

Your Money, Your Goals-Part One

A financial empowerment toolkit – April 2, 2019



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About the Bureau

The Bureau of Consumer Financial Protection (Bureau) regulates the offering and provision of consumer financial products and services under the Federal consumer financial laws, and educates and empowers consumers to make better informed financial decisions.

Financial Education Exchange (CFPB FinEx)

An online and in-person opportunity to access Bureau tools and resources, and connect with the Bureau and your peers engaged in financial education.

Our goal is to help you improve the financial well-being of the people you serve.

Regional convenings:

- Dallas, TX
- Fort Worth, TX
- Maryland
- Denver, CO
- Kansas City, MO
- Atlanta, GA
- Sacramento, CA
- Madison, WI
- St. Louis, MO
- Tacoma, WA
- Nashville, TN
- Boston, MA

Monthly e-newsletters

Annual surveys



Number of financial educators signed up for CFPB FinEx: **Over 5,000 Members!**

Monthly webinars include:

- Fraud prevention for older adults
- Disaster recovery and preparedness
- Resources for servicemembers
- Accessing credit scores
- Managing spending
- Debt collection resources
- Credit card spending
- Libraries as Financial Education Resources
- Financial Coaching
- Financial Education Programs Serving Immigrant Populations
- Federal Financial Education Resources
- Take Control of Your Auto Loan
- Financial Rules to Live By
- Resources for Parents
- Tips for Strengthening Financial Education Curriculum
- Resources for Parents and Caregivers
- Resources for Financial Caregivers
- Measuring Financial Well-Being
- Owning a Home
- Tax Time Savings
- Your Money, Your Goals Toolkit

**To sign up, email
CFPB_FinEx@cfpb.gov**

Resources for financial educators webpage



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Financial education for adults

We help you help the people you serve. For adult financial educators, the tools here show our latest thinking on consumer financial behavior and effective financial education practices.

Featured event

Key Personal Financial Strategies for Serving Youth in Foster Care

Thursday, March 21, from 2-3 p.m. ET

[View details and enroll](#)



About us

We're the Consumer Financial Protection Bureau (CFPB), a U.S. government agency that makes sure banks, lenders, and other financial companies treat you fairly.

[Learn how the CFPB can help you](#)

CONNECT WITH US

Join the CFPB Financial Education Exchange (CFPB FinEx) to get the latest news, invitations to webinars, and to learn from your peers.

Email address

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CONNECT WITH OTHERS

We also invite you to join our discussion

Find it at www.consumerfinance.gov/practitioner-resources/adult-financial-education/

Resources

Bureau Resources for Financial Educators webpage:
consumerfinance.gov/adult-financial-education

To sign up for the Financial Education Exchange:
CFPB_FinEx@cfpb.gov

To sign up for the Financial Education Discussion Group:
linkedin.com/groups/CFPB-Financial-Education-Discussion-Group-5056623

Next Webinar: Your Money, Your Goals Toolkit (**Part 2 of 4**)
will be held on Tuesday, April 9, 2019 at 2-3 pm ET

Your Money, Your Goals

Opening activity

Money and me: Opening activity

List all of the words, phrases, sayings, songs, or other associations you have with the word **money**.

Money and me: Opening activity

money

any generally accepted medium
of exchange

Money – what does it mean?

- Where do associations about money come from?
- How do these associations reflect attitudes and feelings about money?
- How are attitudes and feelings related to behaviors and actions?
- What does this mean when we are working with the people we serve?

Training purpose

To provide you with:

- An introduction to the Consumer Financial Protection Bureau.
- An orientation to the Your Money, Your Goals toolkit.
- Tools and handouts you can use with the people you serve.
- Strategies for using the tools.

Your Money, Your Goals
Introduction to the CFPB
and financial
empowerment

The CFPB's mission and vision

MISSION

To regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws and to educate and empower consumers to make better informed financial decisions.

VISION

Free, innovative, competitive, and transparent consumer finance markets where the rights of all parties are protected by the rule of law and where consumers are free to choose the products and services that best fit their individual needs.

Office of Community Affairs

- Part of the Bureau's Division of Consumer Education and Engagement
- Serves populations who may lack full, affordable access to financial services
 - Low- to moderate-incomes
 - Low wealth
 - Otherwise financially underserved or vulnerable

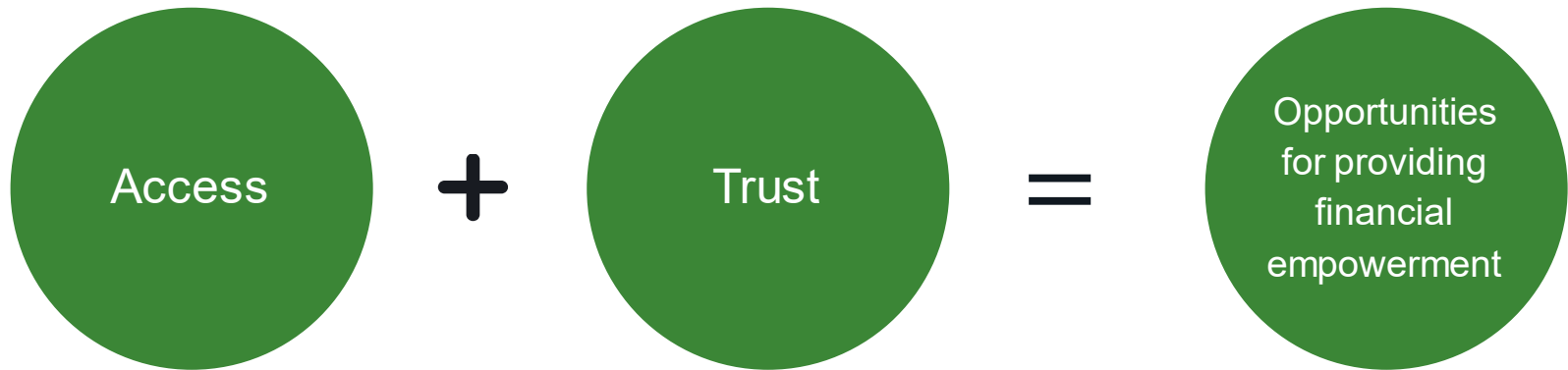
Financial empowerment

What is financial empowerment?

How is it different from financial literacy, financial capacity, or other commonly used terms?



Financial empowerment and service providers



Your Money, Your Goals

An orientation to the
toolkit

The suite of *Your Money, Your Goals* resources

- **Your Money, Your Goals toolkit**
 - **The toolkit (English, Spanish, and Mandarin)**
 - The training (English and Spanish)
 - Implementation guide
 - Resource and referral guide
 - Sample survey instruments
- Companion guides for special populations
 - Focus on Native Communities
 - Focus on People with Disabilities
 - Focus on Reentry

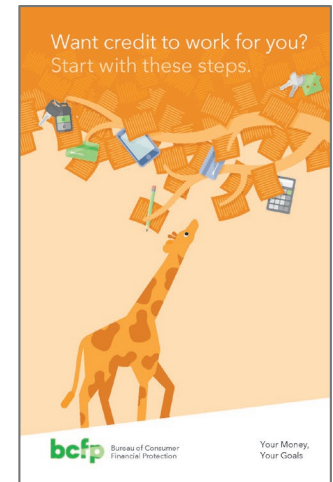
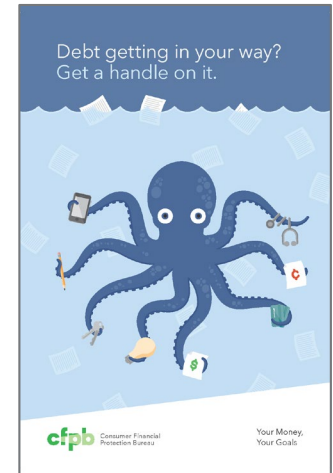
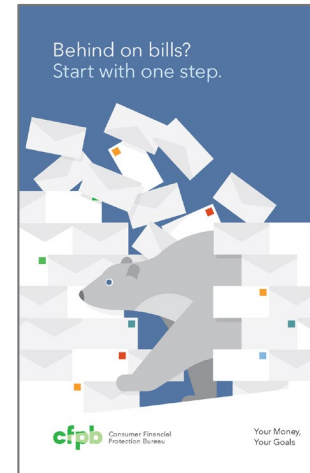
Access electronic materials and order printed copies online:

<http://www.consumerfinance.gov/your-money-your-goals>

The suite of *Your Money, Your Goals* resources

- Booklets
 - Behind on bills?
 - Available in English and Spanish
 - Debt getting in your way?
 - Want credit to work for you?

Access electronic materials and order printed copies online:
<http://www.consumerfinance.gov/your-money-your-goals>



Organization of the toolkit

- Introduction
- Module 1: Setting Goals
- Module 2: Saving
- Module 3: Tracking Income and Benefits
- Module 4: Paying Bills
- Module 5: Getting through the Month
- Module 6: Dealing with Debt
- Module 7: Understanding Credit Reports and Scores
- Module 8: Choosing Financial Products and Services
- Module 9: Protecting your Money

Navigating the modules





MODULE 1

Setting Goals

Turn your hopes, wants, and dreams into reality by setting and achieving goals.

At a glance

This module can help you create a plan to fulfill your dreams by learning how to set, adjust, and reach your short-term and long-term goals.

-  Setting SMART goals
-  Putting goals into action
-  Planning for life events and large purchases
-  Revising your goals

Navigating the modules

Tool



Handout



Navigating the modules

What's inside

This module has three tools and a handout to help you create a plan for reaching your short-term and long-term goals. It also teaches you how to readjust your goals and reevaluate the plan to achieve them as needed.

Here are suggestions for how to make the most of the time you have.

If you have...

10 MINUTES

- Use **"Setting SMART goals"** to identify goals that will help you plan for and attain the things that matter most to you

30 MINUTES

- Complete **"Setting SMART goals"**
- Use **"Putting goals into action"** to create a plan to achieve your goals

MULTIPLE SESSIONS

- Use **"Planning for life events and large purchases"** to help you develop a plan to pay for things like a big celebration, a car, or your child's college tuition

Navigating the modules

To access a dynamic and fillable version of this tool, visit consumerfinance.gov/your-money-your-goals/tools

GETTING STARTED

Setting SMART goals

Setting goals is the first step toward achieving your dreams. This tool teaches you how to effectively set goals that are SMART—meaning they are (S)pecific, (M)easurable, (A)chievable, (R)elevant, and (T)ime bound

SMART goals provide an easy-to-follow structure for creating goals. This helps you really break down what you want into a format that makes it simpler to plan for, track, and ultimately achieve your goals.

To create your goals, first think about your values. When your goals match up with the values that are important to you and your family, you're more likely to prioritize achieving them.

If you're not sure what your goals are, think about what you want to change in your life. See if there's a goal you can create that would help bring about that change.

It's likely there are many things you want to achieve. But if you can focus on one or two priorities that align with your values, you'll have a better chance of reaching that goal.

What to do

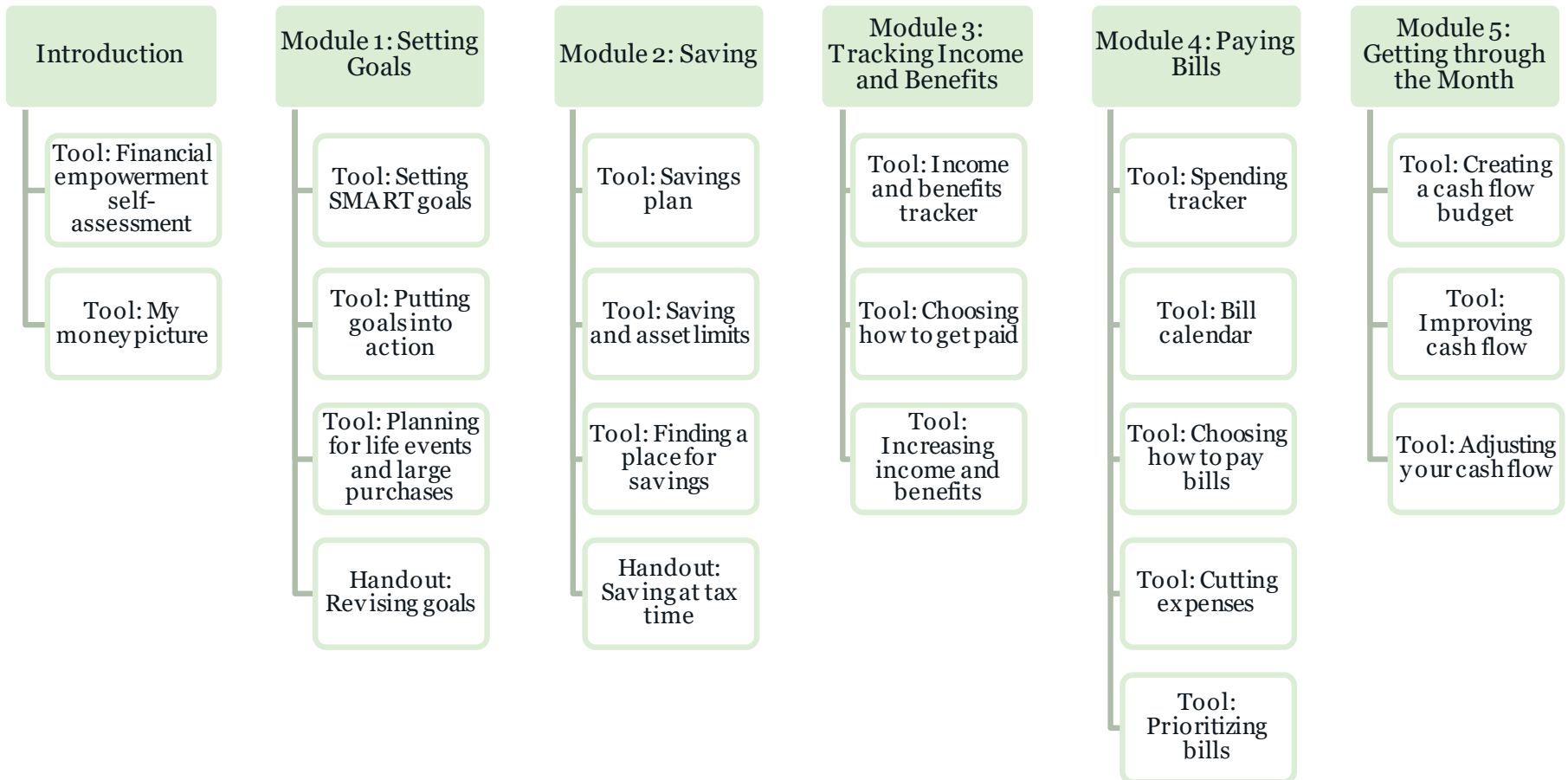
- **List your values** to help you think about what is important to you and your family.
- **Brainstorm a list of dreams and goals.** Remember, dreams are aspirational and usually vague. Goals are specific things you can achieve to help you reach your dreams.
- **Create a SMART goal** from one or two items on your list of goals. Write down what makes this goal specific, measurable, achievable, relevant, and time bound.

A step further

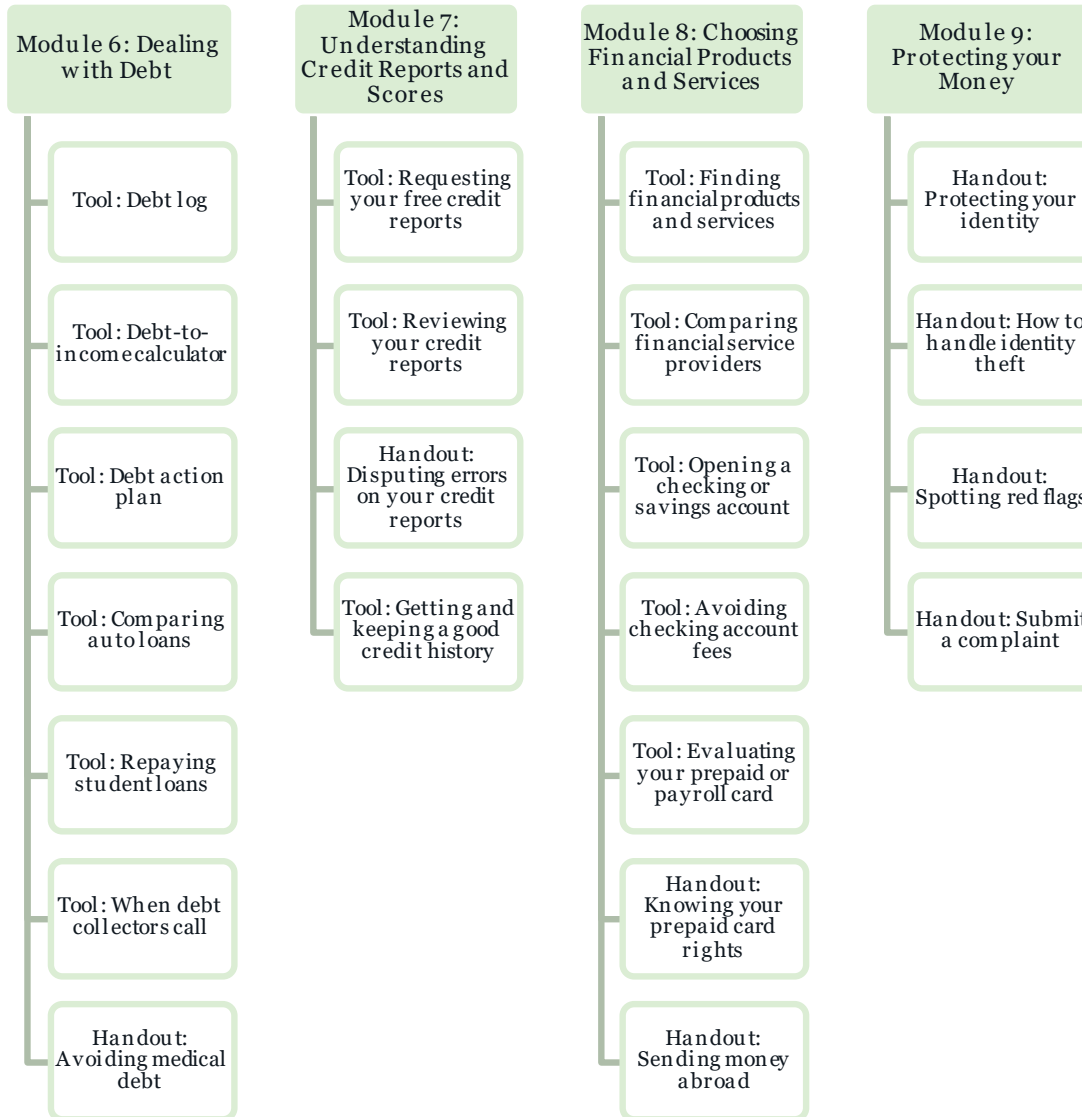
After you've written down your SMART goals, take a look at the "Putting goals into action" tool to create an easy-to-follow plan for achieving your goals.

To access a dynamic and fillable version of this tool, visit consumerfinance.gov/your-money-your-goals/tools.

Toolkit organization



Toolkit organization



Your Money, Your Goals

Starting the money
conversation

Tool: Financial empowerment self-assessment

- Complete the “Financial empowerment self-assessment” tool in the Introduction
- Reflection Questions
 - How did you feel about completing this assessment?
 - Were there topics you knew more about than you thought you would?
 - What topics would you like to learn more about?
 - How can you learn more about them?

Situation assessment

- A picture of conditions today used to inform and plan for actions to change conditions in the future

Tool: My money picture



Use **My money picture** to find a place to start your conversation

If you could change one thing about your financial situation, what would it be?

QUESTION	YES	NO
1. Do you have dreams for you or your children that require money to make them happen?		
2. Are you behind on rent, car payments, or other bills?		
3. Do you usually have about the same amount of income every week?		
4. When unexpected expenses or emergencies happen, do you have some money set aside to cover them?		
5. Can you cover all of your bills and living expenses each month with the money, benefits, and other resources you have?		
6. Are you having trouble paying student loans or other debts?		
7. Has your credit history made it hard to get a car, insurance, a phone, or a job?		
8. Do you have an account at a bank or credit union?		
9. Do you feel like you're spending too much on things like fees and interest to access and use your money?		
10. Have you had issues with a financial product or service like a bank account, loan, mortgage, debt collector, or credit report that you haven't been able to resolve?		



Answer key for My money picture

Use the chart to help you determine where to start financial empowerment work.

QUESTION	YES	NO	MODULE
1. Do you have dreams for you or your children that require money to make them happen?	✓	✓	1 Setting Goals
2. Are you behind on rent, car payments, or other bills?	✓		4 Paying Bills
3. Do you usually have about the same amount of income every week?		✓	3 Tracking Income and Benefits
4. When unexpected expenses or emergencies happen, do you have some money set aside to cover them?		✓	2 Saving 4 Paying Bills
5. Can you cover all of your bills and living expenses each month with the money, benefits, and other resources you have?		✓	4 Paying Bills 5 Getting through the Month
6. Are you having trouble paying student loans or other debts?	✓		6 Dealing with Debt 4 Paying Bills
7. Has your credit history made it hard to get a car, insurance, a phone, or a job?	✓		7 Understanding Credit Reports and Scores
8. Do you have an account at a bank or credit union?		✓	8 Choosing Financial Products and Services
9. Do you feel like you're spending too much on things like fees and interest to access and use your money?	✓		8 Choosing Financial Products and Services
10. Have you had issues with a financial product or service like a bank account, loan, mortgage, debt collector, or credit report that you haven't been able to resolve?	✓		9 Protecting your Money

Your Money, Your Goals

Module 1: Setting Goals

SMART goals

- **Specific**
- **Measurable**
- **Achievable**
- **Relevant**
- **Time bound**

Turn hopes and dreams into goals

Hopes and dreams

I'd like to buy a new television.



Strong goals

I will save \$400 and purchase a new television in six months.

I want to get out of credit card debt.



I will pay down \$1,000 of my debt over the next 18 months.

Tool: Setting SMART goals

Identify the values
that guide you

Brainstorm
list of hopes
and dreams

Transform
hopes and
dreams into
SMART goals

Tool: Putting goals into action

What to do:

1. Break up your goal into small, actionable steps. Write each step in a separate box.
2. Consider what resources you will need to take each step and write them next to that step.
3. Set a deadline for each step's completion.
4. Think about sharing your progress with a friend or family member. Add their name next to the step and how often you will check in with them. This can help keep you motivated.



Make a plan for Putting goals into action

1. Pick a SMART goal that you want to achieve and break it up into steps.
2. Write down each step, the resources you'll need to achieve it, and the due date for completing it.
3. Pick a friend or family member to tell about your goal and check in with them on a regular basis. This will help you keep yourself accountable.

Select a SMART goal you want to achieve.

My SMART goal is...

Make an action plan for your SMART goal.

Steps List one specific step in each box for achieving your goal	Resources I need This can be things like tools, information, transportation, assistance, or money	Date to complete step	Who will I check in with? And how often will I check in?
1.			
2.			
3.			
4.			

Handout: Revising goals

Reasons you may need to revise your goal:

- Your circumstances have changed
- You can't meet your weekly savings goal
- You've used up your emergency savings
- Your goal doesn't feel important anymore

Your Money, Your Goals

Module 2: Saving

What is savings?

- **Savings is money you set aside today to use in the future**
- What are examples of unexpected expenses or emergencies?

Tool: Savings plan

What to do:

1. Pick a reason for saving. Consider starting an emergency fund.
2. Figure out how much money you'll need to save for that goal and how many weeks you have to save.
3. Divide the amount of money you want to save by the number of weeks you have to save it. That's your weekly savings target.
4. Brainstorm some ways to decrease spending or increase income to meet your weekly savings target.



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

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

Create a savings target.

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

Brainstorm strategies for saving.

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




Tool: Saving and asset limits

What are the reasons this tool is included?



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

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

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


Finding a place for savings

- Where can you keep money you save?
- What are the benefits?
 - A benefit is something that provides you with an advantage. A benefit is something that is good for you.
- What are the risks?
 - A risk is any chance for loss. Where there is risk, there is uncertainty in the outcome or result.






Tool: Finding a place for savings

What to do:

- Carefully review the benefits and risks of each place to keep your savings.
- Write down what questions you have about options that may be right for you.

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

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

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

Your Money, Your Goals

Module 3: Tracking Income and Benefits

Income and benefits

Income

- Regular income
- Irregular income
- Seasonal
- One-time occurrence

Benefits

Tool: Income and benefits tracker

What to do:

1. Gather all of your pay stubs, benefits statements, and records of electronic payments.
2. Enter the amount of income or benefits you receive next to the correct category in the appropriate week of the month.



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

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

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

Income for month of _____

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5
Job 1					
Job 2					
Child support					
Disability benefits					
SNAP					
TANF					
Other government programs					
Other:					
Total weekly income					
Total income for this month					

Your Money, Your Goals

Module 4: Paying Bills

Needs, wants, and obligations

- **Spending**
 - Money you use to pay for a wide range of basic needs, your financial obligations, and other things you may want.
- **Needs, wants, and obligations**
 - Needs are things you must have to live.
 - Wants are things you can survive without.
 - Obligations are things you must pay because you owe someone money (a car loan) or have been ordered to pay someone (child support).

Tool: Spending tracker













What to do:

1. Get a small container or envelope. Every time you spend money, get a receipt and put it into the case or envelope.
2. Analyze your spending. Go through your receipts and enter the total you spent in each category for each week.
3. Notice trends. Identify any areas you can eliminate or cut back on—these will generally be wants.



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

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

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

Total spending this month:

Consequences of skipping bills

- Group 1:
 - a. Consequences of paying rent late.
 - b. Consequences of missing multiple rent payments.
- Group 2:
 - a. Consequences of making car payment late.
 - b. Consequences of missing multiple car payments.
- Group 3:
 - a. Consequences of being late with electricity bill.
 - b. Consequences of multiple late electricity bill payments.
- Group 4:
 - a. Consequences of missing payday loan payment.
 - b. Consequences of missing credit card payment.

Tool: Prioritizing bills



What to do:

1. Read through the list of expenses. Identify what you need to pay to protect your housing and income, keep your insurance, and meet any court-ordered obligations.
2. Prioritize your bills.



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

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

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

Q&A

- Questions?

Closing

- What is the most important thing you are taking away from this training?
- What is something you would like to learn more about?

- Next webinar: *Your Money, Your Goals: Modules 5 - 9*