

# Financial Empowerment Passport



Bank On Blog: [www.bankonhr.org](http://www.bankonhr.org)

Fifth Edition – July 2015

Bank On Hampton Roads is organized to help you build a financial plan that will:

- Increase Savings
- Reduce Debt
- Build Credit
- Grow Assets
- Protect Yourself from Threats

No matter what your starting position, Bank On Hampton Roads can help you take the next step to financial security and break the cycle of living paycheck to paycheck.

**IF THIS BOOK IS FOUND, PLEASE CONTACT:**

**NAME:** \_\_\_\_\_

**PHONE:** \_\_\_\_\_

**COACH NAME/NUMBER:** \_\_\_\_\_

Your Financial Empowerment Coordinator can be reached at:  
757-943-9652 or email [bankonhr@gmail.com](mailto:bankonhr@gmail.com)



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## Acknowledgements

This manual was prepared as a collaborative effort among many community partners. Each partner has contributed to this manual's contents. Thank you to all the providers of services who contributed to the creation of this Financial Empowerment Passport. The services you offer and the expertise you provide are invaluable not only to this program but to all who need an extra bit of help on their way to financial health. We appreciate the contributions of:

- ACS/FFSC Financial Representatives
- Catholic Charities of Eastern Virginia
- Financial Institutions of Bank On Hampton Roads
- Opportunity Inc. One-Stop Workforce Center
- Virginia Cooperative Extension Services
- Virginia Employment Commission

Finally, a special thank you goes to L. Lori Irwin, MBA, CFP®, Financial Empowerment Coordinator, for her financial education and financial planning expertise to champion the work of this manual. Lori Irwin, with her experience in financial planning and financial literacy, created the format for this manual. Lori's passion for making financial planning available to families of all incomes makes her a tremendous asset for Virginia Beach.

## About this Challenge

Welcome to the This Financial Fitness Challenge made available to all Hampton Roads families. The marks of a family financially fit are:

- ✓ **Regular sustainable income**
- ✓ **Established written goals**
- ✓ **Emergency savings**
- ✓ **Manageable debt obligations**
- ✓ **Ability to obtain traditional credit**
- ✓ **Plan to build assets for long-term sustainability**

If you want to create greater opportunity for income, increased savings, reduced debt and increased credit score, this is the challenge for you.

**Classes, Coaching and Homework:** Each month, you will receive new information in lively interactive classes to help you make wise decisions with your financial life. Coaches offer support, education and encouragement to help you apply what you have learned to your own personal financial plan. Homework assignments allow you to build your plan one piece at a time. The combination of having classes, coaching and goals to accomplish each month makes this program unique.

**Completing the Challenge:** Once you have completed the components of this challenge, you can submit your Passport to your Coach.

## My Financial Team

These are the people who can help me reach my goals

NAME	EMAIL/PHONE NUMBER
<b>MY INSTRUCTOR(S)</b>	
<b>MY COACH</b>	
<b>OTHER FINANCIAL PROFESSIONALS</b>	

List your financial partners here. Include instructors, coaches and any other organizational contacts that can help you become financially fit.

We are here to help. Contact the Financial Empowerment Program any time you need to connect to resources:

**E-mail: [bankonhr@gmail.com](mailto:bankonhr@gmail.com)**

## Orientation

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

My class meets every \_\_\_\_\_ of each month  
at \_\_\_\_\_ (Time)

### HOMEWORK:

✓Completion	ASSIGNMENT
	Complete "My Future" Worksheet: p. 12
	Join Virginia Saves: Establish Savings Goal
	Obtain Credit Report from <a href="http://www.annualcreditreport.com">www.annualcreditreport.com</a>
	Complete Financial Assessment: pp. 13 -14
	Visit Bank On Blog and answer: What dates are all the Bank On Classes for the coming month scheduled (List Below) ( <a href="http://www.bankonhr.org">www.bankonhr.org</a> ): p. 11
	Read Income Resource Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Read Homework Notes: below
	Reconcile Bank Statement
	Make contact with your coach Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a> .

### Homework Notes:

For the first few months of the Challenge, we will be establishing financial goals and collecting the information that will help us establish a working monthly plan for managing expenses.

**My Future:** allows you to document some big goals you would like to accomplish during the Challenge. Later you will take some of these big goals and develop them so that they are actionable with timelines for accomplishment. For now, it is important to have written goals to help us remember what we hope to accomplish. It will help us to stay motivated through the Challenge.

To accelerate your progress, consider developing a **Dream Book** (pictures of your goals) to help you visualize success. Having a visual can help us articulate what success looks like.

**Virginia Saves:** will help keep savings as a goal throughout the program. Virginia Saves and America Saves send out periodic e-wealth coach emails and texts if you choose to receive them. Your savings is maintained at any financial institution you choose, and your person information is never shared with third parties. Studies show that in writing a savings goal you are more likely to take positive action toward achieving that goal. Virginia Saves also can be found on the web [www.virginiasaves.org](http://www.virginiasaves.org); at their blog: <http://virginiasaves.blogspot.com>; on Facebook [www.facebook.com/virginiasaves](http://www.facebook.com/virginiasaves) and Twitter @\_VAsaver\_.

**Annual Credit Report:** Knowing what the financial institutions know about you is the first step in taking control of your financial future. [www.annualcreditreport.com](http://www.annualcreditreport.com) allows you to access your credit report from the three credit bureaus. Only one is needed for this first homework assignment. Midway through the Challenge, we will access another report. At the end, you will access a final credit report. By spacing them through the Challenge, you can monitor if improvements are made and stay alert to the potential for identity theft.

**Financial Assessment:** A periodic financial assessment is at the heart of any financial plan. The success of this challenge is rooted in improving critical financial stability measures such as income, savings, debt reduction and credit score. By doing a detailed assessment early, you have the greatest opportunity for demonstrating improvements.

**Bank On Blog:** [www.bankonhr.org](http://www.bankonhr.org) The calendar of classes is at the bottom of the blog to help you connect to other classes should you have a scheduling difficulty with your class. If you miss a class, just look on the calendar for the next time this material is presented. At the blog, you can sign up to receive updates to your email as announcements and events are posted. Look around: in addition to some great articles, the lessons are all freely available for reprint as well as your homework assignments. You can access this Passport electronically and find worksheets and forms you can use as you get started.

**Social Media:** You can also follow Bank On on Facebook [www.facebook.com/bankonhr](http://www.facebook.com/bankonhr) and Twitter @bank\_on to stay up to date.

**Reconcile Bank Statement:** Only you know the true balance in your financial accounts - your bank only knows what has been presented to them for payment. Some transactions can take weeks or even months before they clear. By reconciling your statement each month, you ensure that you always know how much you have. *Americans spend more than \$24 Billion on overdraft fees each year. Most of this expense is a result of not maintaining good records.* For an easy to use form, check out the resource section of the Bank On Blog or look on the back of your bank statement.

**Bank On Coach:** Coaching is where the real magic happens in Bank On Portsmouth. The Coach is your ally in helping you stay on track, encouraged and focused throughout the Challenge. In between each class, you should plan to meet with your Coach. Getting connected early will assure you the greatest potential for success. Many Financial Institutions offer coaching, but Bank On Virginia Beach has volunteer coaches who offer their time to the program to help you build a financial plan that will help you achieve your goals.

**Next Month’s Classes:**

DATE	LESSON	DATE	LESSON

# My Future

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DATE: \_\_\_\_\_

## Financial Assessment - Beginning

INCOME	PER MONTH	INCOME	PER MONTH
Salary 1		Pensions/Retirement	
Salary 2		TANF/SNAP	
Commissions		Child Support	
Social Security		Other	
<b>TOTAL MONTHLY INCOME</b>		\$ _____	

ASSETS	VALUE	ASSETS	VALUE
Savings		Automobile(s)	
Checking		Home	
Investments		Personal Property	
Retirement		Other	
<b>TOTAL ASSETS</b>		\$ _____	

LIABILITIES	PAYMENT	TOTAL OWED	INTEREST RATE
Credit Card 1			
Credit Card 2			
Credit Card 3			
CAR LOAN 1			
CAR LOAN 2			
MORTGAGE1			
MORTGAGE2			
TAX DEBT			
STUDENT LOAN 1			
STUDENT LOAN 2			
PERSONAL LOAN			
MEDICAL1			
MEDICAL2			
<b>TOTAL LIABILITIES</b>		\$ _____	

Credit Report can be obtained at [www.annualcreditreport.com](http://www.annualcreditreport.com) or 877-322-8228

**CREDIT SCORE**

Free credit scores can be obtained through [www.creditkarma.com](http://www.creditkarma.com)  
 or [www.creditsesame.com](http://www.creditsesame.com)

<b>ALTERNATIVE FINANCIAL SERVICES</b>	
Used payday/title lender in last 12 months	Number of times
Used check cashing in last 12 months	Number of times
Financed car or furniture "on location" in last 12 months	<input type="checkbox"/> YES or <input type="checkbox"/> NO
Used rent-to-own in last 12 months	<input type="checkbox"/> YES or <input type="checkbox"/> NO
Received advanced refund for taxes last year	<input type="checkbox"/> YES or <input type="checkbox"/> NO

# Bank On It

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

## HOMEWORK

✓Completion	ASSIGNMENT
	Complete Temptations List below
	Complete When are Bills Due Worksheet: p. 17
	Review Annual Credit Report with coach and begin process for correcting any identified error
	Read Tax Resource Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Read Homework Notes: p. 16
	Reconcile Bank Statement
Coach Initials/Date	Make contact with your coach Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a> .

## TEMPTATIONS LIST

My Temptations	Ways to Reduce/Avoid

## Homework Notes:

**Temptations List:** By knowing where you are prone to go off track, you can establish a plan to avoid that danger. Everyone has temptations of one sort or another. Identifying temptations and ways to avoid or reduce those temptations can help you develop strategies for seeing your financial goals achieved.

**When Are Bills Due?:** This is an initial map for when cash goes in and when cash flows out each month. By completing this assignment, you can visualize the points of the month when cash is low and begin working with your coach to develop a plan to minimize shortages. Consider moving due dates where possible to even out the demands on cash flow.

**Correct Errors on Annual Credit Report:** Credit Bureaus only report the information they have been given by creditors. They have no way of validating the debt to ensure that the information is correct. Creditors must be able to prove (validate) that you owe them. If you identify any debts that you are not sure you owe, use the template letter available at the Bank On Blog or one that your coach recommends.

**Reconcile Bank Statement:** For an easy to use form, check out the resource section of the Bank On Blog or look on the back of your bank statement.

**Make Contact with your Coach:** That's where the magic happens. If you don't already have an appointment, call them to schedule. If you need help finding a coach, email the Bank On Coordinator at [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

## When Are Bills Due?

MONTH: \_\_\_\_\_

List when your income comes and when your bills are due each month. Also list how much you expect to receive/pay.

Sun	Mon	Tues	Wed	Thurs	Fri	Sat

Adapted from Virginia Cooperative Extension [www.ext.vt.edu](http://www.ext.vt.edu)

## Crisis Mode

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

### HOMEWORK

✓Completion	ASSIGNMENT
	Complete Spending Diary: p. 19
	Complete Records Organization Checklist: p. 20
	Create Grab and Go book of vital documents listed in Records Organization Checklist
	Practice completing Smart Goals worksheet: p. 21
	Read Homework Notes below
	Reconcile Bank Statement
<b>Coach Initials/Date</b>	Make contact with your coach Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a>

### Homework Notes:

**Spending Diary:** By collecting detailed information on your spending, you are gathering the data you will need to establish a spending plan that addresses your lifestyle and values. Documenting your feelings will help identify areas where your emotions drive your spending choices.

**Records Organization Checklist:** This important papers checklist allows you to organize your vital records. The **Grab and Go book** can be a notebook or a file where important records are kept so that if you ever need to evacuate in an emergency, you are ready.

**SMART Goals:** Translate the goals from the "My Future" Worksheet into SMART Goals that are specific, measurable, actionable, realistic and time-bound. SMART Goals help create an action plan for achieving your dreams.

**Reconcile Bank Statement:** For an easy to use form, check out the resource section of the Bank On Blog or look on the back of your bank statement.

**Make Contact with your Coach:** That's where the magic happens. If you need help, contact the Financial Empowerment Coordinator by emailing [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

**SPENDING DIARY:**

<b>DAY</b>	<b>SPENDING TODAY</b>	<b>I FEEL</b>
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
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19		
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21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		

## Records to Have on Hand in an Emergency

### Insurance Records

- Auto Insurance Policy
- Home Owners/Renters Insurance Policy
- Pictures of Interior and exterior of home to document assets and their condition
- Life Insurance Policies
- Don't forget policies sponsored by employers
- Insurance Appraisals

### Identification Records

- Birth Certificates
- Marriage Certificates
- Social Security Identification
- Passports
- Military ID

### Bank and Savings Records

- Brokerage Statement
- Bank Statement
- Savings Statements
- Savings Bonds Locations
- Location of Stocks and other Marketable Items
- Retirement Account Summary
- Loan Documents

### Agreements

- Rental Agreement
- Official Legal Papers

### Automobile Records

- Title /Registration Documents

### Estate Records

- Wills
- Powers of Attorney
- Medical Directives
- Trust Documents

### Military Records

- DD214 /Discharge Documentation
- VA Benefit

## S.M.A.R.T. Goals

**Specific:** State exactly what is to be done

**Measurable:** Include how the goal can be measured

**Actionable:** Determine steps to reach the goal

**Realistic:** Do not set goals for something unrealistic

**Time-Bound:** State when the goal will be met

**Goal:** I want to buy a new car

vs.

**SMART goal:**

Specific	Measurable	Actionable	Realistic	Time-bound
I want to save money for a down payment on a new car	I need to save \$5,000 for the down payment	I will save \$200 from every paycheck	I usually waste the money on piddly stuff so I can easily set aside \$200 each payday	I want to have the \$5,000 saved in two years

**NOW YOU:**

Specific	Measurable	Actionable	Realistic	Time-bound

# Money Management 1

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

## HOMEWORK

✓Completion	ASSIGNMENT
	Create a basic Spending Plan: p. 24
	Track spending by category: p. 25
	Complete Periodic Expense Planner: p. 26
	Expand on your SMART goals by completing My Life Goals: pp. 27-29
	Prioritize your SMART goals: p.30
	Complete Strategies to Accelerate Progress: p. 31
	Read Money Management Resource Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Read Homework Notes below
	Reconcile Bank Statement
<b>Coach Initials/Date</b>	Make contact with your coach  Need help? email: bankonhr@gmail.com

### Homework Notes:

**Spending Plan:** A Spending Plan is different than merely tracking expenses. You determine where your money *should* be allocated before it is spent. A spending plan looks forward into the future and anticipates needs and wants before they occur.

**Spending by Category:** Continue tracking your expenses, but now divide them into categories to see how much you are actually spending each month by category.

**Periodic Expense Planner:** Periodic expenses can bust your budget. The more you can anticipate them and plan for them, the more likely your budget will work for you long term. Identify the total cost and the divide it into a monthly payment to know how much you need to put aside for the periodic expenses.

**My Life Goals:** Establish goals for income, credit, debt reduction, savings, retirement and more. We all have multiple goals in life. The more they are formed as a SMART goal, the more likely we will see them come to pass. Our life goals are the reason that we work so hard to control current spending; we are building a stronger future.

**Prioritize Goals:** Among your goals, what should take top priority? When there are choices to be made, your top goal is addressed first while other goals become secondary. To reach all your goals, creative thinking may be required. Can you make your dreams happen? We believe you can.

**Strategies to Accelerate Progress:** Think of quick things you can do to accelerate your progress toward your goals:

1. Get more money
2. Cut some expense
3. Get rid of some debt.

**Reconcile Bank Statement:** You have the knowledge of your balances. Make sure your statement is correct.

**Meet with Coach:** Are you starting to see the magic happen? If you need to regroup and get restarted, email us at [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

## Spending Plan

(For an interactive budget visit Bank On Blog under Resources)

<b>INCOME</b>			
<b>INCOME</b>	<b>PER MONTH</b>	<b>WITHHOLDINGS</b>	<b>PER MONTH</b>
Salary 1		Federal Tax	
Salary 2		State Tax	
Social Security		Social Security/Medicare	
Child Support		Other	
Other		Other	
<b>Total Income</b>		<b>Total Withholdings</b>	
<b>NET SPENDABLE INCOME (Total Income - Total Withholdings) =</b>			
<b>EXPENSES</b>			
<b>EXPENSE</b>	<b>PER MONTH</b>	<b>EXPENSE</b>	<b>PER MONTH</b>
<b>SAVINGS</b>		<b>GROCERIES</b>	
Emergency		<b>ENTERTAINMENT</b>	
Retirement		Eating Out	
Other		Vacation	
<b>HOUSING</b>		Movies/Events	
Mortgage/Rent		Trips	
Property Tax		<b>INSURANCE</b>	
Insurance		Life	
Electric/Gas		Disability	
Water/Sewer		<b>CLOTHING</b>	
Phone		<b>MEDICAL</b>	
Internet		Insurance	
Cable		Doctor/Dentist	
Maintenance		Prescriptions	
<b>TRANSPORTATION</b>		Copays	
Loan Payment		<b>MISCELLANEOUS</b>	
Insurance		Postage	
Gas/oil		Allowances	
Maintenance		Gifts	
Other		Personal Care	
<b>DEBTS</b>		Other	
Credit Card 1		Other	
Credit Card 2		<b>EDUCATION</b>	
Loan 1		<b>CHILD CARE</b>	
Loan 2		<b>CHARITY</b>	
Other			
		<b>TOTAL EXPENSES</b>	

**LEFTOVER (Net Income - Total Expenses) =**

## Actual Spending by Category

	Week 1	Week 2	Week 3	Week 4	Total
Gross Income					
Federal Taxes					
State Taxes					
FICA/FUTA					
Net Income					
Savings					
Housing					
Auto					
Debt					
Groceries					
Entertainment					
Insurance					
Clothing					
Medical					
Miscellaneous					
Investments					
Education/Childcare					
Charitable					

<b>Periodic Expenses</b>	<b>Frequency (Qtr, Annual, etc)</b>	<b>Total Amount</b>	<b>Monthly Amount</b>
Property Tax			
Home Insurance			
Auto Insurance			
Life Insurance			
Medical Insurance			
Furniture and Appliances			
Home Repairs			
Landscaping			
Memberships and Dues			
Holidays			
Subscriptions			
Vacations			
Gifts			
Weddings			
Tuition and Books			
Car Maintenance and Repairs			
Back to School Supplies			
Clothing			

## My Life Goals

Achieving your life's desires begins with having written goals. These goals may be financial or could describe the lifestyle you want to attain. Goals should be specific, measurable, actionable, realistic, and have a completion time.

Together with your coach, you will break goals into action steps to keep you focused on the actions that lead to success.

GOAL	DESCRIPTION
My Sample Goal:	Have \$300 Saved in Emergency Fund
Complete by:	10/31/2015
Total/Monthly Cost:	\$300 total/\$25 per month
Action Steps:	Save \$25 each payday using automatic deposit
	Reduce spending on entertainment to increase savings
<b>Education</b>	
Goal #1	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
<b>Employment</b>	
Goal #2	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
<b>Income</b>	
Goal #3	
Complete by:	
Total/Monthly Cost:	
Action Steps:	

<b>Debt</b>	
Goal #4	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
<b>Credit</b>	
Goal #5	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
<b>Savings</b>	
Goal #6	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
<b>Retirement</b>	
Goal #7	
Complete by:	
Total/Monthly Cost:	
Action Steps:	
<b>Investing</b>	
Goal #8	
Complete by:	
Total/Monthly Cost:	
Action Steps:	

<b>My Own Goal</b>	
Goal #9	
Complete by:	
Total Cost/Monthly Cost:	
Action Steps	

# Prioritizing Goals

My Top Three Short-Term Goals: To be completed in less than one year

PRIORITY	GOAL	AMOUNT TO BUDGET MONTHLY
Number 1 Priority		
Number 2 Priority		
Number 3 Priority		

My Top Three Long-Term Goals: To be completed in more than one year

PRIORITY	GOAL	AMOUNT TO BUDGET MONTHLY
Number 1 Priority		
Number 2 Priority		
Number 3 Priority		

**Strategies to Accelerate My Progress:**

Consider your goals listed in the prior pages. What are actions you can take now to help accelerate your progress in achieving your goal?

<b>INCREASE INCOME</b>		<b>RELATED GOAL</b>
1.		
2.		
3.		
<b>DECREASE LIVING EXPENSES</b>		<b>RELATED GOAL</b>
1.		
2.		
3.		
<b>DECREASE INDEBTEDNESS</b>		<b>RELATED GOAL</b>
1.		
2.		
3.		

# Money Management 2

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

## HOMEWORK

✓Completion	ASSIGNMENT
	Continue to track spending by category and compare budget with actual spending: p. 34
	Use Decision Tree to identify what expenses can be controlled and what expenses are uncontrollable: p. 35
	Complete Percentage Budget Comparison Worksheet using guideline budgets in lesson participant guide: p. 36
	Adjust your Spending Plan to reduce expenses or increase funds earmarked for savings and debt reduction: p. 37
	Have a family meeting to discuss financial priorities and ways you can work together to curb costs
	Read Homework Notes below
	Reconcile Bank Statement
Coach Initials/Date	Make contact with your coach  Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a>

### Homework Notes:

**Spending by Category:** Continue tracking your expenses, but now divide them into categories for your spending plan.

**Budget vs. Actual Expenses:** This is the time for reality. Did your actual spending mirror your budget? Were there unexpected expenses last month that need to be adjusted in your budget? Few budgets will be exact because we have variable expenses, but did your spending line up with what you had hoped?

**Decision Tree:** Don't waste time focusing on the things you can't control. Use this decision tree to help you identify one or two budget categories that you can control and focus on those.

**Percentage Budget Comparison:** You determine your spending plan, but when you are trying to get a realistic budget working, referring to guidelines can help you focus on categories of spending that can be adjusted to give you more breathing room in your budget.

**Spending Plan Adjustment:** Based on what you learned through the last few months of actual expenses, does your budget need to be adjusted? Few get it perfect the first time. It may take several months of adjusting to come to a plan that works for you. A good spending plan will incorporate your savings for emergency, goals, periodic expenses, long term savings like retirement and debt reduction.

**Family Meeting:** Developing a new plan for your finances will be easier if all the family is on board. Schedule a meeting and share with all family members the decisions that you are making and discuss ways the whole family can get involved in managing expenses.

**Reconcile Bank Statement:** You have the knowledge of your account balances. Make sure your statement is correct.

**Meet with Coach:** Are you starting to see the magic happen? If you need to regroup and get restarted, email us at [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

## Spending by Category

	Budgeted	Actual	Actual Percentage (expense/net income)
Gross Income			
Taxes & Withholdings			
Net Income			
Savings			
Housing			
Auto			
Debt			
Groceries			
Entertainment			
Insurance			
Clothing			
Medical			
Miscellaneous			
Investments			
Education/Childcare			
Charitable			

# Financial Decision Tree

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Use this decision tree to help you identify the budget items that you can control within your spending plan. Go through your budget and list each item as a "controllable" or a "not controllable" item. Then go through the controllable items and prioritize which ones are easiest to control and will create the greatest benefit to your budget.

**CONTROLLABLE ITEMS**

**NOT CONTROLLABLE ITEMS**

---

## Percentage Budget Comparison

Budget Item	% Net Income	% Budget Recommended	Difference
Savings			
Housing			
Auto			
Insurance			
Debt			
Groceries			
Entertainment			
Insurance			
Clothing			
Medical			
Miscellaneous			
Investments			
Education			
Childcare			
Charitable			

## Spending Plan

(For an interactive budget visit Bank On Blog under Resources)

<b>INCOME</b>			
<b>INCOME</b>	<b>PER MONTH</b>	<b>WITHHOLDINGS</b>	<b>PER MONTH</b>
Salary 1		Federal Tax	
Salary 2		State Tax	
Social Security		Social Security/Medicare	
Child Support		Other	
Other		Other	
<b>Total Income</b>		<b>Total Withholdings</b>	
<b>NET SPENDABLE INCOME (Total Income - Total Withholdings) =</b>			
<b>EXPENSES</b>			
<b>EXPENSE</b>	<b>PER MONTH</b>	<b>EXPENSE</b>	<b>PER MONTH</b>
<b>SAVINGS</b>		<b>GROCERIES</b>	
Emergency		<b>ENTERTAINMENT</b>	
Retirement		Eating Out	
Other		Vacation	
<b>HOUSING</b>		Movies/Events	
Mortgage/Rent		Trips	
Property Tax		<b>INSURANCE</b>	
Insurance		Life	
Electric/Gas		Disability	
Water/Sewer		<b>CLOTHING</b>	
Phone		<b>MEDICAL</b>	
Internet		Insurance	
Cable		Doctor/Dentist	
Maintenance		Prescriptions	
<b>TRANSPORTATION</b>		Copays	
Loan Payment		<b>MISCELLANEOUS</b>	
Insurance		Postage	
Gas/oil		Allowances	
Maintenance		Gifts	
Other		Personal Care	
<b>DEBTS</b>		Other	
Credit Card 1		Other	
Credit Card 2		<b>EDUCATION</b>	
Loan 1		<b>CHILD CARE</b>	
Loan 2		<b>CHARITY</b>	
Other			
		<b>TOTAL EXPENSES</b>	

**LEFTOVER (Net Income - Total Expenses) =**

## Credit the Basics

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

### HOMEWORK

✓Completion	ASSIGNMENT
	Check credit score, evaluate progress
	Obtain second report from <a href="http://www.annualcreditreport.com">www.annualcreditreport.com</a> and review
	Develop a debt snowball at <a href="http://www.powerpay.org">www.powerpay.org</a>
	Pay all monthly bills in full and on time
	Create a plan for windfalls. What priorities will you fund with extra money? Savings? Debt Reduction?
	Evaluate savings progress with coach
	Read Credit Resource Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Read Homework Notes below
	Reconcile Bank Statement
<b>Coach Initials/Date</b>	Make contact with your coach Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a>

### Homework Notes:

**Check Credit Score:** Growing your credit score is one of the goals of the Mayor's Action Challenge. Credit Karma has some great educational tools to help you identify ways you can increase this score most effectively. It takes time to see significant change, but hopefully you are on your way.

**Credit Report:** By obtaining a different credit report throughout the year, you can monitor your own credit for identity theft. If you had errors that required correction when you first reviewed your credit report, are you seeing the errors corrected? Is there new information on this report that was not addressed in the first report you obtained?

**Debt Snowball:** A debt snowball is a strategy for accelerating debt reduction. After one debt is paid, roll that payment onto the next to see your debt balances decrease quickly. [www.powerpay.org](http://www.powerpay.org) is a free tool that allows you to see how long you will continue in debt under your current repayment and how much faster you can be out of debt by snowballing the debts.

**Pay Bills on Time and in Full:** Faithful payment of your monthly obligations is the fastest and most effective way to raise your credit score. Implementing the spending plan that you created in prior months should allow you sufficient resources to pay on time and in full. If you are having trouble, talk with your coach.

**Plan for Windfalls:** It is tempting to live high on extra money that comes to us, but having a prior plan for extra money can actually help accelerate our progress toward our financial goals. You determine how you will use your funds, but prior planning will help you stay on track when the extra money does come along.

**Evaluate Savings Progress:** Financial Challenge seeks for you to have at least \$300 in emergency savings to protect against unexpected expenses. Are you seeing your savings grow? If you are off track with savings, now is a great time to make a correction to ensure your success.

**Reconcile Bank Statement:** You have the knowledge of your account balances. Make sure your statement is correct.

**Meet with Coach:** Your coach can help you stay focused and encouraged as you make your way to your financial goals. If you need to regroup and get restarted, email us at [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

## Credit Next Steps

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

### HOMEWORK

✓Completion	ASSIGNMENT
	Review Affordable Housing Resource Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Obtain a copy of your ChexSystems Report from <a href="http://www.consumerdebit.com">www.consumerdebit.com</a>
	Consider registering with <a href="http://www.donotcall.gov">www.donotcall.gov</a> Registration is effective for 5 years
	Discuss with your coach potential threats to your credit and how you can address them
	Continue budgeting so that you can have three months of living on a budget prior to the end of the Challenge
	Continue saving so that you can have three months of savings growth and at least \$300 of an emergency fund by the end of the Challenge
	Read Homework Notes below
	Reconcile Bank Statement
<b>Coach Initials/Date</b>	Make contact with your coach  Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a>

### Homework Notes:

**ChexSystems:** ChexSystems is the database that financial institutions use to determine your practices in managing checking and savings products. This report is available annually to all consumers. With this report, you will know what your financial institution knows about you.

**Do Not Call:** Do Not Call cuts down on telephone solicitations that seek to divert your spending plans, and also may try to obtain personal financial information that can be used against you. As a wise consumer, you are the one to make the call to a provider when you need a product or service. They shouldn't have to call you.

**Credit Threats:** In addition to paying in full and on time, you may want to explore the other potential threats to your credit with your coach. What are actions you can take to guard your identity and to keep your credit moving in a positive direction?

**Continue Budgeting:** Financial Challenge requires living on a budget for at least three months to demonstrate your financial fitness.

**Continue Saving:** An emergency fund of at least \$300 will protect you against unexpected expenses. This is a requirement for the Challenge. How are you doing? Are you able to put aside money each month? The goal is to grow that savings for at least three months during the Challenge.

**Reconcile Bank Statement:** You have the knowledge of your account balances. Make sure your statement is correct.

**Meet with Coach:** Is your coach helping you on your way to financial fitness? Tell them thank you for all of their help. If you need to regroup and get restarted, email us at [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

# Pay Yourself First

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

## HOMEWORK

✓Completion	ASSIGNMENT
	Review Asset Building Resource Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Visit <a href="http://www.choosetosave.org/ballpark">www.choosetosave.org/ballpark</a> and estimate monthly savings needed for your retirement goals
	If you are not already participating in a retirement plan, consider reaching out to your employer to participate or establish a retirement account with your bank or credit union.
	Check your progress toward the emergency savings goal of \$300. Only two more classes to go
	Discuss with your coach the amount of savings you should set aside to meet insurance deductibles
	Visit <a href="http://www.optoutprescreen.com">www.optoutprescreen.com</a> and register to avoid mail solicitations.
	Read Homework Notes below
	Reconcile Bank Statement
<b>Coach Initials/Date</b>	Make contact with your coach  Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a>

### Homework Notes:

**Choose to Save:** Choose to Save offers a webtool to help you estimate how much you should be setting aside each month to meet your retirement needs. If you are not already saving for retirement, there is no time like the present to get started.

**Savings Assessment:** How are you doing? Are you on track?

**Insurance Deductibles:** Frequently, people increase deductibles to lower the cost of monthly premiums; but if that deductible is not saved when disaster

strikes, you could find yourself in a true crisis. Evaluate the amount of deductible vs. premium that you can really afford to protect your assets from a disaster.

**Continue Budgeting:** The Challenge requires living on a budget for at least three months to demonstrate your financial fitness.

**OptOutPrescreen:** Credit bureaus make money selling your name and personal information to potential solicitors. You can take your name off their lists by registering at [www.optoutprescreen.com](http://www.optoutprescreen.com)

**Reconcile Bank Statement:** You have the knowledge of your account balances. Make sure your statement is correct.

**Meet with Coach:** Is your coach helping you on your way to financial fitness? Tell them thank you for all of their help. If you need to regroup and get restarted, email us at [bankonhr@gmail.com](mailto:bankonhr@gmail.com).

# Keep It Safe

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

## HOMEWORK

✓Completion	ASSIGNMENT
	Review Consumer Protection Guide: <a href="http://www.bankonhr.org">www.bankonhr.org</a>
	Complete Advanced Medical Directive
	Complete Will
	Review insurance needs and coverage: Auto/Home/Life/Disability
	Obtain your third Annual Credit Report and review for accuracy
	Complete Financial Assessment – Final: pp. 46 -47
	Read Homework Notes below
	Reconcile Bank Statement
<b>Coach Initials/Date</b>	Make contact with your coach  Need help? email: <a href="mailto:bankonhr@gmail.com">bankonhr@gmail.com</a>

### Homework Notes:

**Advanced Medical Directive:** This document allows you to maintain control over your healthcare choices when you cannot speak for yourself. You choose who will speak on your behalf and what measures you want taken to sustain you in a crisis. Once completed, ensure that your designated representative and your doctor have a copy. The Bank On blog [www.bankonhr.org](http://www.bankonhr.org) has links to the Advanced Medical Directive and the Will under the resources section.

**Will:** Having a Will allows you to speak even from the grave. You designate how your assets will be distributed; but most importantly for families with children, the will designates who will be the guardian for your children if tragedy strikes.

**Insurance Coverage:** We all need insurance to protect in the event of crisis, but take the time to review your policies and know what is covered and what is not. Do you have the appropriate amount of coverage? Can you get a lower

premium by shopping around? Talk with your coach about your insurance protections.

**Annual Credit Report:** Review the third credit report for accuracy. If you were correcting errors, you should start to see improvements in the report by now.

**Financial Assessment:** This assessment will allow you to demonstrate that you have indeed accomplished the goals of the Financial Challenge:

- Increase Income Opportunity
- Improve Savings (at least \$300 for emergencies)
- Reduce Debt
- Enhance Credit Score
- Establish Protections for Assets

Complete the final assessment and be prepared to turn in your passport for the Challenge at your Next Steps class.

**Reconcile Bank Statement:** You have the knowledge of your account balances. Make sure your statement is correct.

**Meet with Coach:** Thank your coach for his/her support during this Challenge. Coaches offer their assistance outside their regular work demands, so their investment is truly a vital community resource. Let them know they are appreciated.

DATE:

## Financial Assessment – Completion

INCOME	PER MONTH	INCOME	PER MONTH
Salary 1		Pensions/Retirement	
Salary 2		TANF/SNAP	
Commissions		Child Support	
Social Security		Other	
<b>TOTAL MONTHLY INCOME</b>		\$	

ASSETS	VALUE	ASSETS	VALUE
Savings		Automobile(s)	
Checking		Home	
Investments		Personal Property	
Retirement		Other	
<b>TOTAL ASSETS</b>		\$	

LIABILITIES	PAYMENT	TOTAL OWED	INTEREST RATE
Credit Card 1			
Credit Card 2			
Credit Card 3			
CAR LOAN 1			
CAR LOAN 2			
MORTGAGE1			
MORTGAGE2			
TAX DEBT			
STUDENT LOAN 1			
STUDENT LOAN 2			
PERSONAL LOAN			
MEDICAL1			
MEDICAL2			
<b>TOTAL LIABILITIES</b>		\$	

Credit Report can be obtained at [www.annualcreditreport.com](http://www.annualcreditreport.com) or 877-322-8228

**CREDIT SCORE**

Free credit scores can be obtained through [www.creditkarma.com](http://www.creditkarma.com)  
or [www.creditsesame.com](http://www.creditsesame.com)

<b>ALTERNATIVE FINANCIAL SERVICES</b>	
Used payday/title lender in last 12 months	Number of times
Used check cashing in last 12 months	Number of times
Financed car or furniture "on location" in last 12 months	<input type="checkbox"/> YES or <input type="checkbox"/> NO
Used rent-to-own in last 12 months	<input type="checkbox"/> YES or <input type="checkbox"/> NO
Received advanced refund for taxes last year	<input type="checkbox"/> YES or <input type="checkbox"/> NO

## Next Steps

Date of Class \_\_\_\_\_ Instructor Initials/Code \_\_\_\_\_

## HOMEWORK

✓Completion	ASSIGNMENT
	I have increased savings 3 months.
	I have \$300 or more of emergency savings.
	I have increased credit score.
	I have reduced debt.
	I have reconciled Bank Statement.
	I have plans to attend Bank On Graduation.

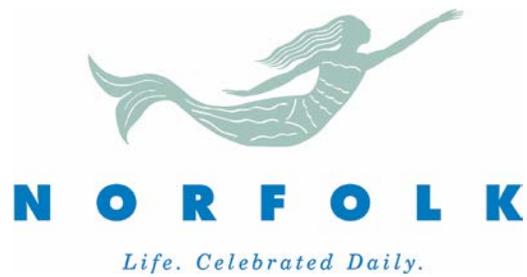
# Thank You to Our Partners

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BANKING INSURANCE INVESTMENTS





E-mail: [Bankonhr@gmail.com](mailto:Bankonhr@gmail.com)

Phone: 757-943-9652

