Money Saving Resources” handout. Pay particular attention to the information on SNAP benefits, Medicaid, and Social Security Disability Benefits for individuals with mental health diagnoses.

Ask participants to brainstorm additional money saving resources in their communities. Write their suggestions down on the whiteboard and make sure everyone has access to this list of resources. It might be beneficial if you created a group document (like a Google Doc) for any additional resources and suggestions participants may have, so you can share it with them after class.

**Note:** The local and community-based resources referenced in the Student Guide are primarily within the Portland metro area. If you are facilitating this course outside of Portland or outside of Oregon, you will likely need to do some research on local resources in your community that you can share with your peers.

## **Wrap-up**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 22

### **Teaching:**

Go over the Homework Assignments for this week:

1. Ask the participants to choose one more money saving idea and commit to it for the next week. Facilitators will commit to one idea as well.
2. Ask the participants to commit to their budget for the next week.
3. Ask participants to find one community resource that could help them save money and be prepared to share it with the class.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

**Note:** By now, you should have a general idea of what your class size will be, which will help you plan the amount of time to devote to each section in future classes. For example, if you have fewer participants, you may spend less time on updates and sharing and more time on topics in which the class has expressed interest. You should also have reviewed participants' *Class Topics Questionnaires* and should have a better idea of which topics to focus on.

### **After Class:**

1. Facilitators should fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet up in person or via phone or video call before the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

**Thoughts about the class:**

**Lessons learned:**

# WORKSHOP FOUR: BANKING BASICS & CHECKING ACCOUNTS

## **Advanced Preparations for Workshop 4:**

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard
3. Facilitator Guide
4. Student Guide: Workshop 4
5. Laptop & projector
6. PowerPoint slides: Workshop 4
7. Paper and pens or pencils
8. List of local banks, credit unions, and online/alternative/second-chance banks
9. Workshop 4 Worksheets
10. "Second-Chance Checking Accounts" Handout
11. "How to Avoid Bank Fees" Handout
12. "How to Balance Your Checkbook" Handout
13. Check writing and budgeting activity (optional)

## **Learning Objectives:**

*Upon conclusion of Workshop 4, participants will:*

1. Have learned at least three new banking terms and their meanings
2. Understand the differences and pros and cons between different types of financial institutions
3. Understand the most common banking fees and identify practical ways to minimize or avoid them
4. Understand the steps to opening a checking account
5. Identify steps to remedy poor banking histories
6. Understand the differences and pros/cons to different types of checking accounts
7. Understand how to read and write checks
8. Understand how to balance a checkbook and the importance of doing so

## Welcome Back & Group Sharing

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** Attendance sheet; PowerPoint slides; Community Agreements; homework assignment (community resources)

**Teaching:**

Welcome back the participants. Take attendance. Quickly review the Community Agreements and go over the day's agenda

**Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues relating to money and finances and how their money saving ideas are going. If there have been any savings as a result of using the ideas, this should be shared with an estimated dollar amount. Additionally, ask the participants to share how their budgets are going and which community resource they identified. Give each participant, and the facilitators, 2-3 minutes to share.

## Banking Terms & Institutions

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 59-63 and Glossary; "How to Avoid Bank Fees" handout; whiteboard; bank websites

**Teaching:**

As a class, go over the common banking terms listed in the Student Guide and defined in the Glossary of Financial Terms, such as "APR" and "interest" and explain their meanings. The Glossary of Financial Terms is located at the end of the Student Guide and the Facilitator Guide.

Next, go over the different financial institutions as described in the Student Guide. As a class, discuss the possible pros and cons of each. You can take this time to discuss the differences between big national banks, local banks, community credit unions, and internet banks and ask

participants to share any experiences they've had with any of these types of banks. If you think it would be useful, pull up a few websites with examples of traditional banks, credit unions, and fully online banks. Be sure to explain that you are not endorsing any particular bank.

### **Teaching/Discussion:**

Next, you will go through the list in the Student Guide of common banking fees, inviting questions and comments from participants. As you list them, ask participants if they've ever incurred any of these fees. Some of these fees include monthly maintenance fees, overdraft fees, and early closing fees. Facilitators can share their own experiences as well. Discuss how one might avoid each fee and pass out the "How to Avoid Bank Fees" handout. Ask the participants if they have any questions on any of the topics covered so far.

## **Bank Accounts & Banking History**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 63-67; "Second Chance Checking Accounts" handout

### **Teaching:**

Next, go over the 7 steps to opening a bank account. Write these steps on the whiteboard:

1. Choose an Institution
2. Go to the Bank or Website
3. Pick the Product You Want
4. Provide Your Information
5. Agree to Terms
6. Print, Sign, and Mail (If Applicable)
7. Congratulate Yourself!

Invite participants to ask questions and/or share their own personal experiences with opening up a bank account.

Next, you will explore how a person might end up with a negative banking history and how a person can fix this type of situation. Using the information in the Student Guide, explain what ChexSystems is and how to keep one's name out of their database. Invite the participants to list situations that can lead to a poor banking history, using the examples in the Student Guide and

any others they can think of. Then go over the two main options for fixing a poor banking history: 1) remedying the situation or 2) opening up a second chance checking account.

Pass out the “Second-Chance Checking Accounts” handout. Remind everyone that judgement of prior or current situations is discouraged in this class and that this course is all about learning new strategies. Remember that participants will have widely varying experiences with these types of situations, so make sure to lead these conversations with compassion and understanding. We want to make sure these workshops are safe spaces for learning and collaboration.

These topics are dry, and participants may have begun to check out or disengage at this point in class. Some tips for making dry topics more interactive:

1. Ask the participants to share any experiences they may have had with topics presented, such as anecdotes from their own lives, from people they know, from the media, etc. Facilitators should do the same – try to connect these topics to real-life situations and experiences.
2. Read your audience and notice if participants are starting to check out. If they are, try taking a break, showing a video instead of talking through the materials, asking the participants (if they’re able) to stretch their bodies, or chatting for a few minutes about non-course-related subjects. These are a few easy options to re-engage participants and you can come back to the workshop materials when everyone feels refreshed.
3. Read through the list of “Best Practices for Facilitating a Training Virtually” located in the Facilitator Toolkit. Some of these tips can be useful in virtual and in-person spaces. For example, using participants’ names throughout the class, using humor and conversational language, encouraging the participants to raise their hands to ask questions or make comments at any time; and encouraging feedback each class to make the next class better.

## **Checking Accounts & Checkbooks**

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 67-76; “How to Balance Your Checkbook” Handout; YouTube videos (optional; located in Workshop 4 Additional Resources)

### **Teaching:**

Using the Student Guide, you will explain the different types of checking accounts to help participants understand the pros and cons and how to pick one that works best for them. Focus on free checking accounts, which are usually the most preferred account, especially among people just starting out. Ask the participants if they have any questions.

### **Activity:**

Go over the steps in the Student Guide for how to read and write a check, asking the participants to take turns reading each step aloud.

If you are facilitating in-person, facilitators can draw an example check on the whiteboard. If you are facilitating online, pull up an editable image of a check, or use the example in the PowerPoint slides. This can be an opportunity to add some humor, asking participants to shout out the account holder's name, amount, and reason for writing the check.

As you go through each section, point out the key elements of the check and their purpose, paying special attention to the routing number and account number, which are needed when setting up Direct Deposit Payments to and from your checking account. Ask if anyone has any questions.

### **Teaching:**

Discuss balancing a checkbook in relation to budgeting and making sound financial decisions. Explain that in the digital age, fewer people are using checkbooks as frequently, as many people have moved on to rely on debit and credit cards and online banking and bill paying. However, checkbooks and learning how to properly use them can still be useful financial tools.

Go over why balancing your checkbook is a good financial practice and walk participants through the checkbook balancing process/worksheet. Pass out the "How to Balance your Checkbook" handout. To make this section more interactive and to provide additional instruction about this topic, we recommend using some of the videos on how to balance a checkbook, located in the Facilitator Toolkit.

## **Check Writing & Budgeting Exercise**

### **Facilitator:**

**Suggested time:** 20-30 minutes

**Materials:** Activity instructions, Slides, copies of example checks, copies of example check balancing sheets; whiteboard, markers and pens; large envelopes with expense items, prices, and instructions; chocolate coins (if in-person, optional), calculators.

### **Activity:**

The following activity is optional, depending on time and funds available, and will require a fair amount of preparation by the facilitators in advance. The purpose of this exercise is to give participants an opportunity to practice their skills in check-writing, balancing a checkbook, and budgeting/making sound financial decisions. It will also make the class more interactive and fun. The PowerPoint slides explain the activity and have instructions for the participants.

### **Instructions:**

#### **Step 1: Prepare Envelopes and Practice Checks**

- If you are facilitating class in-person, one facilitator will pass out six example checks and an example check balancing sheet (located in the activity instructions) to each participant, as well as calculators. If you are facilitating online, send out virtual example checks and a virtual check balancing sheet that participants can edit on their computers.
- While one facilitator is doing this, the other will set up the envelopes, which will contain an expense item that falls under one of three categories: *housing, transportation, and wellness*.
  - Each expense item will be on a printed out card, or will be projected on the PowerPoint slides (depending if you're teaching in-person or virtually, and whether you want a paper-less option). Each of these options has a specific number of points associated with it (see the options in this Guide). Participants will "go shopping," using their example checks for one of each expense item.
  - If facilitating class in-person, the points will be located on the back of each card. If facilitating class online, facilitators will keep track of the points associated with each option, using the Facilitator Guide.

- If in-person, the facilitators will place the envelopes front-side up across the tables so everyone can see, making sure the envelopes stay grouped in their respective categories. You can spread the envelopes out on different tables in the room to encourage participants to walk about and “go shopping.”
  - If time and available funds permit, you can purchase chocolate coins to use instead of tallying up points at the end. If you decide to do this, you will place the chocolate coins (10-20, depending on class size) in each envelope prior to the class.
- If you are facilitating online, the activity will follow the same structure, but instead of moving around the room to select housing, transportation, and wellness options from the envelopes provided, participants will choose from the options in the PowerPoint slides and write their sample checks on their computers using virtual copies.
  - The options will still have different points associated with them, and participants will still tally up their points at the end.
- On the whiteboard, one facilitator will write three typical expenses: power, cable, and credit bills. These expenses are also on the PowerPoint slides for this workshop.

## **Step 2: Go Shopping**

- Give everyone a starting amount of \$3000. This is their monthly salary that they have to work with. Their job is to pay their bills, then find a place to live, a way to get around, and something that will bring them joy.
- Ask the participants to first pay the bills listed on the whiteboard and/or slides, using their sample checks. Once these basic bills have been paid, invite the participants to look through the items presented on the table/on the screen and “go shopping.” Instruct everyone to pick one item from each category (housing, transportation, and wellness).
- Once everyone has written checks for their selected items and entered the information into their check balancing sheets, ask the participants to turn the envelopes of their selected items over and follow the instructions for how many points (or coins) to collect. If facilitating online, facilitators will let the participants know how many points are associated with each of the items they chose.
- After everyone has tallied up their points, invite the participants to share their thoughts and experiences with this exercise and how many points they were able to collect. Ask if they noticed the correlation between their expense choices and the amount of points they were able to collect.

## **Housing Options:**

### **Front:**

**Home:**

**Bedroom in a shared house**

Rent: \$450/month

Pros: Inexpensive

Cons: Must share common space with three other people

Pay to: Friendly Living Company



### **Back:**

**Home**

**Bedroom in shared house**

**Take 5 points**

### **Front:**

**Home**

**Shared two-bedroom apartment**

Rent: \$700/month

Pros: Less expensive than living alone

Cons: Must share common space with another person

Pay to: Standard Property Company



### **Back:**

**Home**

**Shared two-bedroom apartment**

**Take 4 points**

**Front:**

**Home**

**Studio apartment**

Rent: \$850/month

Pros: Close to downtown and work, walkable

Cons: More expensive, not a lot of space

Pay to: Dollhouse properties



**Back:**

**Home**

**Studio apartment**

**Take 3 points**

**Front:**

**Home**

**One-bedroom apartment**

Rent: \$1100/month

Pros: More personal space

Cons: More expensive

Pay to: American Property Management



**Back:**

**Home**

**One bedroom apartment**

**Take 2 points**

**Front:**

|  |   |
|--|---|
| <p><b>Home</b></p> <p><b>Small home</b></p> <p>Mortgage: \$1150/month</p> <p>Pros: Over time, you will own the home</p> <p>Cons: Needs some repairs and updates; put all savings into down payment</p> <p>Pay to: Happy Homes Mortgage Company</p> |  |
|--|---|

**Back:**

|   |                            |
|---|----------------------------|
| <p><b>Home</b></p> <p><b>Small home</b></p> | <p><b>Take 1 point</b></p> |
|---|----------------------------|

**Front:**

|  |  |
|--|--|
| <p><b>Home</b></p> <p><b>Large suburban home</b></p> <p>Mortgage: \$1800/month</p> <p>Pros: Plenty of living space</p> <p>Cons: Long commute to work; put all savings into down payment</p> <p>Pay to: Megabank Home Loans</p> |  |
|--|--|

**Back:**

|  |                             |
|--|-----------------------------|
| <p><b>Home</b></p> <p><b>Large suburban home</b></p> | <p><b>Take 0 points</b></p> |
|--|-----------------------------|

## **Transportation Options:**

**Front:**

|  |  |
|--|--|
| <p><b>Transportation</b></p> <p><b>Bus pass</b></p> <p>\$95/month</p> <p>Pros: Inexpensive; better for the environment</p> <p>Cons: Commute takes longer; limits where you can go</p> <p>Pay to: City Transportation</p> |  |
|--|--|

**Back:**

|   |                             |
|---|-----------------------------|
| <p><b>Transportation</b></p> <p><b>Bus pass</b></p> | <p><b>Take 5 points</b></p> |
|---|-----------------------------|

**Front:**

|  |  |
|--|--|
| <p><b>Transportation</b></p> <p><b>Basic used car</b></p> <p>\$1,800 one-time payment</p> <p>Pros: Inexpensive</p> <p>Con: Needs repairs and maintenance</p> <p>Pay to: Happy Auto</p> |  |
|--|--|

**Back:**

|   |                             |
|---|-----------------------------|
| <p><b>Transportation</b></p> <p><b>Basic used car</b></p> | <p><b>Take 3 points</b></p> |
|---|-----------------------------|

**Front:**

**Transportation**

**Basic new car**

\$280/month five-year loan

Pros: Reliable transportation

Cons: More expensive, regular payments you need to make each month

Pay to: Sam's New Cars



**Back:**

**Transportation**

**Basic used car**

**Take 1 point**

**Front:**

**Transportation**

**Leased luxury car**

\$650/month three-year lease

Pros: Luxurious car you've always dreamed of

Cons: Very expensive; long-term loan

Pay to: Fast & Fun Auto



**Back:**

**Transportation**

**Leased luxury car**

**Take no points**

## **Wellness Options:**

**Front:**

|   |  |
|---|--|
| <p><b>Wellness</b></p> <p><b>Community Fair Outing</b></p> <p>\$20 entrance fee</p> <p>Pros: Inexpensive</p> <p>Cons: Crowded with long lines</p> <p>Pay to: Community Events</p> |  |
|---|--|

**Back:**

|  |                             |
|--|-----------------------------|
| <p><b>Wellness</b></p> <p><b>Community Fair Outing</b></p> | <p><b>Take 4 points</b></p> |
|--|-----------------------------|

**Front:**

|   |  |
|---|--|
| <p><b>Wellness</b></p> <p><b>Day at the Spa</b></p> <p>\$125</p> <p>Pros: Relaxing and rejuvenating; self-care</p> <p>Cons: Expensive for one day</p> <p>Pay to: Dreamscape Spa</p> |  |
|---|--|

**Back:**

|   |                             |
|---|-----------------------------|
| <p><b>Wellness</b></p> <p><b>Day at the Spa</b></p> | <p><b>Take 3 points</b></p> |
|---|-----------------------------|

**Front:**

|  |  |
|--|--|
| <p><b>Wellness</b></p> <p><b>Adopt a dog</b></p> <p>\$400 adoption fee</p> <p>Pros: Provides unconditional love and companionship</p> <p>Cons: Ongoing cost for food and care</p> <p>Pay to: County Animal Shelter</p> |  |
|--|--|

**Back:**

|  |                             |
|--|-----------------------------|
| <p><b>Wellness</b></p> <p><b>Adopt a Dog</b></p> | <p><b>Take 2 points</b></p> |
|--|-----------------------------|

**Front:**

|  |  |
|--|--|
| <p><b>Wellness</b></p> <p><b>New Gaming Station &amp; Games</b></p> <p>\$460</p> <p>Pros: Provides at-home entertainment</p> <p>Cons: Initial cost is expensive</p> <p>Pay to: Super Electronics</p> |  |
|--|--|

**Back:**

|   |                             |
|---|-----------------------------|
| <p><b>Wellness</b></p> <p><b>New Gaming Station &amp; Games</b></p> | <p><b>Take 2 points</b></p> |
|---|-----------------------------|

**Front:**

|   |   |
|---|---|
| <p><b>Wellness</b></p> <p><b>60' High Definition Television</b></p> <p>\$800</p> <p>Pros: Provides at-home entertainment</p> <p>Cons: Initial cost is quite expensive</p> <p>Pay to: E-Mart</p> |  |
|---|---|

**Back:**

|  |                            |
|--|----------------------------|
| <p><b>Wellness</b></p> <p><b>HD Television</b></p> | <p><b>Take 1 point</b></p> |
|--|----------------------------|

**Front:**

|   |  |
|---|--|
| <p><b>Wellness</b></p> <p><b>One Week All-Inclusive Resort Vacation</b></p> <p>\$1600</p> <p>Pros: Very luxurious and relaxing vacation</p> <p>Cons: Very expensive</p> <p>Pay to: Serene Vacations</p> |  |
|---|--|

**Back:**

|   |                             |
|---|-----------------------------|
| <p><b>Wellness</b></p> <p><b>One Week All-Inclusive Resort Vacation</b></p> | <p><b>Take 0 points</b></p> |
|---|-----------------------------|

## **Wrap-up**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 22

### **Teaching:**

Go over the Homework Assignments for this week:

1. Ask participants to choose one more money saving idea to commit to for the next week.  
Facilitators will commit to one idea as well.
2. Encourage participants to revisit their budgets and revise them if needed. Ask them to commit to their budget for another week.
3. Ask participants to research any fees charged at their bank or a bank they are interested in.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

### **After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

|                                  |
|----------------------------------|
| <b>Thoughts about the class:</b> |
|                                  |
| <b>Lessons learned:</b>          |
|                                  |

# **WORKSHOP FIVE: DEBIT; ATMS; ONLINE BANKING; MONEY SAFETY**

## **Advanced Preparations for Workshop 5:**

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard
3. Facilitator Guide
4. Student Guide: Workshop 5
5. Laptop & Projector
6. PowerPoint slides: Workshop 5
7. “ATMs and ATM Safety” Handout
8. “Best Online Banks of 2021” Handout
9. “Options If You Can’t Open a Traditional Bank Account” Handout
10. “Common Phone Scams” Handout
11. “How to Avoid Identity Scams” Handout
12. “Help for Identity Theft” Handout
13. Paper and pens or pencils
14. Online banking resource page
15. Prop ATM (cardboard cut-out or drawn on the whiteboard)

## **Learning Objectives:**

*Upon conclusion of Workshop 5, participants will:*

1. Understand how debit cards work and how to safely use them
2. Know how to use an ATM and know basic safety tips/how to recognize potentially dangerous situations
3. Have an understanding of online banking and available online options, Direct Deposit, and how to utilize online tools and services
4. Have an understanding of mobile banking apps and mobile money transfer apps
5. Know how to utilize online and automatic bill paying
6. Know key money safety tips and tips to minimize the risk of identity theft

## Welcome Back & Group Sharing

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** Attendance sheet; PowerPoint slides; Community Agreements

### **Teaching:**

Welcome back the participants. Take attendance. Go over Community Agreements and the day's agenda, letting participants know you'll be discussing debit card fraud and identity theft in this class. As always, participants are invited to push through any discomfort that may come up or do whatever they need to do to prioritize taking care of themselves.

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone relating to money and financial issues and how the money saving ideas are going. If there have been any savings as a result of using the ideas, this should be shared, with an estimated dollar amount. Ask the participants to share how their budgets are going and the bank fees they found from last week's homework assignment. Give each participant, and the facilitators, 2-3 minutes to share.

## Debit Cards

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 80-84; whiteboard

### **Teaching:**

Using the information in the Student Guide, go over the following details about debit cards:

1. What they are and why people use them
2. How they work and how to use one
3. Common costs, fees, rewards, and incentives
4. Issues that may come up, such as overdraft fees, blocks, and holds

Most of this information can be found in the "FAQs about Debit Cards" section.

### **Teaching/Discussion:**

As a class, discuss the various tips in the Student Guide for how to use a debit card safely and how to avoid debit card fraud. Emphasize to the participants that it is important to protect their physical debit card as well as their account number, expiration date, security code, and PIN. If a thief learns this confidential information, they can access a person's account, withdraw funds, or create counterfeit cards. You can ask participants to think of any additional safety precautions for debit cards and write their suggestions down on the whiteboard.

Be sure to emphasize that debit card fraud, credit card fraud, and identity theft are common and can happen to anyone; which is exactly why we are focusing on money safety in this class. Be mindful that individuals may have experience with these topics. Ensure to practice non-judgment in your facial expressions, body language, and words.

### **How to Use an ATM & ATM Safety**

#### **Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 85-86; whiteboard; cardboard ATM or ATM image; "ATM Safety" Handout

### **Teaching:**

In this section, you will go over how to use an ATM safely, following the steps in the Student Guide. If facilitating in-person, facilitators can draw an ATM on the whiteboard (as best they can) or project an image of a standard ATM for the class to see. If facilitating online, facilitators can pull up an image of a standard ATM on the shared screen. Drawing an ATM on the whiteboard can be a way to intentionally bring engagement and humor to the section, since it will likely not look much like an actual ATM.

**Note:** Many members of the class will probably already know how to use an ATM. If you are offering this instruction for the benefit of two or three participants, you can keep the rest of the class engaged by using humor in both this section and the ATM Safety section.

### **Activity:**

In this section, facilitators will demonstrate ATM safety through short skits. This will be easier in-person and will require more creativity on Zoom.

**If you are facilitating in-person:** one facilitator will act as either the person using the ATM or as another person on the scene. The other facilitator will be the “director” of the short scenes and will narrate the situation. Invite volunteers from the class to take turns playing various roles during the skits. Encourage participants to make comments as the scenes unfold.

Note: It might be useful to have some sort of cardboard ATM to use to act out the skits, but you can also use the drawing on the whiteboard or projected image.

**If you are facilitating online:** You will follow the same format, with a facilitator and a volunteer acting out the scene on their virtual screens and the other facilitator reading the skit description. One suggestion is for facilitators to facilitate this class from the same location so they are able to act out the scenes together on screen. Another suggestion is to use images and backdrops, sounds, and descriptions or narration to act out the scenes on-screen. It would likely be helpful for facilitators to meet up prior to this class to brainstorm creative ways to do this activity over Zoom.

One facilitator will read the skit while the other facilitator and volunteer act out what is being said. Ask the participants to yell “stop!” at the point in the scene when something unsafe is occurring, and explain why the situation is unsafe. Participants will explain what is wrong and what the person in the scene should have done differently.

The suggested short scenes (one to two minutes each) are:

1. It is very late at night and the ATM user finds an ATM at the end of a dark alley or another dark and secluded place.
2. While one person is using the ATM, another person shows up and begins peering over their shoulder.
3. A person has just arrived to the ATM, with someone standing right behind them. The ATM user enters in their information without trying to shield it from view.
4. The ATM user tries to recall their pass code (based on their birthday) by saying it out loud while someone is close-by and within hearing distance.

5. The person who is about to use the ATM pulls out a piece of paper to read their PIN.
6. While one person is using the ATM, another person is persistent in offering to help.
7. Just as a person is about to use the ATM, they notice it looks different than it should. The ATM user notices the machine looks different, but decides to use it anyway.
8. After making a cash withdrawal (\$200-\$300), the person counts the cash in front of another nearby stranger.
9. ATM user “drives up” to an ATM to make a withdrawal, not noticing they are being boxed in by two other cars. *\*This scenario will need a third person to play the third driver.*

This exercise is designed to be fun and engaging. You can choose to do all, some, or none of these scenes. Be creative and add other scenes that you think are important to address. At the end of this exercise, pass out the “ATM Safety” handout and invite further discussion.

### **Online Banking, Direct Deposit, & Automatic Bill Pay**

**Facilitator:**

**Suggested time:** 20 minutes

**Materials:** PowerPoint slides; Student Guide p. 87-91; Workshop 5 Handouts 2-3

**Teaching:**

Using the information in the Student Guide, discuss the many ways people use their computers or smartphones for their banking needs, asking participants to add their own examples. Discuss how banks and credit unions allow you to do a number of activities online and through their mobile apps. For example, a person can check their account balance, transfer money from one account to another, and deposit a check all from their phone or computer.

Go through the pros and cons of online banks. Ask participants to share if they've had any experience with internet banks. Pass out the “Best Online Banks” and “Options if You Can't Open a Traditional Account” handouts and invite discussion.

If you have access to a projector or are facilitating the class virtually, you can pull up a few online banking websites to demonstrate these tools. You might want to do research prior to class on a few online banking sites that are good for beginners. As a class, go through the different sites, being sure to explain you are not endorsing any particular online bank. Invite questions and discussion from participants.

Next, explain mobile payment services like Venmo, PayPal and CashApp. Ask participants if they've ever used any of these services and if they'd like to share. Explain how they connect to your bank account so you can transfer money electronically.

After this, briefly discuss investment applications that can help you grow saved-up money over time, such as Acorns, RobinHood, E\*Trade, or Vanguard. Discuss pros and cons and emphasize that investment is something to think about down the line when one's finances are secure.

Next, ask participants: *have you ever received a direct deposit payment?* Explain how direct deposit/ACH payments work and how many employers prefer to deposit your paycheck directly into your checking or savings account instead of writing you a paycheck. Explain how to find your bank routing number and your account number on a check and how, if you don't have a checkbook, you will likely need a letter from your bank with this information.

Discuss how you can receive Social Security payments electronically, either through direct deposit, where the Social Security Administration directly deposits your benefits into your bank account, or the Direct Express Card, which acts like a debit card. With the Direct Express Card, you can access your Social Security benefits without having to open a bank account. Your federal benefit payment is deposited directly into your card account every month on payday.

It may be helpful to pull up the Social Security Administration website, which has information on how to sign up for these benefits and how to choose between the direct deposit and debit card options.

#### **Teaching/Discussion:**

Explain what automatic bill paying is and the usual steps to set this up. Automatic bill payments can be a convenient way for some people to pay most of their bills. Go over a few things to consider before deciding to pay bills this way.

Invite sharing on how the participants pay or have paid their bills in the past if they are comfortable. Use the whiteboard to highlight key points and discuss the pros and cons of automatic payments.

## **Money Safety**

**Facilitator:**

**Suggested time:** 15 minutes

**Materials:** PowerPoint slides; Student Guide p. 92-95; Workshop 5 Handouts 4-6

### **Teaching/Discussion:**

In the section on Money safety, first you will discuss money safety when banking or shopping online. Review the information on safe internet banking in the Student Guide, asking participants to take turns reading the paragraphs aloud.

Using the “Common Phone Scams” handout, ask the participants to raise their hands if they’ve ever received scam phone calls asking for bank account or social security number information. Discuss how unfortunately these scams and hacks are quite common and it can be difficult to distinguish what is real and what is a scam. Emphasize that these scams can happen through your work email or your personal email and it is often best to double-check with co-workers if an email seems even a little suspicious.

Next, discuss what identity theft is and some precautions a person can take to try to avoid it. Identity theft occurs when someone uses your personal, sensitive information to steal from you or pretend to be you. For example, using the money in your bank account or opening up new lines of credit.

Go over the safety tips for minimizing the chances of identity theft in the Student Guide and write down each tip on the whiteboard as they’re being discussed. Pass out the “How to Avoid Identity Scams” and “Help for Identity Theft” handouts. Ask the participants if they have any additional tips they would like to share, and write their ideas down on the whiteboard.

### **Wrap-up**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 22

### **Teaching:**

Go over the Homework Assignments for this week:

1. Ask participants to refer to the money saving ideas in the Student Guide and choose one more money saving idea to commit to for the next week. Facilitators will commit to one idea as well.
2. Encourage participants to revisit their budgets and revise them if needed. Ask them to commit to their budget for another week.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

### **After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

|                                  |
|----------------------------------|
| <b>Thoughts about the class:</b> |
|                                  |
| <b>Lessons learned:</b>          |
|                                  |

# WORKSHOP SIX: CREDIT & LOANS

## **Advanced Preparations for Workshop 6:**

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard (or virtual whiteboard)
3. Facilitator Guide
4. Student Guide: Workshop 6
5. Laptop & projector
6. PowerPoint slides: Workshop 6
7. Paper and pens or pencils
8. Calculators
9. "How Does Credit Work?" Handout
10. "Debunking Smart Credit Myths" Handout
11. "How to Improve Your Credit Score" Handout
12. "Definition and Examples of Predatory Lending" Handout
13. Credit Card Fact/Fiction Activity

## **Learning Objectives:**

*Upon conclusion of Workshop 6, participants will:*

1. Have learned the basics of how credit works and understand basic credit terms
1. Understand the pros and cons of credit
2. Know how to identify for themselves a comfortable line of credit
3. Understand the importance of credit reports and credit scores
4. Have learned effective techniques to pay down credit cards
5. Understand loans, loan contracts, interest rates, and the pros and cons of taking out a loan
6. Be able to identify the warning signs of predatory lending

## **Welcome Back & Group Sharing**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** Attendance sheet; PowerPoint slides; Community Agreements

### **Teaching:**

Welcome back the participants. Take attendance. Go over the Community Agreements and the day's agenda.

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone relating to money and finances and how the money saving ideas are going. If there have been any savings as a result of using the ideas, this should be shared, with an estimated dollar amount. Ask participants to share how their budgets are going. Give each participant, and the facilitators, 2-3 minutes to share.

## **Understanding Credit**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 99-102; Workshop 6 Handouts 1-3; whiteboard

### **Teaching:**

Facilitators should reference the Student Guide to explain the basics of how credit works and encourage participants to offer examples of each step of the credit process. Write these examples on the whiteboard. Provide participants with the “How Does Credit Work?” and “Debunking Smart Credit Myths” handouts.

Discuss what credit reports and credit scores are and how they are calculated. A credit report is an accumulation of information about how you pay your credit bills and repay loans, how much credit you have available, and what your monthly debts are. Your credit report is used to calculate your credit score, which is a three-digit numerical representation indicating how risky a borrower you are from a lender’s perspective. Your credit score number reflects your credit risk level, with a higher number indicating lower risk.

Emphasize that the best way to have “healthy” credit is to have a few credit cards that you pay on time every month. Being on top of your bill payments, including credit card payments, can improve your credit score over time.

After this, go over the FAQs about Credit Scores listed in the Student Guide. Then, ask the class: *What are some examples of why a good credit score and credit report are important? What are some activities (maybe examples from their Financial Goals/Action Plans) that would require good credit?* Pass out the “How to Improve Your Credit Score” handout. Emphasize how empowering building credit and improving one’s credit score can be, as it opens up many opportunities for financial resilience and stability.

Write the following terms on the whiteboard and explain their meaning: credit limit, late fees, “secured credit cards,” grace period, interest rate. Use the Student Guide for reference. These terms will help prepare participants for the following activity.

## Facts About Credit

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 103-104; whiteboard; credit card fact or fiction cards

### **Activity:**

This Credit Card Fact or Fiction game is an opportunity to make this workshop more interactive. Similar to the *Checkbook Writing Activity* from Workshop 4, it can be done in-person with printed-out cards or virtually with the PowerPoint slides. There are 10 statements about credit that participants will determine are true or false. The printable cards are located in the Workshop 6 Handouts in the Facilitator Toolkit.

Go through each card (either printed out on each participant’s desk or on the PowerPoint slides). Ask participants to take turns reading their cards to the class. The group will decide whether the statement is true or false. Facilitators should give more detailed information about each one and explain why the sentence is true or false.

#### **Card #1:**

When a credit card company sets limits on how much can be charged on a card, it’s based on your ability to handle debt

**Explanation: TRUE.** This is called a credit limit – the maximum amount of credit a credit card company or bank will allow a client to use. Beginner cards often have lower credit limits, and a person's credit limit can increase over time and as their credit report improves with good credit management.

**Card #2:**

Late fees, if you don't pay your bill on time, can be as high as \$35

**Explanation: TRUE.** Late fees (if you do not pay your bill by the day the grace period expires) can be costly. It can be helpful to write yourself reminders or sign up for automatic credit card payments to avoid these fees.

**Card #3**

Usually, the lower your credit score, the higher your credit card interest rates will be

**Explanation: TRUE.** Consumers with higher credit scores tend to receive lower interest rates than consumers with lower credit scores. This is because a higher credit scores signifies a history of paying back credit responsibly.

**Card #4**

The grace period for credit cards is usually about 30 days

**Explanation: FALSE.** A grace period is usually about 25 days. A grace period is the period between the end of a billing cycle and the date your payment is due. Your credit card statement must be made available to you no later than 21 days before the due date.

**Card #5:**

Secured credit cards can be a good option for someone with poor credit or no credit

**Explanation:** **TRUE.** Secured credit cards are “secured” with a cash balance, which the bank or company will keep if you do not pay your bill. Because these credit cards are secured by a cash deposit, they are easier for people with bad or no credit to qualify for.

**Card #6:**

If you charge over your limit on a secured credit card, the bank can take the balance from your account

**Explanation:** **TRUE.** The balance acts as collateral for the bank or credit card company in case you do not pay your bill.

**Card #7:**

Making the minimum payments saves you money

**Explanation:** **FALSE.** Making minimum credit card payments may save you money in the short-run, but it will cost you a lot in the long-run. Paying the minimum on your credit card will take longer to pay off the debt, which in turn will cause you to accumulate even more interest.

**Card #8:**

If you pay less than the minimum payment, your card will be deactivated

**Explanation:** **TRUE.** The minimum payment is the LEAST amount you can pay to keep the card active. If you pay less, your card will be deactivated.

**Card #9:**

If your credit card is lost or stolen, or has been used without your permission, you will be responsible for only the first \$100.00 of unauthorized charges if you report it right away

**Explanation:** **FALSE.** If you notify the authorities right away, you will be responsible for only the first \$50 of unauthorized charges.

**Card #10:**

If you pay your bill in full during the grace period, you won't have to pay a finance charge on purchases for that bill

**Explanation:** **TRUE.** Paying your bill in-full during the grace period ensures you won't have to pay late-fee finance charges.

**Teaching:**

Go over some basic credit card safety tips, such as how to keep credit card numbers safe and what to do if a card is lost or stolen. Next, briefly discuss the material on interest rates in the Student Guide as they relate to credit.

Emphasize that the best practice for paying credit card interest, which can add up significantly over time (leading to credit card debt), is to pay one's credit card bill in full. If that's not possible, an individual should try to pay as much over their credit card minimum payment as possible (even just \$10 more each month can reduce credit card interest).

**Pros & Cons of Credit; Paying Down Credit Cards**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 105-107

### **Discussion:**

Ask the participants to suggest several pros and cons of credit, using examples from the Student Guide or their own experiences. If you are facilitating in-person and have access to a whiteboard, you can draw a Pros & Cons table and one facilitator can fill it in while the other is leading the discussion.

If you're facilitating online, we suggest using the Zoom whiteboard feature or a shared Google Document. You can create a pros & cons table in this document table before class and either invite participants to fill in the table in small groups, using their computers, or go through it all-together, with one facilitator leading the discussion and the other typing in participants' suggestions. Write down their suggestions and discuss each one.

Next, briefly discuss the tips in the Student Guide for building and maintaining healthy credit habits. The most important thing is to pay your bills on time, in full, and pay as much over the minimum payment as possible.

1. Pay your credit bills on time.
2. Do not accumulate too much credit debt. If it starts to add up, stop using your credit card until you have paid off that debt.
3. Monitor your credit reports to look for errors and to avoid identity theft.

Using the information in the Student Guide, discuss how acquiring a lot of credit can add up quickly and become hard to pay off. Go through the signs that a person's credit card debt is becoming difficult to manage. For example, taking out new loans or credit cards to pay off old ones or paying so much on credit that the amount they owe from one month to the next never goes down.

Ask participants to add any additional examples to the list, then write down the three steps for paying down credit cards on the whiteboard:

1. Stop using your credit card(s)
2. Pay off the card with the highest interest first
3. Pay more than the minimum due

Go over them one by one, explaining the rationale behind each one. Invite questions and discussion. Let the participants know that in the next Workshop, they will learn a number of techniques and resources for paying off debts, including credit card debts.

Next, go through the steps to build and maintain good credit, briefly discussing the list of credit cards that can help you build credit if you have no credit history or a low credit score. Emphasize that you are not recommending any of these cards, just providing resources.

## **Understanding Loans**

**Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guide p. 108-111; whiteboard; calculators

### **Teaching:**

Provide an overview of what loans are and the many different reasons people take out a loan as described in the Student Guide. Explain similarities and differences between loans and credit (contractual obligations, how lenders assess risk). Ask participants to offer additional examples of reasons a person might take out a loan and write them down on the whiteboard.

### **Activity:**

Similar to what you did with credit, create a pros and cons table on the whiteboard and add one example under each. Ask participants to offer more suggestions for the benefits and drawbacks of loans. Feel free to refer back to the previous list of reasons for taking out a loan. Ask participants what they might do with the different scenarios and if they would proceed with obtaining a loan or wait and save enough money for the purchase or project.

### **Teaching:**

Using the information in the Student Guide, list the different terms that are commonly used in loan contracts on the whiteboard and what they mean. These terms include: principal, loan term, and fixed, variable, or split-interest rates. Go over their meanings, paying special attention to the different types of interest rates. Make sure to leave space for questions and comments.

Use the example table in the Student Guide to illustrate how much more a person can end up paying when their loan has a high-interest rate. This is a good time to caution participants about one of the key drawbacks of taking out a loan -- paying a lot in interest.

### **Optional Activity:**

As an optional activity, ask participants to calculate how much a person could end up paying on a loan over time in different scenarios, using different interest rates. They can use the interest rate on a personal loan, if they have one, or facilitators can provide examples. Note: the examples used in the Student Guide are based on a fixed APR.

*How to calculate interest rate costs:* multiply the loan amount by the interest rate (.10 for a 10% rate). This will show the approximate cost per year. Then multiply that number by the number of years estimated to pay off the loan. This will show the approximate total amount spent on interest. Remind participants that these numbers are approximate and if they would like to have more accurate numbers, there are online resources to calculate interest rates accurately. If they don't want to use their calculators to determine these costs, participants can use a website that will do the calculations for them.

## **Predatory Lending**

### **Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 112-114; “Predatory Lending” handout; whiteboard

### **Teaching:**

Using the information in the Student Guide, explain the definition of Predatory Lending. Predatory lending is defined as any lending practice that enforces deceptive, unfair, and/or abusive loan terms on borrowers. Pass out the “Definition and Examples of Predatory Lending” handout. Facilitators should write down the different types of potentially dangerous loans on the whiteboard: Payday Loans, Pawn Shop Loans, Title Loans, High L-TV Home Equity Loans, and Advance-free Loans. These are examples of loans that could become predatory.

Ask the participants to volunteer to read the warning signs of predatory lending in the Student Guide and connect these warning signs to different types of loans on the whiteboard. There are

some videos in the Facilitator Toolkit that may be useful for explaining this section and keeping the class engaged.

Discuss steps to take to avoid predatory loans and the steps to take if someone is already engaged in a loan that is predatory. Provide the class resources and handouts from the Toolkit for how to get out of this kind of situation.

## Wrap-up

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 22

**Teaching:**

Go over the Homework Assignments for this week:

1. Ask participants to choose one more money saving idea and commit to it for the next week. Facilitators will commit to an additional idea as well.
2. Encourage participants to revisit their budgets and revise them if needed. Ask them to commit to their budget for another week.
3. The next workshop is focused on debt and debt payment strategies. In order to prepare for next class, ask the participants to follow the steps in the Student Guide on page 119 for tallying up total debts.
  - a. Participants will access their credit reports online for free to figure out what debts they have and how much they owe.
  - b. Using the worksheet in the Student Guide or Workshop 7 Worksheets, they will create a list of all their debts, indicating how much they owe, the interest rate, and the minimum payment for each debt.
  - c. Emphasize that this activity may take some time, but it is a huge first step towards working one's way out of debt. It is essential that participants complete this assignment and bring this activity to class to get the most out of the next class.
  - d. *Facilitators can complete this activity as well, if they think they would benefit from it. If facilitators or participants do not have any current debts, then they do not need to do this activity, and participants have the option to skip the next workshop.*

**Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

**After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## **FACILITATOR REFLECTION:**

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

|                                  |
|----------------------------------|
| <b>Thoughts about the class:</b> |
|                                  |
| <b>Lessons learned:</b>          |
|                                  |

# WORKSHOP SEVEN: DEBT & TOOLS TO GET OUT OF IT

## **Advanced Preparations for Workshop 7:**

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard (or virtual whiteboard)
3. Facilitator Guide
4. Student Guide (Workshop 7)
5. Laptop & projector
6. PowerPoint slides (Workshop 7)
7. Paper and pens or pencils
8. Calculators
9. Workshop 7 Worksheets (Calculating debt, debt PDP)
10. "Debt and Mental Health" Handout
11. "How to Cope with Debt" Handout
12. "Debt Collection FAQs" Handout
13. "How to Create a Debt Elimination Plan" Handout

## **Learning Objectives:**

*Upon conclusion of Workshop 7, participants will:*

1. Have a better understanding of how personal debt affects them
2. Have calculated how much debt they owe and what the interest rates and actual costs are of their various debts
3. Have learned options and payment methods for their debt and their pros and cons
4. Have created a workable plan for reducing their debt

## **Welcome Back & Group Sharing**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** Attendance sheet; PowerPoint slides; Community Agreements

### **Teaching:**

Welcome back the participants. Take attendance. Go over the class agenda and give the participants a heads-up that this class will focus on debt, beginning with identifying and calculating personal debt. Acknowledge that this is a difficult and sometimes painful topic, but getting debt under control is important work. Ask the class as a whole to be respectful and kind to one another and to themselves during these activities. It is important to center this class around hope. Having debt is nothing to be ashamed of and getting out of debt *is* possible. A huge first step was enrolling in this course and coming back each week!

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how their week has gone relating to money and finances and how the money saving ideas are going. If there have been any savings as a result, this should be shared, with an estimated dollar amount. Ask the participants to share how their budgets are going. Give each participant, and the facilitators, 2-3 minutes to share.

Note: You will focus on the debt calculation homework assignment later in the class.

### **Thoughts on Debt**

#### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 118; whiteboard; pens/pencils; Workshop 7 Handouts 1-2

#### **Activity/Discussion:**

Ask the participants to begin by spending a few minutes journaling in their Student Guides or Workshop 7 Worksheets their responses to the question: *When you think about debt, what kinds of feelings does this evoke for you?* (3-5 minute free write). Write on the whiteboard any thoughts and feelings that come up that participants feel comfortable sharing. Facilitators should share as well.

Next, ask them to journal in their Student Guides or notebooks how they would *like* to feel about debt. Ask participants to share what they feel comfortable sharing. Facilitators should share too.

**Zoom Tip:** Use Google's Jam Board feature. Participants can write their responses to these questions anonymously on virtual post-it notes on the Jam Board. Facilitators can read off the responses when everyone is finished. Jam Board is a great way to make virtual discussions more collaborative, and anonymity can help participants who may usually not be comfortable sharing out loud be more involved in the discussion.

Pass out the “Debt and Mental Health” and “How to Cope with Debt” handouts. Allow time for participants to read through the handouts. Facilitate a quick discussion on the ways debt can affect a person’s mental health and well-being, asking the participants to brainstorm ways that debt can impact a person’s stress levels, relationships, self-worth etc. Emphasize again that the focus of this class is on hope and a debt-free future.

### **Calculating Debts & Debt to Income Ratios**

**Facilitator:**

**Suggested Time:** 10-15 minutes

**Materials:** PowerPoint slides, Student Guide p. 119-121; whiteboard; calculator

#### **Discussion:**

Participants should have completed their lists of current debts as homework. Take a few minutes to check in with them about how this went and if they have any questions. If they weren’t able to complete their lists before class, ask them to do so as homework for the next class. This list will be useful when you get to the section on payment options and techniques.

Follow the steps in the Student Guide to calculate participants’ Debt-to-Income Ratios, using the list of debts they compiled. A person’s Debt to Income Ratio measures their ability to make current debt payments by dividing their debt payments by their take-home pay.

|                              |         |
|------------------------------|---------|
| <b>Monthly debt:</b>         | \$600   |
| <b>Monthly income:</b>       | \$2,000 |
| <b>Debt to income ratio:</b> | 30%     |

Facilitators should do the activity with participants and be available to answer questions. Participants can complete the activity in the space provided in their Student Guides, Workshop 7 Worksheets, or in notebooks/scratch paper. Once everyone is finished, invite a group discussion and open the space up for questions.

## **Options for Paying Off Debt**

**Facilitator:**

**Suggested time:** 20-30 minutes

**Materials:** PowerPoint slides; Student Guide p. 122-128; whiteboard; debt-calculation websites; Workshop 7 Handouts 3-4

**Teaching/Discussion:**

For the section on Organizing Debt Payment Methods in the Student Guide, write the following list on the whiteboard, leaving enough space to add notes: 1) long-term strategy, 2) interest rate strategy, and 3) month-to-month strategy. Go over each of these strategies for organizing and paying off debt, discussing pros and cons of each.

After this discussion, add the Snowball Technique and Avalanche Technique to the list on the whiteboard and explain how these techniques work. Explain the advantages and disadvantages of both techniques.

Emphasize how both methods are fantastic ways to pay off debts relatively easily and quickly. Different methods will work better for different people, depending on their financial situation and personality. The best method is the one a person thinks they can realistically stick with.

After this, go over the tips for short-term debt payoff, which are:

1. Make paying off debts part of your budget
2. Pay off the highest interest debt first
3. Do not accumulate more debt
4. For past due bills or debt payments, call the creditors and settle on a payment plan.

They will work with you and are accustomed to people asking for leniency

Invite questions and comments and consider using example scenarios to illustrate the impact these different strategies could have on reducing debt.

Highlight the online resources in the Student Guide for calculating how long it will take to pay off a debt, and pull up one or two debt-calculation websites on the projected or shared screen. Pass out the “Debt Collection FAQs” and “How to Create a Debt Elimination Plan” handouts. Consider using video content to explain the Snowball and Avalanche techniques.

### Teaching:

Write down the following list of additional options for paying off debt on the whiteboard: debt consolidation, getting a second loan, credit counseling, debt settlement, and bankruptcy. Go over each of these additional options for getting out of debt in detail. Explain pros and cons of each, saving bankruptcy for the end. Encourage participants to offer their own pros and cons and any comments, questions, or personal experiences they feel comfortable sharing.

Next, go over what bankruptcy is and its pros and cons, emphasizing that bankruptcy is a last resort option and can affect a person's finances for years to come. Emphasize that a person should try all other options before filing for bankruptcy.

Note: There is an option for facilitators to do research on bankruptcy laws in your state before the start of class. If you do so, share that information here. If this is something you do not have the time to do or do not think the participants will benefit from, you can stick to discussing the information on bankruptcy in the Student Guide and the definitions in the Glossary for Bankruptcy Chapters 7, 11, and 13.

### **Creating a PDP for Getting Out of Debt**

#### Facilitator:

Suggested Time: 20 minutes

Materials: PowerPoint slides; Student Guide p. 128-129 ; whiteboard; Workshop 7 worksheets

#### Activity:

Ask the participants to pull up their Financial Person Directed Plans from Workshop 2 to use as a reference for this exercise. Ask the participants to complete the Debt PDP Worksheet individually or in pairs. You can form small groups/pairs in the classroom or in Breakout Rooms. Have each group work on the Debt PDP Worksheet/Action Plan in the Student Guide, helping their partners. Allow 10 minutes per person. Ask the participants to save their Debt PDPs and use them as a workable action plan to get out of debt.

#### Discussion:

When everyone is done with their Debt PDP worksheets, come back together as a class to share any feelings or thoughts that came up while doing that activity. Center these conversations around hope and the progress participants have already made.

## **Wrap-Up:**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides, Student Guide p. 22

### **Teaching:**

Go over the Homework Assignments for this week.

1. Ask the participants to choose one more money saving idea and commit to it for the next week. Facilitators will commit to an additional idea as well.
2. Encourage participants to revisit their budgets and revise them if needed. Ask them to commit to their budget for another week.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

### **After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## **FACILITATOR REFLECTION:**

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

|                                  |
|----------------------------------|
| <b>Thoughts about the class:</b> |
|                                  |
| <b>Lessons learned:</b>          |
|                                  |

# WORKSHOP EIGHT: MENTAL HEALTH, RELATIONSHIPS & MONEY; FINANCIAL CRISIS PLANNING

## **Advanced Preparations for Workshop 8:**

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard (or virtual whiteboard)
3. Facilitator Guide
4. Student Guide: Workshop 8
5. Laptop & projector
6. PowerPoint slides: Workshop 8
7. Paper and pens or pencils
8. Workshop 8 Worksheets (Financial Crisis Planning)
9. "The Connection Between Poverty and Mental Health Issues" Handout
10. "Tips for Communicating with your Partner about Money" Handout
11. "Steps to Healthy Finances in Your Relationship" Handout
12. "Understanding Representative Payees" Handout
13. "When a Representative Payee Manages Your Money" Handout
14. "Understanding Financial Abuse and Safety Planning" Handout
15. "Information and Services for Survivors" Handout

## **Learning Objectives:**

*Upon conclusion of Workshop 8, participants will:*

1. Possess greater insight on how their mental health challenges and/or addiction challenges affect their finances
2. Possess a greater insight on how financial difficulties affect their mental health
3. Have created (or started) a Financial Crisis Plan that works for their own unique situations
4. Understand how relationship issues and finances interact and learn new tips for communicating about finances with a partner
5. Know the warning signs of financial abuse and tips/resources to get out

## Welcome Back & Group Sharing

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; whiteboard; Community Agreements

### **Teaching:**

Welcome back the participants. Take attendance. Go over the Community Agreements and the day's agenda, giving participants a heads-up that some difficult topics, including substance use, gambling, and financial abuse will be covered in this class. If any topic is activating or makes participants uncomfortable, as always they are encouraged to try to push through the discomfort or take a break from class to take care of themselves.

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues around finances and how the money saving ideas are going. If there has been any savings as a result of using the ideas, this should be shared, with an estimated dollar amount. Ask participants to share how their budgets are going. Give each participant, and the facilitators, 2-3 minutes to share.

## Mental Health & Addiction Challenges & Money

**Facilitator:**

**Suggested time:** 20-30 minutes

**Materials:** PowerPoint slides; Student Guide p. 134-140; whiteboard; "Connections Between Poverty and Mental Health" Handout

### **Teaching/Discussion:**

Begin this workshop with a discussion of the two-way relationships between mental health/addiction challenges and money. Go over the examples in the Student Guide of how financial stress can affect a person's mental health and how a person's mental health can affect their finances. Ask the class to add to these examples and pass out the "Poverty and Mental Health" handout. Discuss the effect of poverty and financial insecurity/stress on a person's mental

health as illustrated by the numerous studies in the Student Guide. Open the space up to questions and sharing.

Bring the conversation to the discussion of intersectionality and poverty from Workshop 1. Discuss how financial stress can disproportionately impact marginalized communities, including low-income, disabled, and transgender folks and/or BIPOC communities due to racism, sexism, ableism, etc. in our country's systems, laws, and policies. Note how being discriminated against in society because of identities such as class, gender, sexuality, nationality, race and ethnicity, and more can take a toll on a person's mental health and well-being. Discrimination and racism are forms of interpersonal trauma.

There are some videos and additional resources on these topics in the Facilitator Toolkit. It is recommended that you review these resources and do your own research on how discrimination impacts mental health and the structural barriers to behavioral health services for marginalized groups. This will help prepare you to lead thoughtful, well-informed conversations with participants about these important and heavy topics. Invite conversation and questions.

Next, read through and discuss the financial and personal costs of substance use and gambling addictions as outlined in the Student Guide. Addictions of all types can take their toll on a person's finances and on other parts of their lives, including their relationships and job status. Compare the costs of treatment and recovery to the costs of continuing down the path of addiction.

Next, discuss how financial stress can affect our physical health, and vice versa, as outlined in the Student Guide. For example, chronic financial stress has been linked to a number of physical health issues, such as migraines, heart disease, diabetes, insomnia, and more. Emphasize the importance of keeping an emergency savings fund for potential health problems and the importance of having health insurance. Here you can provide information on how participants may qualify and access free health care through Medicaid.

Read through the tips in the Student Guide for reducing financial stress. Ask participants to add any additional tips for reducing financial stress and write them down on the whiteboard. Open the class up to conversation and questions about any of these topics.

## **Creating a Financial Crisis Plan**

**Facilitator:**

**Suggested time:** 20-30 minutes

**Materials:** PowerPoint slides; Student Guide p. 139-146; Financial Crisis Plan worksheets, pens/pencils; whiteboard; Workshop 8 Handouts 4-5

**Activity:**

Explain the Financial Crisis Plan process. Ask participants to form pairs or place them in small groups. They will work together to create their own Financial Crisis Plans using the Workshop 8 worksheets. Ask the participants to follow the steps in their Student Guide:

**Step 1:** Fill out the first worksheet, which has two sections. Section one is “How financial issues affect me” and section two is “How mental health, addiction and/or substance use, treatment, and/or physical health issues affect my finances.” Participants will mark “never,” “rarely,” “sometimes,” or “often” for each of the items on the list. This is to help participants identify the ways in which their mental health is affected by their current financial issues or stressors and vice versa.

**Step 2:** Fill out the Financial Crisis Plan worksheet. This worksheet has two options. One is: “When I do or experience this, I will do this instead” and the other is: “Rather than doing this, I will do this instead.” Participants can choose to focus on one, or both, of these prompts.

Ask the participants to spend at least 10 minutes each on each person’s plan. Facilitators should do this activity as well. Once everyone has finished up their plans, ask the participants to share what they feel comfortable sharing and write their thoughts on the whiteboard.

**Step 3:** Ask the participants to follow the instructions in the Student Guide to make a list of their expenses and when payments are due so they can keep track of their bills and other monthly expenses. Participants can refer back to their budgets from Workshop 3 to identify all of their expenses. They can do this activity alone or in pairs. Facilitators should fill out the worksheet as well.

If they didn’t finish, let participants know they can finish their Financial Crisis Plans as homework for the next class.

### **Teaching:**

Discuss the information in the Student Guide on finding a support person for times of crisis. Participants may choose to identify a trusted friend, family member, or mentor to help them keep track of their finances during times of crisis. After reading through this information as a class, discuss the information in the Student Guide on a person's rights when it comes to Representative Payees. Pass out the "Understanding Representative Payees" and "When a Representative Payee Manages Your Money" handouts. There are some videos in the Toolkit that explain what Representative Payees are that may be helpful to include.

## **Relationship Issues & Money**

### **Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 147-149; whiteboard; Workshop 8 Handouts 2-3

### **Activity/Discussion:**

Ask the participants to journal for a few minutes in the space in their Student Guides or in their own notebooks about how financial stress has affected or can affect their relationships. These can be relationships with their partners, their friends, and/or their family members. After 2-3 minutes, open the class up for discussion. Facilitators can show their own experiences and invite participants to share anything they feel comfortable sharing.

### **Teaching:**

Read through the information on financial issues and relationships in the Student Guide. Go over the ways in which relationship problems can occur due to different opinions about money, lack of communication about money, or economic inequality between partners.

Read through the tips for effective communication about money and financial stress/problems in a relationship. Brainstorm other suggestions and ideas, writing participants' suggestions on the whiteboard. Pass out the "Tips for Communicating with your Partner about Money" and "Steps to Healthy Finances in Your Relationship" handouts.

## **Financial Abuse**

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 149-151; Workshop 8 Handouts 6-7

### **Teaching:**

**Note:** This section deals with a form of domestic abuse –economic abuse – which may be a difficult topic for some participants. Approach these topics thoughtfully and with empathy. Be transparent that these topics may be activating. **This needs to be stated.** Remind the participants that they *always* have the option to take a break from class or reach out to one of the facilitators for support at any time. Facilitators are there to provide support and resources.

Using the information in the Student Guide, discuss what financial abuse is and the various ways it can play out, paying special attention to issues of manipulation, power, and control. Financial abuse can be accompanied by other types of abuse in a relationship, or it may stand alone.

Financial abuse, or economic abuse, involves controlling a person's ability to acquire, use, and keep financial resources. Economic abuse is very common in abusive relationships and is often the first sign of domestic abuse. Examples include preventing the survivor from working, restricting or stealing money, and manipulating and intimidating the survivor.

Discuss how emotional abuse, such as financial abuse, is often more difficult to identify than other forms of domestic abuse but that doesn't make it any less devastating. Controlling a person's income and spending and restricting their financial independence can trap a person in an abusive relationship.

Go through the warning signs of financial abuse in the Student Guide. Some examples from this list include:

1. A person's partner controls all of the household finances. The person's name is not on the household checking account or on joint purchases like car loans, mortgages, cell phone plans, or apartment leases.
2. A person's partner is trying to control their use of, or access to, money they earned or saved.
3. A person's partner requires them to bail them out of financial crises

4. A person's partner criticizes their job, pressures them to quit, or harasses them at work.

Let participants know that if they or someone they know identify with any of these warning signs of financial abuse, they are not alone and there are resources and help available if they want it. Go through the list of resources in the Student Guide. Pass out the "Understanding Financial Abuse and Safety Planning" and "Information and Services for Survivors" handouts.

**Note:** It would likely be helpful for facilitators to do research on local resources and shelters for survivors and share these resources with the class. Pull up websites of organizations in your area for survivors of domestic abuse or send out a resource list after class.

There is additional information about financial abuse, safety planning, and resources for survivors located in the Facilitator Toolkit.

## **Wrap-Up**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides, Student Guide p. 22

## **Teaching:**

Go over the Homework Assignments for this week:

1. Ask participants to choose one more money saving idea and commit to this for the week.  
Facilitators will commit to an additional idea as well.
2. Encourage participants to revisit their budgets and revise them if needed. Ask them to commit to their budget for another week.
3. If they didn't finish in class, ask participants to complete their Financial Crisis Plan and share it with someone they trust.

## **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

**After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

**Thoughts about the class:**

**Lessons learned:**

# WORKSHOP NINE: HOW TO FILE TAXES & RESOURCES FOR DOING SO

## **Advanced Preparations for Workshop 9:**

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

## **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard (or virtual whiteboard)
3. Facilitator Guide
4. Student Guide: Workshop 9
5. Laptop & Projector
6. PowerPoint slides: Workshop 9
7. Paper and pens or pencils
8. “Tips to Take the Stress Out of Tax Season” Handout
9. “IRS Free File” Handout
10. “6 Steps for First Time Tax Filers” Handout
11. “The Three Basic Tax Types” Handout
12. “Credits and Deductions” Handout
13. “Common Tax Write-Offs” Handout
14. “8 Things to Know about Oregon’s Tax System” Handout
15. Common Tax Forms

## **Learning Objectives:**

*Upon conclusion of Workshop 9, participants will:*

- Have a basic understanding of why we file taxes and the differences between state and federal taxes
- Have a basic understanding of common tax forms and common tax terms
- Understand the process of filing federal income tax returns and the information required to do so
- Know new resources to help them file taxes
- Know the different options for paying federal income taxes
- Know how to get a tax extension and know the dangers of back taxes.

## **Updates & Sharing**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** Attendance sheet; PowerPoint slides; whiteboard; Community Agreements

### **Teaching:**

Welcome back the participants. Take attendance. Briefly go over the Community Agreements and the day's agenda, acknowledging that taxes can be a difficult and uncomfortable subject for many.

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues around finances and how the money saving ideas are going. If there has been any savings as a result of using the ideas, this should be shared, with an estimated dollar amount. Ask participants to share how their budgets are going. Give each participant, and the facilitators, 2-3 minutes to share.

## **Tax Basics**

**Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guide p. 155-158; pens/pencils;; whiteboard; Workshop 9 Handouts 1, 4, 7

### **Teaching/Discussion:**

Begin the workshop by discussing, as a class or in small groups, some of the ways the stress and confusion of tax season may impact a person's mental health. For many, the stress and pressure to do their taxes may bring about feelings of stress, shame, confusion, anxiety, or guilt. Pass out the "IRS Tips to Take the Stress out of Tax Season" handout.

Let participants know that this workshop is designed to relieve some of the stress and negative emotions associated with taxes by providing information, tools, and resources. Like all of the topics presented in this course, the goal is that participants feel empowered by learning new information and resources.

### Activity:

Ask the participants to take a few minutes to respond to the questions in the Student Guide: *What, if any, has your experience been with filing and paying taxes? How have taxes affected your mental health?*

Invite sharing. This can be accomplished in small groups or as a class. Facilitators should also share their experiences with filing and paying taxes and the impact of tax season on their mental health taxes. Facilitators can discuss whether filing tax returns has ever affected their mental health and if their mental health has ever affected their ability to do their taxes.

**Note:** Facilitators should emphasize from the beginning of this conversation that they are **not** tax experts. **This is a legal requirement.** Make it clear that you will share information and resources with the class but are *not* able to provide legal advice and may not have the knowledge or expertise to answer all tax-related questions. Because of this, it may be helpful to do a little research before class to find and share a few websites with participants where they can find tax experts or legal advice in their area if they need it.

### Teaching:

Using the information in the Student Guide, discuss why we pay taxes, where the money goes, the different categories of taxes, and the differences between state and federal income taxes. Ask the class to list examples of government infrastructure and public services paid for by taxes, and write these on the whiteboard or Jam Board. Using this list and the information in the Student Guide, explain the importance of tax revenue.

Go through the section on progressive and regressive taxes and local, state, and federal taxes. If you are facilitating this course in Oregon, there is some very brief information in the Student Guide on Oregon's tax system. There are also some handouts and resources in the Facilitator Toolkit that are specific to Oregon.

If you are facilitating this course outside of Oregon, research if your state requires an income tax return and plan accordingly. You will need to do some advanced preparations before this workshop to gather information on taxes in your state. Information is included in the Student Guide for Oregon's tax system, which you can use as an example. Pass out the "Three Basic Tax Types" and "8 Things to Know about Oregon's Tax System" handouts (if you're facilitating in Oregon).

## **Common Tax Forms & Terms**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 159-161; pens/pencils;; whiteboard; virtual copies of Form 1040, W-2 Form, and W-4 Form

Next, you will discuss the most common tax forms that a person will use to file their federal and state income tax returns. These include forms 1040, W-2, and W-4. Share these forms on the screen as you go through each of their definitions and uses in the Student Guide. Allow time for questions.

After this, go through the common tax terms and definitions in the Student Guide one-by-one, leaving space for questions or comments. You can ask the participants to take turns reading each term aloud. Pay special attention to the definitions for deductions and credits.

## **How to File an Income Tax Return; Tax Resources**

**Facilitator:**

**Suggested time:** 20 minutes

**Materials:** PowerPoint slides; Student Guide p. 162-166; whiteboard; Workshop 9 Handouts 2, 3, 5, 6

### **Teaching:**

Write down the steps to filing an income tax return on the whiteboard:

**Step 1:** Decide whether you will be hiring a tax professional, using tax software, or filing by mail.

**Step 2:** Gather forms, such as W-2 forms, 1099 forms, and form 1040.

**Step 3:** Complete form 1040 by:

- a. Choosing your filing status
- b. Determining whether you are claiming any dependents
- c. Considering tax deductions and credits

**Step 4:** Submit your federal (and state, if applicable) tax return online or by mail before the tax deadline.

Discuss each step in detail, using the Student Guide. Pay special attention to deductions and credits and go through the information in the Student Guide on claiming deductions and credits (when to take the standard deduction and when to itemize, common credits one can claim etc.). Pass out the “Credits and Deductions” and “Common Tax Write-Offs You Can Claim” handouts as additional resources. Pass out the “6 Steps for First-Time Tax Filers” handout and read through it together. Ask participants if they have any questions on what has been covered thus far.

An essential part of this workshop is the section on resources. Emphasize that there are a number of free resources for filing taxes available to lower-income individuals and households. These include:

- Guided tax preparation websites, which partner with the IRS to provide tax assistance for free. These can be found on the IRS Free File website;
- Volunteer Income Tax Assistance (VITA), which is a form of free tax assistance by trained volunteers for lower-income people, people with disabilities, or people who have limited English proficiency;
- Tax Counseling for the Elderly (TCE), similar to VITA, this is free tax assistance by volunteers specifically for senior citizens.

Pass out the “IRS Free File” handout. Emphasize that if participants have access to a computer and secure internet access, filing online using the free tax assistance websites recommended by the IRS is most likely the easiest, cheapest, and most efficient way to file federal and state income tax returns. These websites do the math for you and fill out Form 1040 by asking you questions. However, note that these websites can sometimes be difficult to navigate and contacting a VITA volunteer may be helpful.

## Owing and Paying Taxes

**Facilitator:**

**Suggested time:** 15 minutes

**Materials:** PowerPoint slides; Student Guide p. 167; whiteboard

### **Teaching/Discussion:**

Discuss as a group some situations that may lead a person to owe a lot in income taxes. Some situations include: withholding too little from their paychecks, filing late, changes in tax code, an increase in income, or changes in deductions. Invite conversation and questions.

Using the information in the Student Guide, go through the different options for paying taxes, writing them on the whiteboard as they come up:

1. Pay the IRS in full with a debit or credit card, by mailing a check, or direct deposit
2. Arrange a payment plan with the IRS
3. Request a temporary delay in the collection process
4. Submit an Offer in Compromise form to the IRS, which allows you to settle your tax debt for less than the full amount you owe
5. Take out a private loan to pay your tax obligation. This is a last-resort option and is not recommended

Brainstorm as a group pros and cons to each. Pay special attention to payment plans, which are the recommended option if you can't pay your tax debt in full. Ask if there are any questions.

### **Important Things to Keep in Mind**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 168; whiteboard

### **Teaching:**

Remind participants that the deadline to file income tax returns is always around April 15. Check the IRS website to determine when Tax Day is for the current year.

Using the information in the Student Guide, discuss the possibility of requesting an extension from the IRS, how it works, and why you may need one. Brainstorm pros and cons to tax extensions. Leave space for questions.

Finally, go over the definition of back taxes, emphasizing how serious they can become. Discuss ways to avoid the interest, penalties, and possibility of asset seizure from back taxes. Ask the participants if they have any questions.

## **Wrap-up**

### **Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 22

### **Teaching:**

Go over the Homework Assignments for this week:

1. Ask participants to choose one more money saving idea and commit to this for the week.  
Facilitators will commit to an additional idea as well.
2. Encourage participants to revisit their budgets and revise them if needed. Ask them to commit to their budget for another week.
3. Ask participants to think about if there are any small, achievable financial goals they'd like to save up money towards, such as buying a bike, taking a short vacation, etc. Ask them to brainstorm possible goals for next class and write them down.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

### **After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

**Thoughts about the class:**

**Lessons learned:**

# WORKSHOP TEN: SAVINGS ACCOUNTS & SAVING GOALS

## Advanced Preparations for Workshop 10:

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

### **Materials Needed For This Class:**

1. Attendance sheet
2. Whiteboard
3. Facilitator Guide
4. Student Guide: Workshop 10
5. Laptop & projector
6. PowerPoint slides: Workshop 10
7. Paper and pens or pencils
8. Workshop 10 Worksheets
9. "IDA Fact Sheet" Handout
10. "How to Save For Your Future" Handout

### **Learning Objectives:**

*Upon conclusion of Workshop 10, participants will:*

1. Know the most common types of savings accounts and what they each offer
2. Have a basic understanding of asset-building and Individual Development Accounts and how to access these resources in the community
3. Know new tips and resources for saving money
4. Have created a plan for saving toward a small goal.

## Updates & Sharing

### Facilitator:

Suggested Time: 10 minutes

Materials: Attendance sheet; PowerPoint slides; Community Agreements

### Teaching:

Welcome back the participants. Take attendance. Go over the Community Agreements and the day's agenda.

### **Discussion:**

Begin sharing with one facilitator going first. Sharing should include how the week has gone with issues around finances and how the money saving ideas are going. If there has been any savings as a result of using the ideas, this should be shared, with an estimated dollar amount. Ask participants to share how their budgets are going. Give each participant, and the facilitators, 2-3 minutes to share.

## **Savings Accounts**

### **Facilitator:**

**Suggested time:** 15-20 minutes

**Materials:** PowerPoint slides; Student Guide p. 172-175

### **Teaching:**

Using the information in the Student Guide, discuss how savings accounts work and why they are important. Savings accounts are the most common type of bank account, in which one's money is kept in a safe, insured place while it earns a small amount of interest each month. Interest is the money the bank pays the account owner so the bank can use the individual's money to provide loans for other people. Discuss how savings account interest is usually compounded daily and paid monthly (compound interest). Ask participants why they think opening up a savings account is a good idea.

Next, discuss the different types of savings accounts available for participants to look into: regular savings accounts, money market accounts, and certificates of deposit. Connect these accounts back to earlier classes on banking institutions, budgeting, emergency funds, and financial resilience. Go through the definitions and the pros and cons of these different kinds of accounts. Provide as much detail as possible so participants can decide what the best option is for them and their needs.

After discussing these three basic account types, you will explain how ABLE accounts work, how useful they can be, and how a person can determine whether they are eligible. ABLE accounts are tax-exempt savings accounts for individuals with disabilities and their families. ABLE accounts make it possible for individuals with disabilities to save for the future without affecting their benefits.

## **Retirement Plans & Investments**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides; Student Guide p. 176-177

### **Teaching:**

Discuss the different types of retirement plans (IRAs, employer-provided (401(k)), annuities) and the other types of investments (stocks, bonds, mutual funds) outlined in the Student Guide. Discuss the time frame for retirement accounts and how different accounts are taxed. Invite sharing, questions, or further discussion of any of the material discussed.

Note: more information on these types of retirement accounts and investments can be found in the Glossary of Financial Terms at the end of this Guide.

## **Asset Building & Individual Development Accounts**

**Facilitator:**

**Suggested time:** 10-15 minutes

**Materials:** PowerPoint slides; Student Guide p. 178-180; whiteboard; Workshop 10 Handouts 2-3

### **Teaching:**

Go over the definition and examples of asset building in the Student Guide. Asset building is a way for individuals, families, and communities to gather a variety of resources to help them move towards greater economic well-being in the short and long term. Asset building emphasizes the importance of helping individuals and families learn about and utilize healthy money management and budgeting practices to address current financial issues and set themselves up for financial stability and success in the future.

Write down the examples from the Student Guide on the whiteboard and take a moment to recognize how participants have already learned about nearly all of these strategies. Highlight how, in addition to meeting the course goals and their individual financial goals, participants are on the right track towards asset building and financial resilience.

Next, explain what Individual Development Accounts (IDAs) are and how they work. IDAs are a form of asset building. They are unique savings accounts that match the deposits of lower-income individuals and families. For every dollar saved in an IDA, savers receive a corresponding match, which serves as both a reward and incentive to further the saving habit. Savers agree to complete financial education classes and use their savings for asset-building purposes like education, job training, buying a home, or starting a small business.

Pass out the “IDA Fact Sheet” and “IDA Basics and Resources” handouts. Discuss how IDAs can be a key resource for helping people out of generational poverty, connecting this discussion back to earlier conversations about the effects of poverty on mental health and the intersectional nature of poverty and economic mobility. Go through some of the pros and cons of IDAs as outlined in the Student Guide.

Next, provide information on how one can access these resources in the community. In the Facilitator Toolkit, there is a handout that has a list of IDA providers in Oregon, particularly in the Portland metro area. If you are facilitating these workshops outside of Oregon, it may be helpful to do some research on where participants may be able to find IDA providers in their communities.

### **Saving Money with Limited Resources**

**Facilitator:**

**Suggested time:** 25-35 minutes

**Materials:** PowerPoint slides; Student Guide p. 181-183; PDP worksheets; budgets; Workshop 10 Worksheets; calculators; pens/pencils, paper

**Activity:**

Ask the participants to pull up their homework (to identify one or two savings goal) as well the “Financial Dreams” and “Life One Year from Now” worksheets from their Financial Person-Directed Plans to review.

**Step 1:** Ask the participants to identify one or two goals that require them to save money. The goal(s) should preferably be a small, achievable purchase that they’ve been thinking about for some time, could really use, and/or will bring them joy.

**Step 2:** Once they've identified one or two goals to save towards, ask them to review the Money Saving Ideas they've committed to each week. Using the Workshop 10 Worksheets, ask them to estimate the amount of money they will be able to save each month using each of these tips

Facilitators can do this activity alongside participants and should assist them with their calculations if needed. Ask the participants to use their personalized budgets for reference and brainstorm any areas in which they could set aside a little money to put into a savings account or an envelope each week/month to achieve their small financial goal(s).

**Step 3:** Ask participants to share their goal(s) with a partner or in small groups. Then, participants will work on creating an Action Plan to achieve that goal, using the Workshop 10 Worksheets. Participants will follow the instructions in the Student Guide to write down their goal, its timeline, the amount of money needed to accomplish this goal, and how much they need to save each month. They can do this with one or two short-term, feasible money-saving goals. Facilitators should do this activity as well and be available to answer any questions that come up.

### **Discussion:**

Discuss the tips for saving money on a limited income listed in the Student Guide and add them to a list on the whiteboard. Brainstorm together as a class other tips and tricks to save a little money each week or month with limited income. Write down all suggestions on the whiteboard or Google Jam Board. Make sure this list of tips and resources for saving on a limited income is available to participants after class. If facilitating virtually, we recommend emailing out a copy to all of the participants after class. Making sure participants have a copy of additional resources shared could be a good practice for every workshop.

### **Wrap-up**

**Facilitator:**

**Suggested time:** 10 minutes

**Materials:** PowerPoint Slides; Student Guide p. 22

### **Teaching:**

Congratulate the participants on making it to the end of MHAOO's Money Basics Financial Empowerment Course!

The wrap-up for this workshop will be different than previous classes, depending on whether you plan to hold additional meetings or end the course here. There is one final workshop in this Guide that is completely optional: the course graduation.

There is no new material presented in the graduation class, instead, it will serve as a reflection and celebration of all that the participants and facilitators have accomplished. You can decide with your co-facilitator and the participants where or not you would like to hold the course graduation. If you decide to have a graduation, figure out the date, time, location, food, etc.

There are no more homework assignments for the course. However, encourage participants to continue trying out money saving ideas, sticking to their budgets, and begin saving for their financial goal(s) by following their savings plan.

If you decide *not* to hold the final class, be sure to have the participants complete the Post-Class Questionnaire and Course Evaluation form.

### **Discussion:**

Ask if anyone has any questions. Thank everyone for their participation in this class and the others and let them know that the facilitators are available via phone and email between classes if anyone has any questions or issues.

### **After Class:**

1. Facilitators fill out class reflection forms at the end of each class.
2. Facilitators should plan to meet in advance of the next class to plan, practice, and compare notes from the previous class.

## FACILITATOR REFLECTION

This form should be filled out by both facilitators immediately upon conclusion of the class while impressions and details are still fresh.

|                                  |
|----------------------------------|
| <b>Thoughts about the class:</b> |
|                                  |
| <b>Lessons learned:</b>          |
|                                  |

# WORKSHOP 11: CLASS GRADUATION

## Advanced Preparations for Workshop 11: (Optional)

**Set-up:** Prepare room for class with adequate chair/table arrangement and sign-in sheets. Set up projector and PowerPoint slides. If facilitating an online session, set up the slides and Zoom meeting room.

### **Materials Needed For This Class:**

11. Attendance sheet
12. Whiteboard (or virtual whiteboard)
13. Facilitator Guide
14. Student Guide
15. Laptop & projector
16. PowerPoint slides: Workshop 11
17. Cake/snacks (if budget allows)

## Welcome Back & Group Sharing

### Facilitator:

**Suggested time:** 10-15 minutes

**Materials:** Attendance sheet; PowerPoint slides

### Teaching:

Welcome participants back for the final class – a celebration of all they've accomplished! Congratulate them on their commitment to the course and all the hard work they put in. Thank them for their participation, their dedication to the course, and their thoughtful questions and comments.

### Discussion:

Like every class, begin with updates and sharing about the money saving ideas participants tried out the past week(s), how their personal budget is going, and any updates on how their saving plans are going.

## **Course Reflections**

**Facilitator:**

**Suggested time:** 30-40 minutes

**Materials:** PowerPoint slides; Post-Class Questionnaire; Course Evaluation; List of class-wide Thoughts & Beliefs about Money from Workshop 1; Course Goals and Individual Goals

**Activity:**

Ask the participants to fill out the Post-Class Questionnaire and the Class Evaluation forms. If in-person, they can hand them to the facilitators. If online, they can fill them out in a document and email them to facilitators.

**Discussion:**

Pull up the document with participants' thoughts and beliefs about money from Workshop 1 – how they've thought and felt in the past and how they would like to feel. Review their initial thoughts and beliefs about money and ask the class if any of these opinions have changed. Reflect on whether they've achieved the thoughts and emotions they would *like* to have when it comes to personal finance and money management.

Next, go over the course goals from the first class. Read aloud each goal and ask if participants feel whether each goal has been met, encouraging comments and sharing. Ask the participants to pull up the individual goals they had for this course that they wrote down the first day. Invite sharing of these goals if participants are comfortable and reflect if and how these goals have been met.

Open up the space for participants and facilitators to offer any final reflections on the course and to share what they learned. Ask the participants to take turns sharing at least one new or valuable thing they learned from this course. If there were any aspects of the course that they didn't like, or any suggestions for change/improvement, they are welcome to voice those opinions as well. Perhaps spend a few moments to focus on gratitude – sharing something about this course or the class community that you are grateful for.

Allow time for a Q&A if participants have any additional questions relating to finances and money management.

## **Wrap-Up:**

### **Facilitator**

**Suggested time:** 10 minutes

**Materials:** PowerPoint slides

### **Teaching:**

Thank everyone again for showing up for this course week after week and for attending the graduation ceremony. Allow time to say your good-byes. If the facilitators would like, you can let participants know you are still available by phone or email if they have any questions or need support.

**Note:** If the facilitators and the participants would like, the group can discuss the possibility of one-on-one or class-wide checks-ins in 2 weeks, 4 weeks, 8 weeks etc. -- whatever the group decides). These check-ins would be to discuss how their budget is going, how their savings are going, and what progress has been made and if they need any assistance or support with their finances, as well as to maintain these peer-to-peer relationships.

Another option for continued support is to recommend that participants continue their budgets, savings plans, debt pay-off plans, etc. with help from their Peer Support Specialist.

**Thank you, peer facilitators, for facilitating this course!**



# GLOSSARY OF FINANCIAL TERMS

## **Adjustable Rate Mortgage (ARM)**

A variable or adjustable-rate mortgage is a mortgage with an interest rate that the lender can increase or decrease from time to time, depending on changes to an outside standard (such as the prime rate, the interest rate on United States Treasury securities, or the rate of inflation).

Traditional, fixed-rate mortgages have an agreed-upon interest rate that stays the same for the entire duration of the loan, whereas an adjustable-rate mortgage allows the lender to increase or decrease the interest rate at specified intervals based on changing market conditions.<sup>5</sup> The lender often begins the loan with a very low interest rate, then raises the rate as time goes on.

## **Annuities**

An annuity is an insurance contract that can provide you with a predictable, steady stream of income during retirement. It works like this: you pay a lump-sum or monthly payment to a bank, insurance company, or investment broker, and when you retire they will pay you back in regular income payments.<sup>6</sup> By making these payments now, you will have income to live off of in the future when you retire.

Annuities are complex life insurance contracts with fees, costs, terms, and features that can vary widely. Because of this, make sure to shop around, compare contracts and companies, and understand how the annuity works, what fees and charges you will pay, and all the terms and conditions before signing a contract.

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<sup>5</sup> "Adjustable-rate mortgage." *Bankrate*, 2021. <https://www.bankrate.com/glossary/a/adjustable-rate-mortgage/>

<sup>6</sup> David Rodeck & Benjamin Curry. "Retirement Basics: What is an Annuity?" *Forbes*, June 29, 2020. <https://www.forbes.com/advisor/retirement/what-is-an-annuity/>

## **Annual Percentage Rate (APR)**

APR is the interest rate for a whole year, rather than each month, applied on a loan, mortgage, or credit card, or earned by an investment. Financial institutions must always disclose the APR before any agreement is signed.<sup>7</sup>

In the context of credit cards, APR is the periodic rate (usually monthly) multiplied by the number of periods in a year. For example, a 1.5% monthly rate has an APR of 18% (1.5% a month multiplied by 12 months). In the context of consumer lending, the APR takes into account more than the interest rate applied to the principal per period.

## **Annual Percentage Yield (APY)**

The Annual Percentage Yield (APY) is the true rate of return of an investment in one year, taking into account the effect of **compounding interest**. Because of this, a loan's APY is higher than its APR. Unlike simple interest, compounding interest is calculated periodically and immediately added to the balance, making the account balance and interest paid on the account balance get a little bigger after each period.<sup>8</sup>

## **Assets**

Assets are objects of value that a person or organization owns that can be used for the payments of debts. For a company, this may be investments, cash, or property; whereas for a person or family, assets are often one's car, home, land, savings accounts or retirement funds, or personal investments.

Attributes, such as special skills and higher education, may also be included as assets.<sup>9</sup> When we think of asset-building, we are thinking of building useful qualities and skills, such as learning new money management skills and resources.

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<sup>7</sup> Jason Fernando. "Annual Percentage Rate (APR)." *Investopedia*, Sept. 19, 2021. <https://www.investopedia.com/terms/a/apr.asp>

<sup>8</sup> James Chen. "Annual Percentage Yield (APY)." *Investopedia*, Sept. 2, 2021. <https://www.investopedia.com/terms/a/apy.asp>

<sup>9</sup> "Asset." Cambridge Dictionary, 2021. <https://dictionary.cambridge.org/us/dictionary/english/asset>

## **Automated Teller Machine (ATM)**

A terminal that allows you to withdraw money from your checking or savings account, to check your balance, to make transfers from accounts, or to make deposits. ATMs allow you to complete basic transactions without the help of a teller. Nearly all ATMs allow anyone with a debit card to withdraw cash.<sup>10</sup>

## **Balance Inquiry**

Consumers can determine their available account balance using their bank's website, smartphone app, or by calling a teller. You can also check your balance at most ATMs, although out-of-network ATMs might require a balance inquiry fee.<sup>11</sup>

## **Balloon Payment**

An oversized payment due at the end of a loan. In a balloon loan, the entire loan amount was not fully *amortized*, so the remaining balance is due in full in the final payment. Amortized loans are loans with scheduled, periodic payments applied to both the loan's principal and its accrued interest.

Balloon loans are usually set-up for a relatively short term, in which the borrower enjoys smaller payments for most of the loan's life until they are required to pay a very large amount, often at least twice the amount of the previous payments, at the end of the loan's term.<sup>12</sup>

## **Bankruptcy**

A legal process in which a person or business is unable to pay off their debts, so the court decides whether or not – and how – to forgive their debts and repay their creditors (often by seizing some of their assets). In a bankruptcy case, all of the debtor's assets are evaluated and some are usually used to pay the creditors.<sup>13</sup>

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<sup>10</sup> Julia Kagen. "Automated Teller Machine." *Investopedia*, Sep. 15, 2021. <https://www.investopedia.com/terms/a/atm.asp>

<sup>11</sup> Eric Bank. "What is a Free Checking Account's Balance Inquiry Fee?" *PocketSense*, March 24, 2021. <https://pocketsense.com/checking-accounts-balance-inquiry-fee-8286317.html>

<sup>12</sup> Carol M. Kopp. "Balloon Payment." *Investopedia*, June 28, 2020. <https://www.investopedia.com/terms/b/balloon-payment.asp>

<sup>13</sup> Alicia Tuovila. "What is Bankruptcy?" *Investopedia*, Sep 2, 2021. <https://www.investopedia.com/terms/b/bankruptcy.asp>

There are two kinds of bankruptcy: involuntary (the creditors petition to have a debtor judged by a court) and voluntary (the debtor brings the petition). In both cases, the objective is an orderly and equitable settlement of debt obligations. Voluntary bankruptcy is more common, as it can sometimes be the only option for individuals to be free from their debts.

## Bonds

A bond is a debt-security that is similar to an IOU. When you buy a bond, you are lending money to a corporation, municipality, or government (the issuer). In return, the issuer pays you a specified interest rate during the life of the bond, and will eventually repay the principal amount when the bond “matures.”<sup>14</sup>

Bonds vary widely in maturity, security, and type of issuer, although most are sold in \$1,000 denominations or, if a municipal bond, \$5,000 denominations.

## Budget

A budget is an estimate of income and expenses over a specified period of time. Budgets can be made for individuals, families, businesses, and governments. For individuals and families, personalized budgets act as a plan to track and control spending and encourage saving.<sup>15</sup>

## Capital Gains Tax

Capital gains are the profits made – when the sale price is higher than the initial purchase price – from the sale of an asset (stocks, bonds, a business, a piece of land). Capital gains are considered taxable income, and as such, the capital gains tax takes a percentage of the *realized* capital gain (the profits once the asset is sold). An *unrealized* capital gain is

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<sup>14</sup> “What are Bonds?” *Investor.gov*, 2021. <https://www.investor.gov/introduction-investing/investing-basics/investment-products/bonds-or-fixed-income-products/bonds>

<sup>15</sup> Akhilesh Ganti. “Budget.” *Investopedia*, March 18, 2021. <https://www.investopedia.com/terms/b/budget.asp>

an asset that has increased in value, but has not yet been sold. For most assets held for over a year, capital gains taxes are either 0%, 15% or 20%.<sup>16</sup>

## **Capitalization**

Capitalization applies to federal student loans. When interest is capitalized, the unpaid interest on your student loan account is added to the initial student loan balance, increasing the amount you have to pay back. Not only does your loan balance become larger, you'll pay interest on top of that capitalized interest.<sup>17</sup>

## **Certificate of Deposit (CD)**

A type of savings account in which your bank holds your money for a certain period of time and in exchange, pays you interest, guaranteeing the same rate of return (interest) for the entire period. When you take your money out of the CD, you receive your initial investment, plus interest. CDs usually require a minimum deposit and charge penalty fees for early withdrawal.<sup>18</sup>

## **Certified Check**

A certified check is a personal check for which your bank has verified its legitimacy and has guaranteed payment. When a check is certified, it becomes an obligation of the bank, and the funds are immediately withdrawn from the account. With a certified check, the recipient knows the bank has verified the check, signature, and available funds.<sup>19</sup>

## **Check Hold**

When you deposit a check, your bank may delay crediting the funds to your account during the *check hold period*. It is a temporary hold that usually lasts between 1 and 5 business days, depending on the size of the deposit.<sup>20</sup>

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<sup>16</sup> Tina Orem. "2020-2021 Capital Gains Tax Rates – and How to Calculate Your Bill." *Nerd Wallet*, Sep 10, 2021. <https://www.nerdwallet.com/article/taxes/capital-gains-tax-rates>

<sup>17</sup> Anna Helhoski. "What is Capitalized Interest on Student Loans?" *Nerd Wallet*, April 9, 2021. <https://www.nerdwallet.com/article/loans/student-loans/student-loan-interest-capitalization>

<sup>18</sup> "Certificates of Deposit (CDs)." *Investor.gov*, 2021. <https://www.investor.gov/introduction-investing/investing-basics/investment-products/certificates-deposit-cds>

<sup>19</sup> "What is a Certified Check: How & Where to Get a Certified Check" *Huntington National Bank*, 2021. <https://www.huntington.com/learn/checking-basics/what-is-a-certified-check>

<sup>20</sup> "Check hold." *Farlex Financial Dictionary*, 2012. <https://financial-dictionary.thefreedictionary.com/Check+hold>

## **Charge-Off**

If a loan or credit card is deemed "uncollectable," it may be charged-off. This means the lender or creditor has written off the account as a loss, and has closed the account to future charges. The account may then be transferred to a collection agency or sold to a debt buyer. The individual with the credit card or loan payment is still required to pay off the debt, however now their payments go to the agency or debt buyer.

Accounts can be charged-off when an individual has fallen behind on their loan or credit card payments, and being charged-off will have a very negative affect on your credit report and credit score.<sup>21</sup>

## **Chapter 7**

Chapter 7, also called "liquidation bankruptcy," is the most common type of bankruptcy in the United States. It requires an individual or a company to liquidate their assets in order to pay off their creditors. Individuals are allowed to keep certain assets, called "exempt property."<sup>22</sup>

## **Chapter 11**

Chapter 11 allows a bankrupt company to remain in business while its owners attempt to pay off its debts. The company does not have to sell all of its assets, and instead is given the chance to come out of bankruptcy and become a healthy business.<sup>23</sup>

## **Chapter 13**

Chapter 13 allows an individual who has regular income to develop a payment plan for their debts (either a part of or all of their debts). This enables the individual to repay creditors over an extended period of time, and usually allows the person to retain their property.<sup>24</sup>

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<sup>21</sup> "What is a Charge-Off? Equifax, 2021. <https://www.equifax.com/personal/education/credit/report/charge-offs-faq/>

<sup>22</sup> Steve Nitz. "The Different Chapters of Bankruptcy Explained." NFCC Sep. 22, 2017.

<https://www.nfcc.org/resources/blog/different-chapters-bankruptcy-explained/>

<sup>23</sup> Nitz. "The Different Chapters."

<sup>24</sup> Nitz. "The Different Chapters."

## **Collateral**

An asset (such as a car or a piece of property) that a person uses to take out a loan, promising to give the asset to the lender if loan payments cannot be met. Collateral is accepted as security for the loan, acting as a form of protection for the lender in case the borrower does not keep up with their payments.<sup>25</sup>

## **Compounding**

Compound interest is interest you earn based on your balance plus the interest that your money has already accrued. It is essentially earning “interest on top of interest” and will make your account grow at a quicker rate than simple interest. Many types of savings accounts compound yearly or quarterly.<sup>26</sup>

## **Co-Signer**

A person, other than the principal borrower, who also signs for a loan (oftentimes a parent, partner, or friend). The co-signer(s) promises to pay back the loan if the borrower does not.<sup>27</sup>

## **Credit**

An agreement – defined in a contract – between a borrower and a lender, in which the borrower receives money and promises to repay the lender this money, plus interest, at a later date.<sup>28</sup> Credit is the ability for a person to obtain goods or services before actually paying for them by borrowing from the lender, based on trust that they will pay the lender back in the future.

## **Credit History**

A record of an individual’s payment history on current and previous debt, which shows their ability, and responsibility, when it comes to repaying debts. A person’s credit history is recorded in their credit report.

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<sup>25</sup> Julia Kagen. “Collateral.” *Investopedia*, Dec. 27, 2020. <https://www.investopedia.com/terms/c/collateral.asp>

<sup>26</sup> Jason Fernando. “Compound Interest.” *Investopedia*, Feb. 16, 2021. <https://www.investopedia.com/terms/c/compoundinterest.asp>

<sup>27</sup> “Why might I need a co-signer in order to get vehicle financing?” *Consumer Financial Protection Bureau*, Aug. 5, 2016. <https://www.consumerfinance.gov/ask-cfpb/why-might-i-need-a-co-signer-in-order-to-get-vehicle-financing-en-811/>

<sup>28</sup> “Credit.” *Investopedia*, March 7, 2021. <https://www.investopedia.com/terms/c/credit.asp>

If you make payments on time and do not acquire an excessive amount of debt, your credit history is likely to be good. Good credit history makes it more likely that potential creditors will lend to you and enables you to have better loan choices, lower interest rates, and access to opening up new lines of credit.

If a person has a bad credit history (history of late or missed payments, not being able to meet the terms of the credit agreement/loan), then they are likely to encounter low credit limits, high interest rates, security deposits, difficulty in getting a loan or credit card; and increased car insurance premiums.<sup>29</sup>

### **Credit Rating**

A measurement of a person or business's ability to repay a lender, based on their income and credit history. Credit ratings are usually expressed as a credit score, and are assigned by the three major credit bureaus.<sup>30</sup>

### **Debit Card**

A card that allows a person to deduct money directly from their checking account to make purchases.<sup>31</sup> Debit cards allow you to pay for goods and services or to withdraw cash from an ATM or store. Even if a debit card has a credit card logo, it does not function as a credit card (where a person borrows the money from their credit card company to make a purchase and pays them back later).

### **Debt**

Money borrowed from, and owed to, an individual, company, bank, or other organization. Debt arrangements allow the borrower to use borrowed money under the condition that it will be paid back in the future, usually with interest.<sup>32</sup> Credit card balances, student loans, mortgage loans, and medical bills are examples of common debts.

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<sup>29</sup> "Credit History." *Investopedia*, April 9, 2021. <https://www.investopedia.com/terms/c/credit-history.asp>

<sup>30</sup> "Credit rating." *Bankrate*, 2021. <https://www.bankrate.com/glossary/c/credit-rating/>

<sup>31</sup> Amy Fontinelle. "Debit Card." *Investopedia*, March 25, 2021. <https://www.investopedia.com/terms/d/debitcard.asp>

<sup>32</sup> James Chen. "Debt." *Investopedia*, July 11, 2021. <https://www.investopedia.com/terms/d/debt.asp>

## **Debt-to-Income Ratio**

A percentage number that compares your total monthly payments on your debts to your monthly income. This number is one way for lenders to measure your ability to manage monthly debt payments, and is a way for individuals to identify whether their current debts are becoming difficult to pay off with their current income.<sup>33</sup>

## **Default**

When a borrower fails to repay a debt – including the principal or interest – on a loan, credit card, or security. A default on a loan can occur when a borrower misses payments, is unable to make payments on time, or stops making payments altogether.<sup>34</sup>

## **Deferment**

A temporary postponement on repaying federal student loans. Deferment allows you to temporarily stop making payments on your student loans, though with some student loans you may have to pay interest during the deferment period. There are a number of categories of deferment a person may be eligible for, including unemployment deferment or economic hardship deferment.<sup>35</sup>

## **Delinquency**

Failure to make timely payments on a debt, such as a loan or a credit card. Delinquency often leads to default.<sup>36</sup>

## **Diversification**

A method of balancing investment risk by mixing a wide variety of investments, such as stocks, bonds, real estate, and cash equivalents (Treasury bills, CDs), in one portfolio.

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<sup>33</sup> “What is a debt-to-income ratio?” *Consumer Financial Protection Board*, Nov. 15, 2019.

<https://www.consumerfinance.gov/ask-cfpb/what-is-a-debt-to-income-ratio-why-is-the-43-debt-to-income-ratio-important-en-1791/>

<sup>34</sup> James Chen. “Default.” *Investopedia*, Feb. 17, 2021. <https://www.investopedia.com/terms/d/default2.asp>

<sup>35</sup> “Student Loan Deferment.” *Federal Student Aid*. <https://studentaid.gov/manage-loans/lower-payments/get-temporary-relief/deferment>

<sup>36</sup> Christina Majaski. “Delinquent.” *Investopedia*, Nov. 28, 2020. <https://www.investopedia.com/terms/d/delinquent.asp>

The idea is that by investing in a variety of assets instead of just one, positive investment performances will balance out any negative performances, reducing risk.<sup>37</sup>

## **Dividend**

A portion of a company's profits that is paid to its shareholders (individuals who own share(s) of stock in a company). These earnings are usually paid out in cash, though sometimes they are paid in the form of additional shares of stock.<sup>38</sup>

## **Equity**

In investment terms, equity is the ownership of an asset (a car, home, investment portfolio, etc.) after its associated debts are paid off. It is the value of the asset minus its liabilities.

In corporate finance, equity represents the amount of money that would be returned to shareholders if all of a company's assets were liquidated and all of its debts were paid off.<sup>39</sup>

## **Fair Credit Reporting Act**

A federal law that protects consumers from false or deceptive credit reporting. The law regulates the way the three credit reporting bureaus collect, use, and share the data in your credit report.<sup>40</sup>

## **FDIC**

The Federal Deposit Insurance Corporation (FDIC) is an agency created by Congress to maintain stability, safety, and confidence in the United States' banks. The FDIC insures your deposits (generally up to \$100,000 per account), meaning even if your bank closes, you will not lose your money.<sup>41</sup>

Similarly, your money kept in non-profit credit unions is insured by the National Credit Union Share Insurance Fund (NCUSIF), which is also backed by the US Government.

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<sup>37</sup> Troy Segal. "Diversification." *Investopedia*, April 21, 2021. <https://www.investopedia.com/terms/d/diversification.asp>

<sup>38</sup> Adam Hayes. "Dividends." *Investopedia*, Aug. 16, 2021. <https://www.investopedia.com/terms/d/dividend.asp>

<sup>39</sup> Jason Fernando. "Equity." *Investopedia*, Feb. 27, 2021. <https://www.investopedia.com/terms/e/equity.asp>

<sup>40</sup> "Understanding the Fair Credit Reporting Act." Experian, 2021. <https://www.experian.com/blogs/ask-experian/credit-education/report-basics/fair-credit-reporting-act-fcra/>

<sup>41</sup> "FDIC: About." *FDIC.gov*. <https://www.fdic.gov/about/>

## **Federal Student Loans**

Student loans that are made by the federal government, in which the borrower repays the money they used for school, plus interest, back to the United States government. Federal student loans are usually offered after you apply for financial aid. These loans have a fixed interest rate, as well as deferment and forbearance options. There are different loan types whether you are an undergraduate or graduate student.<sup>42</sup>

## **Finance Charge**

A fee charged for the use of credit (or the extension of existing credit) that enables lenders to make a profit from lending their money to borrowers. The most common type of finance charge is interest rates. For credit services like loans, mortgages, and credit cards, finance charges have known ranges (like APR) and depend on a person's credit history.<sup>43</sup>

## **Financial Literacy**

The possession of knowledge and skills to effectively manage financial resources, with the goal of life-long economic well-being.<sup>44</sup> Financial literacy involves educating individuals about economics and finances, usually with the goal of assisting low-income families in their efforts to become financially resilient and self-sufficient.

## **Fixed Rate**

A predetermined and specified interest rate applied to the principal that stays the same during the life of a loan. Loans with fixed interest rates provide payment stability.<sup>45</sup>

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<sup>42</sup> "Loans." *Federal Student Aid*. <https://studentaid.gov/understand-aid/types/loans>

<sup>43</sup> Julia Kagen. "Finance Charge." *Investopedia*, March 31, 2021. [https://www.investopedia.com/terms/f/finance\\_charge.asp](https://www.investopedia.com/terms/f/finance_charge.asp)

<sup>44</sup> "What is Financial Literacy?" *PBS: Your Life, Your Money*. [https://www.pbs.org/your-life-your-money/more/what\\_is\\_financial\\_literacy.php](https://www.pbs.org/your-life-your-money/more/what_is_financial_literacy.php)

<sup>45</sup> "Fixed Rate." *Bankrate*, 2021. <https://www.bankrate.com/glossary/f/fixed-rate/>

## **Forbearance**

A temporary postponement or reduction of student loan payments or mortgage payments. This doesn't mean your payments owed are forgiven – it is just a pause or reduction that you may qualify for in times of financial struggle.<sup>46</sup>

## **Home Equity**

The difference between what you owe on your mortgage and what your home is currently worth (or what you get when you sell it).<sup>47</sup> As you pay down your mortgage, your equity in your home will rise. If you decide to sell your home, you can use the equity you've built (the profit made) as a down payment for another home. However, there may be complex tax implications with this, such as capital gains tax.

## **Individual Development Account (IDA)**

A savings account and asset-building strategy for low-income individuals and families. The funds put into an IDA are matched by a public or private organization to promote savings and future spending on educational purposes, starting a business, or homeownership.

IDAs are accompanied by programs for credit improvement and other financial literacy classes to help account holders get out of poverty. Studies have shown the success of IDAs in helping individuals become homeowners, which is the primary way lower-income families can build wealth.<sup>48</sup>

## **Individual Retirement Account (IRA)**

A tax-advantaged investment account, usually set up through a financial services company or bank, that helps you save for retirement.<sup>49</sup>

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<sup>46</sup> "Learn about forbearance." *Consumer Financial Protection Bureau*, Oct. 21, 2021.

<https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/help-for-homeowners/learn-about-forbearance/>

<sup>47</sup> "What is Home Equity, and How Can You Use it? *Quicken Loans*, Dec. 3, 2020.

<https://www.quickenloans.com/learn/home-equity-and-how-to-use-it>

<sup>48</sup> "Individual Development Accounts: a Vehicle for Low-Income Asset Building and Homeownership." *HUD User*, Fall 2012.

<sup>49</sup> Andrea Coombes & Tina Orem. "What is an IRA? Guide to Individual Retirement Accounts." *Nerd Wallet*, Sep. 13, 2021. <https://www.nerdwallet.com/article/investing/learn-about-ira-accounts>

## **Inflation**

The rate of increase in the prices of goods and services over a given time period, usually a year. Inflation measures how much more expensive goods and services have become over a year, which influences the *cost of living* for consumers.<sup>50</sup>

## **Installment Loan**

A loan in which you receive a lump-sum payment and pay it back in equal parts over a period of time. Banks and credit unions, as well as online lenders, offer installment loans. The best installment loans have low interest rates and affordable monthly payments.<sup>51</sup>

## **Interest**

For loans and credit cards, interest is the additional amount you will pay to a lending institution to borrow money. It is the money a lender or financial institution receives for lending out money.<sup>52</sup>

In terms of savings, interest is the additional amount you will earn for having your money in a savings account, CD, or other savings vehicle.

### **Simple Interest**

Simple interest is interest paid only on the "principal" – the amount originally borrowed – and not on the interest owed on the loan.<sup>53</sup>

### **Compound Interest**

Compound interest is interest calculated not only on the principal but also on the interest that has accrued, or built up, at the time of the calculation. It is essentially "interest on interest." Compound interest – where the borrower pays even more interest – is more common than simple interest. It is beneficial when the bank borrowing your money pays

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<sup>50</sup> Ceyda Oner. "Inflation: Prices on the Rise." *International Monetary Fund*. <https://www.imf.org/external/pubs/ft/fandd/basics/30-inflation.htm>

<sup>51</sup> Annie Millerbernd. "Best Installment Loans of October 2021." *Nerd Wallet*, Oct. 1, 2021. <https://www.nerdwallet.com/best/loans/personal-loans/installment-loans>

<sup>52</sup> James Chen. "Interest." *Investopedia*, Nov. 25, 2020. <https://www.investopedia.com/terms/i/interest.asp>

<sup>53</sup> James Chen. "Interest." *Investopedia*, Nov. 25, 2020. <https://www.investopedia.com/terms/i/interest.asp>

compounded interest on your savings account, and is not beneficial when you're the one paying compounded interest on a loan.<sup>54</sup>

### **Interest Rate**

Interest rates can refer to a percentage of the principal (the amount loaned) that the lender charges the borrower as well as the percentage a savings account or CD has earned at a bank or credit union. APR typically refers to the interest rate on a loan, and APY typically refers to the interest rate for savings accounts.<sup>55</sup>

Low interest rates make it cheaper to borrow money and are intended to boost economic activity and growth. The Federal Reserve usually lowers interest rates when the economy is struggling. Low interest rates usually means lower returns on savings accounts and investments, and the possibility of increased debt when interest rates rise again. High interest rates typically means the economy is doing well, though they can discourage big purchases, such as a house.<sup>56</sup>

### **Lien**

A creditor's claim or legal right against an asset – usually property – which may entitle the creditor to seize and sell the property if a debt is not repaid. Liens act as collateral to ensure a debt is repaid.<sup>57</sup>

### **Maturity**

The agreed-upon date when a loan, bond, or other investment option becomes due for payment to investors or creditors.<sup>58</sup>

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<sup>54</sup> Caroline Banton. "Interest Rate." *Investopedia*, Sep. 1, 2021. <https://www.investopedia.com/terms/i/interestrate.asp>

<sup>55</sup> Caroline Banton. "Interest Rate." *Investopedia*, Sep. 1, 2021. <https://www.investopedia.com/terms/i/intererstrate.asp>

<sup>56</sup> James Chen. "Interest." *Investopedia*, Nov. 25, 2020. <https://www.investopedia.com/terms/i/interest.asp>

<sup>57</sup> Will Kenton. "Lien." *Investopedia*, April 16, 2021. <https://www.investopedia.com/terms/l/lien.asp>

<sup>58</sup> Elizabeth Blessing. "Maturity." *Investopedia*, June 6, 2021. <https://www.investopedia.com/terms/m/maturity.asp>

## **Minimum Payment**

The minimum monthly payment required on a credit card or loan. For credit cards, this is typically 2% of your balance (changes month to month). Credit card companies will send you your minimum payment amount in your monthly bill.<sup>59</sup>

## **Money Market Accounts**

A type of savings account that tends to offer higher interest rates than basic savings accounts as well as check writing and debit card options. However they tend to have more restrictions than regular savings accounts and lower rates of return than other savings vehicles (e.g. bonds, mutual funds).<sup>60</sup>

## **Mortgage**

A loan used for the purchase of a house, property, or other real estate. Borrowers pay lenders back over time (usually many years) at regular intervals that include payments on the initial amount and interest accumulated. The property itself serves as collateral for the loan. Mortgages enable individuals, families, and businesses to buy property without needing to pay for the entire purchase up-front.<sup>61</sup>

## **Mutual Funds**

A mutual fund is a pool of money (fund) run by a professional or group of professionals who have experience in picking investments (a mutual fund company). Mutual fund investors pool the money from numerous investors and invest the funds in a variety of securities, such as stocks and bonds, to generate income for investors. Mutual funds are an example of diversified investment portfolios, which are thought to be less risky investments. Mutual funds can be a profitable investment but like all investments, there is the possibility of losing some or all of the money you invested.<sup>62</sup>

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<sup>59</sup> "Minimum payment." *Bankrate*, 2021. <https://www.bankrate.com/glossary/m/minimum-payment/>

<sup>60</sup> Jim Probasco. "Money Market Account." *Investopedia*, March 23, 2021. <https://www.investopedia.com/terms/m/moneymarketaccount.asp>

<sup>61</sup> Julia Kagen. "What is a Mortgage?" *Investopedia*, Sep. 8, 2021. <https://www.investopedia.com/terms/m/mortgage.asp>

<sup>62</sup> "Mutual Funds." *Investor.gov*, 2021. <https://www.investor.gov/introduction-investing/investing-basics/investment-products/mutual-funds-and-exchange-traded-1>

## **Net Worth**

The total wealth of an individual, household, or company, based on the value of all their financial assets and liabilities. Net worth is the difference between a person or company's total assets and total liabilities (the value of total assets minus total liabilities).<sup>63</sup>

## **Overdraft**

Overdraft occurs when a person withdraws money when there isn't enough in their account to cover it and the bank allows the transaction to go through anyway. For example, if an account holder has \$1,000 in the account and withdraws \$1,200, there is an overdraft of \$200. The overdraft acts like a loan – the bank allows the customer to keep using their account, even with insufficient funds, but the customer will likely have to pay interest on the loan and a steep penalty fee (\$35 or more).<sup>64</sup>

## **Prime Rate**

Prime rate is the lowest interest rate on bank loans, offered to preferred borrowers. It is the rate commercial banks charge their most "creditworthy" customers. Interest rates for personal loans, small business loans, and mortgages are based around the prime rate. The prime interest rate is determined by the federal funds rate (the overnight interest rate banks use to lend to one another) and most important prime rate is published daily by *The Wall Street Journal*.<sup>65</sup>

## **Principal**

The principal is the unpaid balance on a loan, not including interest. All loans begin as a principal (the initial amount) and accrue interest over time.<sup>66</sup>

## **Promissory Note**

A loan document that the lender and borrower both sign that indicates a promise to repay a loan under agreed-upon terms. Promissory notes typically contain the terms of the debt,

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<sup>63</sup> Akhilesh Ganti. "Net Worth." *Investopedia*, Feb. 11, 2021 <https://www.investopedia.com/terms/n/networth.asp>

<sup>64</sup> Julia Kagen. "Overdraft." *Investopedia*, Oct. 18, 2021. <https://www.investopedia.com/terms/o/overdraft.asp>

<sup>65</sup> James Chen. "Prime Rate." *Investopedia*, Nov. 2, 2021. <https://www.investopedia.com/terms/p/primerate.asp>

<sup>66</sup> "Principal." *Bankrate*, 2021. <https://www.bankrate.com/glossary/p/principal/>

such as the principal, interest rate, and the date the loan was issued and the date it will mature. Although some banks issue promissory notes, they are more common with other lenders and enable any individual or company to become a lender.<sup>67</sup>

### **Rate of Return**

The Rate of Return (ROR) or Return on Investment (ROI) is a percentage figure that measures how money grows in an investment. ROR is the total gain or loss of an investment from the beginning to the end of a specified period.<sup>68</sup>

### **Rule of 72**

The rule of 72 is a trick to calculate how much money you can earn from the interest on an investment. It is a simple way to calculate how long it will take your investment to double at a specified rate of return. To calculate, divide 72 by the interest rate of your account. The result is the number of years it will take to double your investment. For example, if your account earns 4% interest,  $72\% \div 4\% = 18$  years to double your investment.<sup>69</sup>

### **Service Charge**

A specific fee charged by a financial institution, such as an out-of-network ATM fee, a fee for falling below a minimum balance, or the fee for triggering an overdraft checking account into use. Some companies also charge service fees for specific goods or services or for using a credit or debit card.<sup>70</sup>

### **SIMPLE IRA (Individual Retirement Account)**

A Savings Incentive Match Plan for Employees (SIMPLE) IRA is a type of tax-deferred retirement savings account for employees offered by employers. An employer may match employee contributions in a SIMPLE. SIMPLE IRAs are relatively easy to set up and work best for small businesses.<sup>71</sup>

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<sup>67</sup> Adam Barone. "Promissory Note." *Investopedia*, Oct. 19, 2021. <https://www.investopedia.com/terms/p/promissorynote.asp>

<sup>68</sup> Will Kenton. "Rate of Return." *Investopedia*, April 22, 2021. <https://www.investopedia.com/terms/r/rateofreturn.asp>

<sup>69</sup> Laura Leavitt. "Rule of 72: What is it and how to use it." *Bankrate*, July 28, 2021. <https://www.bankrate.com/investing/what-is-the-rule-of-72/>

<sup>70</sup> "Service Charge." *Bankrate*, 2021. <https://www.bankrate.com/glossary/s/service-charge/>

<sup>71</sup> Julia Kagen. "SIMPLE IRA." *Investopedia*, April 25, 2021. <https://www.investopedia.com/terms/s/simple-ira.asp>

## **Simplified Employee Pension (SEP) IRA**

A Simplified Employee Pension IRA is a retirement savings account for small business employers and for self-employed people (people who have their own businesses). SEP IRAs usually have higher annual contribution limits compared to standard IRAs.<sup>72</sup>

## **Stocks**

A security that represents ownership of a portion of a corporation, which means the owner of the stock receives a fraction of the corporation's profits and assets depending on how much stock they own. When you buy stock in a company, you share in its ownership – making you a "shareholder." Stock is purchased in units called "shares." Your share of the company depends on how many shares of the company's stock you own.<sup>73</sup> The price of a stock goes up and down, depending on how the company performs and how investors think the company will perform in the future.<sup>74</sup>

## **Subsidized Loans**

There are two types of student loans: subsidized and unsubsidized. Subsidized loans are only for undergraduate students who demonstrate financial need. With subsidized loans, the federal government pays the interest that accrues on the loan ("subsidizes" the loan) while the student is in school, during the 6-month grace period after they leave school, and during periods of deferment.<sup>75</sup>

## **Total Cost of Borrowing**

When you take out a loan, it is important to know the *Total Cost of Borrowing*. This will be the total monetary amount you will pay over the life of the loan and includes the principal, loan fees, and interest.<sup>76</sup>

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<sup>72</sup> "Simplified Employee Retirement Pension SEP" *Investopedia*, Feb. 23, 2021.

<https://www.investopedia.com/terms/s/sep.asp>

<sup>73</sup> Adam Hayes. "Stock." *Investopedia*, May 22, 2021. <https://www.investopedia.com/terms/s/stock.asp>

<sup>74</sup> Original material from Peerlink National Technical Assistance Center

<sup>75</sup> Emily Starbuck Gerson. "What is a Subsidized Loan?" *Experian*, July 13, 2020.

<https://www.experian.com/blogs/ask-experian/what-is-a-subsidized-loan/>

<sup>76</sup> "The Total Cost of Borrowing Money." *Wells Fargo*, 2021. <https://www.wellsfargo.com/goals-credit/smarter-credit/manage-your-debt/total-cost-of-borrowing/>

## **Truth in Lending Act**

The Truth in Lending Act (TILA) protects consumers against unfair lending practices. Loans under TILA must provide a Disclosure Statement of all of the terms and conditions of a loan or credit agreement, including APR, the loan term, and total costs of borrowing.<sup>77</sup>

## **Representative Payee**

A family member, friend, legal guardian, or member of an organization who is appointed by a government agency, such as the Social Security Administration (SSA) or the Department of Veteran Affairs (VA), to receive and manage public benefits on behalf of someone who cannot manage them on their own.<sup>78</sup>

## **Loan Term**

A loan term is the period from when a loan is issued until it is fully paid. It is the length of time it takes for a loan to be paid off when the borrower is making regular payments.

Loan terms can also refer to the provisions specified in a loan agreement. These are the terms you review before you sign a loan contract.<sup>79</sup>

## **401(k)**

A 401(k) is an employer-sponsored retirement savings plan that is tax deferred and that employees can contribute to. Many American employers offer 401(k) plans to their employees. When you sign up for a 401(k), you agree for a percentage of your paychecks to be deposited into an investment account. Your employer might match a portion, or all, of that contribution. You can choose between different investment options (usually mutual funds) to put your money in.

Traditional 401(k) plans are pre-tax, which means that you don't pay taxes on the funds until you withdraw them for retirement. There are also Roth 401(k) plans, in which the

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<sup>77</sup> Will Kenton. "Truth in Lending Act (TILA)." *Investopedia*, Oct. 28, 2021. <https://www.investopedia.com/terms/t/tila.asp>

<sup>78</sup> Adam Hayes. "Representative Payee." *Investopedia*, June 17, 2021. <https://www.investopedia.com/terms/r/representative-payee.asp>

<sup>79</sup> Justin Pritchard. "What is a Loan Term?" *The Balance*, Oct. 21, 2020. <https://www.thebalance.com/loan-time-period-specifics-315513>

money is deducted from your after-tax income, so you don't have to pay additional taxes on the funds when you withdraw them for retirement.<sup>80</sup>

#### **403(b)**

A 403(b) is an employer-sponsored retirement savings plan very similar to a 401(k) but offered by nonprofit (tax-exempt) and government employers. People who can receive 403(b) plans include government employees, teachers, professors, librarians, nurses, doctors, and nonprofit employees.<sup>81</sup>

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<sup>80</sup> Jason Fernando. "401(k) Plan: The Complete Guide." *Investopedia*, March 11, 2021.

<https://www.investopedia.com/terms/1/401kplan.asp>

<sup>81</sup> "401(k) and 403(b) Plans: Knowing the Difference." *Investopedia*, March 19, 2021.

<https://www.investopedia.com/ask/answers/100314/what-difference-between-401k-plan-and-403b-plan.asp>