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Getting Started

|  |  |
| --- | --- |
|  | Use this guide to help you teach this module in an informative, engaging, and effective manner.  You can customize the information in *Money Smart* to meet the needs of your audience. The layering table on page 4 can help you choose the most relevant module sections. However, it is usually a good idea to include: |

* **Introductions**. Allows you to “break the ice,” create active instructor-participant dialogue, and set the tone for the session.
* **Agenda and Ground Rules**. Helps participants understand the subject matter and how the class will be conducted.
* **Expectations**. Gives participants the opportunity to tell you what they expect and want to learn from the module.
* **Objectives**. Helps participants place the information to be learned in the proper context and ensures that the content is consistent with their expectations.
* **Explanation of Participant’s Guide Format and Contents**. Serves to keep participants on track with the instructor.
* **What Do You Know? Form and/or Pre-Test**.Helps you and participants determine what they already know or do not know so you can customize the presentation accordingly.
* **Module Content and Activities**. Helps participants to reinforce learning.
* **What Do You Know? Form and/or Post-Test**. Helps you and participants gauge how well they learned the content, what content to review, if any, and what additional materials participants may want to review on their own.

Module 4: Money Matters Layering Table

| **Please read the Layering Table Instructions in the Guide to Presenting Money Smart for Adults.** | | | | |
| --- | --- | --- | --- | --- |
| **Pages** | **Time (Min.)** | **Topic** | **Subtopic & Activities** | **Target Audiences** |
| 7-8 | 5 | Checking In | * Introduction of instructor and  the materials | * Everyone |
| 9-10,  35 | 5 | Pre-Test and/or What Do You Know? |  | * Everyone |
| 11-22 | 10 | How to Create a Spending Plan | * Setting financial goals, spending plan steps, track daily spending, determine income and expenses, find ways to decrease spending and increase income, tips to help you decrease spending or save more money * Activity 1: Daily Spending Diary * Activity 2: Monthly Income and Expense Worksheet | * Everyone |
| 23-27 | 10 | Spending Plan Tools | * Keeping accurate records, spending plan tools * Activity 3: Monthly Payment Schedule * Activity 4: Monthly Payment Calendar | * Anyone needing or wanting to develop a spending plan |
| 28-31 | 20 | Spending Considerations | * When there are more expenses than income, paying your loans * Activity 5: Spending Plan Considerations | * Anyone needing or wanting to develop a spending plan |
| 32 | 5 | Wrap-Up |  | * Everyone |
| 33-35 | 5 | Post-Test and/or What Do You Know? |  | * Everyone |
| 36-37 | 5 | Evaluation |  | * Everyone |

Icons Guide

The following icons may be used throughout the Instructor Guide to indicate activity type.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Presentation Present information or demonstrate an idea. |  | Review Refer participants to and summarize material provided in the Participant Guide. |
|  | Activity Guide participants through an activity to support their learning. |  | Assessment Direct participants to take a short test. |
|  | Discussion Facilitate a discussion about a topic as directed. |  | Ask a Question Present a problem or question for discussion. |

Module Overview

### Purpose

The *Money Matters* module shows participants how to manage their money by preparing a personal spending plan and identifying ways to decrease spending and increase income.

### Objectives

After completing this module, the participants will be able to:

* List the steps for setting financial goals
* Track daily spending habits
* Prepare a spending plan to estimate monthly income and expenses
* Identify ways to decrease spending
* Identify ways to increase income
* Identify spending plan tools to manage bills

### Presentation Time

Each topic has an approximate completion time listed in the *Money Matters* Layering Table. Use the suggested times to personalize the module based on your participants’ needs and the given time period. Allow extra time for activities and questions if you are teaching a larger group.

### Materials and Equipment

The materials and equipment needed to present all of the *FDIC Money Smart: A Financial Education Curriculum* modules are listed in the *Guide to Presenting the Money Smart Program*. Review the guide thoroughly before presenting this module.

As indicated in the Instructor Notes on page 28 of this guide, create and/or copy a list of local, state, and federal assistance programs to be distributed to participants.

### Module Activities

* Activity 1: Daily Spending Diary
* Activity 2: Monthly Income and Expense Worksheet
* Activity 3: Monthly Payment Schedule
* Activity 4: Monthly Payment Calendar
* Activity 5: Spending Plan Considerations

| Instructor Notes | Presentation |
| --- | --- |
|  | Checking In |
| 5 minutes | Welcome |
|  | Welcome to the *Money Matters* module! One of the first steps to financial security is planning and following through on a personal spending plan or budget. Budgeting is about choices—choosing how to make money and choosing how to spend money. |
|  | Agenda and Ground Rules |
| *Slide 2* | We will discuss, do group and individual activities, and have time for your questions. There will be at least one 10-minute break during the class.  If you have experience or knowledge in some aspect of the material, please share your ideas with the class. One of the best ways to learn is from each other. You might be aware of some method that has worked well for you or some pitfall to avoid. Your class contribution will enhance the learning experience. If something is not clear, please ask questions! |
|  | Introductions |
| *Record participants’ expectations, questions, and concerns on chart paper. If there is anything you will not teach, tell participants where the information can be obtained (e.g., another module, a website). Check off their responses at the end of the training to show that the lesson content met their expectations.* | Before we get started, I will share a little about myself and I would like to know a little bit about you.  *[Introduce yourself and share a little of your background and experience.]*  As you introduce yourself, state:   * Your expectations * Questions and/or concerns about the training content |
|  | Objectives |
| *Slide 3* | After completing this module, you will be able to:   * List the steps for setting financial goals * Track daily spending habits * Prepare a personal spending plan to estimate monthly income and expenses * Identify ways to decrease spending * Identify ways to increase income * Identify spending plan tools that will help you manage your bills |
|  | Participant Materials |
| Review Participant Guide contents and organization with participants. | Each of you has a copy of the *Money Matters* Participant Guide. It contains:   * Information and activities to help you learn the material * Tools and instructions to complete the activities * Checklists and tip sheets * A glossary of the terms used in this module   What questions do you have about the module overview? |
|  | What Do You Know? |
| *Slide 4*  *Use the What Do You Know? form and/or the Pre-Test to gauge participants’ prior knowledge of the content and customize your presentation, focusing on content with which they are least familiar.* | Before we begin, we will see what you know about managing money.  ***[If using the What Do You Know? form]***  The What Do You Know? form on page 23 of your Participant Guide lets you measure how much you know before the training and how much you learned after the training. Please take a few minutes now to complete the “Before the Training” column. Which statements did you answer with “disagree” or “strongly disagree”? *[Note: If time is limited, make sure you cover these content areas.]* We will complete the second column when we finish the training.  ***[If using the Pre-Test]***  Take a few minutes to complete the Pre-Test on pages 4 and5 of your Participant Guide. Which questions were you unsure of or unable to answer? *[Note: If time is limited, make sure you cover these content areas.]*  As we progress through the module and cover the related material, you will be able to determine whether you answered each question correctly. |

Pre-Test

### Test your knowledge about managing money and preparing a spending plan before you go through the course.

1. Following a spending plan helps you:
   1. Meet expenses in a given period of time
   2. Control your financial situation
   3. Build assets
   4. **All of the above**
2. In order to track your daily spending habits, you should:
   1. Find ways to increase income
   2. **Write down what you buy or pay for each day**
   3. Find ways to decrease spending
   4. Determine your monthly income and expenses
3. Which of the following are generally considered examples of a *flexible* expense? Select all that apply.
   1. Car payment
   2. Health insurance premium
   3. **Electric/water**
   4. **Personal expenses**
4. Which of the following would either increase your income or help you decrease spending? Select all that apply.
   1. **Get a part-time job**
   2. **Carpool or take public transportation**
   3. **Conserve energy**
   4. Eat out regularly
5. Which of the following would help you manage your bills? Select all that apply.
   1. **Monthly payment calendar**
   2. **Computer software or spreadsheets**
   3. Not paying them one month per year
   4. **An expense envelope**
6. Which of the following are ways you can save more? Select all that apply.
   1. **Pay yourself first**
   2. **Use coupons**
   3. **Develop a spending plan**
   4. Use your credit card rather than paying with cash/debit card
7. After you identify and write down your financial goals, the second step to setting financial goals would be to:
   1. Evaluate and change them as necessary
   2. Select two to three main goals
   3. **Organize them**
   4. Learn more about implementing these goals
8. It is **best** to evaluate progress toward meeting your financial goals at least:
   1. Daily, since you must meet them soon
   2. Weekly, when you get paid
   3. Monthly, since you do not want to do it too often
   4. **According to a schedule that works for you**

| Instructor Notes | | Presentation |
| --- | --- | --- |
|  | | How to Create a Spending Plan |
| 5 minutes | | Setting Financial Goals |
| *Slide 5*  *List and describe the steps for setting financial goals.* | | Financial goals are specific to what you want to do with your money within a certain time period. Before you create a spending plan, you should complete the following steps to setting financial goals:   1. **Identify and write down your financial goals.** Whether you are saving to send your kids to college, buy a new car, make a down payment on a house, go on vacation, pay off credit card debt, or retire, write down your financial goals to help you keep track of them. 2. **Organize your financial goals.** Break each financial goal down into several short-term (less than 1 year), medium-term (1 to 3 years) and long-term (5 years or more) goals. 3. **Educate yourself.**  Read personal finance magazines and books on managing and growing your money. With a little effort, you can learn enough to make educated decisions that may increase your net worth many times over. Then identify small, measurable steps you can take to achieve these goals and put this action plan to work. 4. **Evaluate your progress.**  Review your progress monthly, quarterly, or at any other interval you feel comfortable with, but at least every six months to determine if your program is working. If you are not making satisfactory progress on a particular goal, re-evaluate your approach and make changes as necessary. |
|  | | Why Create a Spending Plan? |
| *Slide 6*  Define spending plan and describe the benefits of budgeting. | | A good way to start taking control of your financial situation is to develop a personal spending plan. A *spending plan* is a step-by-step plan for meeting expenses in a given period of time.  Following a spending plan:   * Helps you reduce the anxiety of not knowing whether you have enough money to pay your bills when they are due * Gives you a sense of control over your money, rather than letting money have control over you * Helps you build assets that will improve the quality of life for you and your family   A spending plan is all about choices—choosing how to use your money. Knowing what your income and expenses are every month will help you take control of your financial situation. |
|  | | Spending Plan Steps |
| *Slide 7* | | There are four steps to preparing a spending plan:   1. Keep track of your daily spending 2. Determine your monthly income and expenses 3. Find ways to decrease spending 4. Find ways to increase income   We will start with the first step—keeping track of your daily spending. |
|  | | Track Daily Spending |
| *Acknowledge participant responses.*  Slide 8 | | Do you know where your money goes each month?  It is common for people to spend all the money they make and not have anything left over to save for their goals. Many people say they do not have anything to show for their hard work at the end of the month.  How often have you taken $20 out of the Automated Teller Machine (ATM) and, at the end of the day, not known where it all went?  If you want to be in control of your money, you must understand where your money goes. One way to do this is to keep a personal spending diary to record everything you spend.  You can use this information to track your spending over a period of time, say a month, so that you can see how you are spending your money. |
|  | | Activity 1: Daily Spending Diary |
| *Slide 9*  *Refer participants to Activity 1: Daily Spending Diary on page 7 of their Participant Guide.* | | Take a moment to write down how much money you have already spent today.   |  |  | | --- | --- | | **Day** | **What did I spend my money on today?** | | **Sunday** |  | | **Monday** |  | | **Tuesday** |  | | **Wednesday** |  | | **Thursday** |  | | **Friday** |  | | **Saturday** |  |   As you will see in a minute, this information is an important part of your budget or personal spending plan.  It will help you determine what spending you can cut out or cut back on in order to have money to pay your monthly bills and expenses or to save for your goals.  After a week of tracking your daily spending, take a look at the list and consider the items you purchase on a regular basis. These add up. Where can you save? Consider needs versus wants.   * Do you eat out at restaurants a lot? Maybe you can cut back on the number of times you go out to eat each week. * Can you cut back on daily expenses (e.g., coffee, candy, soda, or cigarettes)? * Do you have services you do not really need (e.g., cable television), or can you reduce the service package?   Now we will take a look at the next step, determining income and expenses. |
|  | | Determine Income and Expenses |
| *Slide 10*  *Identify different sources of income.*  *Slide 11*  *Allow several participants to define gross and net income before clicking the space bar, right arrow, or mouse to display the definition of each. Click again to display what Social Security income includes.*  *Slide 12*  *Define fixed and flexible expenses.*  *Read each expense (in bold). Ask participants to give examples of how they can control these expenses. Reveal any listed suggestions that were not mentioned.* | | The next step in preparing a personal spending plan is to determine your monthly income and expenses.  *Income* is money that comes to you from:   * Wages * Self-employment income * Public assistance, which might include Temporary Assistance for Needy Families (TANF) or Food Stamps * Child support or alimony * Interest and dividends * Social Security * Other sources (e.g., tips)   There are two categories of income: *gross* income and *net* income.  What do you think is the difference between gross and net income?  *Gross income* is your total income without deductions. *Net income* is gross income minus deductions, such as Social Security and other taxes.  Who knows why so much money is taken out of your paycheck for Social Security? Social Security is a potentially valuable insurance plan. On some pay stubs, it is called FICA, which stands for Federal Insurance Contribution Act. Social Security income includes:   * **Retirement benefits** paid every month to eligible retired workers, as early as age 62 * **Disability benefits** paid every month to eligible workers of all ages who have a severe disability * **Family benefits** paid every month to spouses and children of eligible retired and disabled workers * **Survivor benefits** paid every month to the eligible widow or widower and children of a deceased worker * **Medicare benefits** paid as needed to help with hospital bills and offer limited coverage of stays in skilled nursing facilities, hospice care, and other medical services to people 65 or older and to younger people who are disabled   If you are 25 or older and are not already receiving Social Security benefits, you will receive a Social Security statement just before your birthday every year. This statement is a record of your earnings and the Social Security taxes you have paid during your working years.  The statement provides estimates of the monthly Social Security retirement, disability, and survivors’ benefits you and your family could be eligible to receive. If you see any mistakes on it, report them to the Social Security Administration using the telephone number on the statement.  What questions do you have about income?  Now we will discuss expenses. There are two kinds of expenses: *fixed* and *flexible*.  *Fixed expenses* do not change from month to month. Typically, you do not have any control over how much you pay. Rent or a fixed loan payment is an example of a fixed expense.  *Flexible expenses* often change from month to month. You may have some degree of control over how much you pay. For example, if you decide to lower your thermostat during the winter to save on heating costs, you will pay less than you did the month before.  I am going to read a list of other monthly expenses you have control over. As I read through the list, think about your needs versus your wants. Can you think of ways to control the cost of these expenses?   * **Savings**. This is important—pay yourself first. * **Gas or oil**. Ways to control costs at home include using weather stripping around doors and windows to keep cold air out/in according to the season or reducing/increasing the temperature on the thermostat so it runs less when you are away. When driving, keep your tires properly inflated and observe the speed limit. * **Electricity**. Conserve energy by using ceiling fans, turn off lights and other appliances when not in use, reduce/increase the temperature on the thermostat so it runs less when you are away, and use weather stripping as indicated above. * **Water**. Conserve water by installing low-flow showerheads. * **Telephone**. Reduce long distance charges, eliminate extra services such as caller ID, and eliminate cell phones or land lines. * **Food**. Shop for items on sale. * **Transportation or Gas**. Carpool; get a monthly transit pass instead of a daily one. * **Car maintenance**. Regular maintenance prevents more severe problems. * **Education**. Your employer might have a tuition assistance program. * **Personal expenses**. You can shop for clothes at less expensive stores, go out to eat less often, or rent movies instead of going to the theater. * **Charity/Donations**. You could give in-kind gifts to charity, like clothing or kitchenware, instead of giving cash. |
|  | | Activity 2: Monthly Income and Expense Worksheet |
| *Slide 13*  *Refer participants to Activity 2: Monthly Income and Expense Worksheet on page 9 of their Participant Guide.*  *Slide 14*  *Work through the activity as a class and explain what values to write in the Income and Expense columns. Click the space bar, right arrow, or mouse to display the income, expenses, and total expenses so participants can check their work.* | | Now we are going to complete the Monthly Income and Expense Worksheet. You can prepare this worksheet on a monthly basis, and it will help you determine:   * How much money you have coming in (income) * How much is going out (expenses) * Whether or not you have enough income to pay your bills and expenses each month * A plan for income and expenses that do not occur on a monthly basis (tax refunds, car repairs, etc.)   First, list monthly income sources and income amounts in the left column. For this example, the monthly *net wages*—or take-home pay—for a couple is $3,500. One person receives $2,100 a month and the other person receives $1,400 a month. As you can see, there are spaces on the worksheet for other income sources that might fit your personal situation.  Be sure to consider whether your income sources are continuous or might stop in the near future. For example, if you receive unemployment benefits, keep in mind when you will stop receiving them. Remember to include tax refunds, bonus checks, and any other income that might be received quarterly, annually, or at other non-monthly intervals.  Next, list monthly expenses in the right column. The couple pays $1,000 each month for rent, which includes all utilities except for telephone. The telephone bill is $40 a month. Additionally, the couple pays $400 a month for child care and their monthly credit card and loan payments total $140.  Whenever possible, try to pay more than the minimum amount on loans in order to pay them off sooner and save on interest charges. The *Charge It Right* module discusses in greater detail the benefits of making more than the minimum payment.  You may have control over some fixed expenses before you sign the initial agreement. Shop around for the best value before committing to payments such as:   * Car payment * Car insurance * Loan payments * Health insurance * Day care or elder care * Cell phone plans * Cable or satellite TV   The next group of expenses on the worksheet is flexible expenses. You might have noticed that savings is listed as an expense. I encourage you to get into the habit of paying yourself first or setting aside a certain amount of money each month before you pay your bills. The couple in this example saves $75 a month. You should set a savings goal that is appropriate for you and save toward it.  After keeping a spending diary for several months, the couple found that they spend an average of:   * $400 a month on food * $200 a month on transportation costs and gasoline * $150 a month for personal expenses   You can see that we did not fill in each space on the worksheet. When you use this worksheet at home, you should include all of your expenses.  Remember to plan and save for expenses you pay once, twice, or four times a year, such as car insurance or property taxes. For example, if you budget $200 for transportation and only use $100, you might set aside the extra $100 for future expenses that do not occur monthly.  Now, add up the expense column. Their total fixed and flexible expenses come to $2,405. Compare their total income to total expenses, and you can see that they still have nearly $2,000, or $1,095, left for the month. This is good. If your expenses are regularly close to or exceed your income, this module will help. You may also want to consider taking the *Financial Recovery* module. |
| |  |  |  |  |  | | --- | --- | --- | --- | --- | | **My Income** | | **My Expenses** | | | | Wages $ | 3,500 | **Fixed Expenses** | |  | | Self-Employment Income $ |  | Rent/Mortgage $ | | 1,000 | | Public Assistance $ |  | Property Taxes/Insurance $ | |  | | Child Support/Alimony $ |  | Trash Collection $ | |  | | Interest/Dividends $ |  | Cable/Satellite $ | |  | | Social Security $ |  | Telephone/Internet $ | | 40 | | Advance Earned Income Credit $ |  | Car Payment $ | |  | | Other $ |  | Car Insurance $ | |  | |  |  | Health Insurance $ | |  | |  |  | Other Loan Payments $ | | 140 | |  |  | Day Care/Elder Care $ | | 400 | |  |  | **Flexible Expenses** | |  | |  |  | Savings $ | | 75 | |  |  | Water $ | |  | |  |  | Electric $ | |  | |  |  | Gas/Oil $ | |  | |  |  | Cell Phone $ | |  | |  |  | Food $ | | 400 | |  |  | Transportation/Gas $ | | 200 | |  |  | Car Maintenance $ | |  | |  |  | Education $ | |  | |  |  | Personal Expenses $ | | 150 | |  |  | Donations $ | |  | |  |  |  |  | | | **Total Income $** | **3,500** | **Total Expenses $** | **2,405** | | | | |
| *Guide a brief discussion about the worksheet. Then introduce the next topic.* | | Before we continue, let us talk a bit about your experiences using the worksheet.   * What difficulties do you think you might have in using the worksheet? * How would you modify the worksheet to make it more useful for your personal situation? |
|  | | Find Ways to Decrease Spending |
| *Slide 15* | | If your expenses total more than your income or if you want to save money, you need to decrease, or cut back on, spending. Decreasing spending increases the amount of money you have left each month. This is also referred to as “increasing your cash flow.”  Can you name several ways you can cut back on spending? *[Write participant responses on chart paper.]* Those are all very good ideas. Now we will look at some additional tips that can help you decrease spending. |
|  | | Tips to Help You Decrease Spending or Save More Money |
| *Refer participants to Tips to Help You Decrease Spending or Save More Money beginning on page 10 of their Participant Guide.* | | * Develop and follow a spending plan. * Carry small amounts of cash to limit your spending. * Eliminate or control your use of credit cards. * Avoid shopping “for fun” unless you have strong self-control to only window shop! * Take your written savings goals as a reminder when shopping. * Buy only what you need versus what you want. * Use coupons to save money on items you need. * Use a grocery shopping list to prevent impulse buying. * Take your lunch to work instead of eating out. * Shop around for the best deal on big-ticket items, like cars and appliances. * Pay your bills on time to avoid late fees, extra finance charges, utilities being turned off, eviction, repossessions, and the costs of a bad credit rating. * Use direct deposit for your paycheck or federal benefits (e.g., Social Security). You will not have to pay to have your check cashed, or if you have a checking account, the bank may reduce or eliminate the monthly fee if you have direct deposit.   Using direct deposit for your paycheck and state or federal benefits not only saves money; it is also safer and easier than using paper checks.  Following are common misconceptions about direct deposit and the corrected facts.  **MYTH:** Receiving paychecks or benefit payments in the form of a paper check gives you more control over your money because you can deposit it at your bank or credit union when it is convenient for you.  **FACT:** With direct deposit, your money is immediately accessible, it eliminates the risk of stolen checks and forgeries, and helps protect you from identity theft.  **MYTH:** Switching to direct deposit is time-consuming and a hassle.  **FACT:** Enrolling in direct deposit is usually fast and easy. If you receive Social Security or Supplemental Security Income (SSI), call ***Go Direct’s*** toll-free helpline at **1-800-333-1795**, visit [www.GoDirect.org](http://www.GoDirect.org), or contact your local bank or credit union to sign up for direct deposit.  **MYTH:** People who do not have a bank account should not consider direct deposit.  **FACT:** If you have not yet signed up for an account, call the United States (U.S.) Treasury’s ***Go Direct*** toll-free helpline at **1-800-333-1795** for help finding a financial institution that offers low- or no-cost accounts.  **MYTH:** If you use direct deposit, you will not know when your money is in your account.  **FACT:** You can be sure your money is in your account by the time your bank opens on payment day. Paper checks can be lost or stolen.  **MYTH:** Direct deposit does not really save time because the check still must be mailed to the bank.  **FACT:** With direct deposit, your payment is electronically transferred to your bank account. The payment process is completely paperless.  **MYTH:** Direct deposit is not a trustworthy way to receive federal benefit payments.  **FACT:** Direct deposit is completely reliable. You are 30 times more likely to have a problem with your federal benefit check than with your direct deposit payment.  **MYTH**: Direct deposit is not as safe as receiving a check because it is sent over the Internet.  **FACT**: Direct deposit works by transferring funds directly into your account through a highly secure electronic banking system–not the Internet. It is the same system used by the world’s leading financial institutions.  **MYTH**: Direct deposit is expensive.  **FACT**: Most banks and credit unions do not charge you to sign up for direct deposit. In fact, they may waive your monthly checking account fee if you have direct deposit. |
|  | | Find Ways to Increase Income |
| *Refer participants to Tax Credits That May Increase Your Income beginning on page 11 of their Participant Guide.*  *Slide 16*  *Refer participants to Free Income Tax Preparation Assistance beginning on page 13 of their Participant Guide.*  *Answer any questions. Then introduce the next topic.* | | Besides decreasing your spending and obvious ways to increase your income, like getting a second job, there are other options for increasing your income that you might not have considered; these tax credits include:   * Earned Income Tax Credit (EITC) * Child tax credit * Credit for child and dependent care expenses * Education credits * Tax credits for retirement savings contributions   These credits are described further in your Participant Guide. Take a look at one of them, the EITC or Earned Income Credit (EIC), which is a federal income tax credit for people who work, but do not earn high incomes.   * If you qualify, EITC reduces the amount of tax you owe, and you may receive a refund. * You may even be eligible for the Advanced EITC, which allows you to receive part of the credit in each paycheck during the year. If you qualified for the EITC in the past, you may contact your employer to sign up. The Internal Revenue Service (IRS) adjusts income eligibility each year. * Receiving an EITC does not affect eligibility for TANF, Medicaid, SSI, Food Stamps, or housing assistance. * If you do qualify for a tax refund, be careful of refund anticipation loans. These types of loans are very expensive. Plus, if you do not get the refund you expected, you will still be responsible for paying off the entire amount of the loan.   For additional information about the EITC and the other tax credits or to get answers to other tax questions, you can visit the IRS website at [www.irs.gov](http://www.irs.gov) or call **1-800-829-1040**.  For assistance in preparing and filing your income tax returns, you can use the services available through the IRS-coordinated **Volunteer Income Tax Assistance (VITA)** program or **Tax Counseling for the Elderly (TCE)** program.   * The VITA and TCE programs offer free income tax assistance for low-income, disabled, elderly, and non-English-speaking taxpayers. * Most sites also offer free electronic filing or e-filing. * To find the location of the VITA or TCE site in your area, call your local IRS office and ask to speak to the Taxpayer Education Coordinator, or call IRS at **1-800-829-1040**.   When you speak to someone from the government or another organization, remember to write down his or her name or identification number.  What questions do you have about how to prepare a spending plan?  Now that you know how to prepare a spending plan, we will talk about some of the tools that can help you keep track of your income and expenses. |
| Instructor Notes | | Presentation |
|  | | Spending Plan Tools |
| 10 minutes | | Keep Accurate Records |
| Slide 17 | | To successfully implement a spending plan, you must keep accurate records. Here are some recordkeeping tips to help you maintain accurate records.   * Keep records in a safe place in your home or in a safe deposit box. * Organize your files so it is easy to find your earnings and spending information and to update important financial information. * Keep your tax records for at least three years. * Mail checks for bill payments (if applicable) at least one week before they are due to avoid late fees.   There are many spending plan tools to help you keep spending and savings records and carry out your budget, including:   * The monthly payment schedule * The monthly payment calendar * The expense envelope system * The budget box system * The computer system   We will focus on the first two. |
|  | | Activity 3: Monthly Payment Schedule |
| Slide 18  Refer participants to Activity 3: Monthly Payment Schedule on page 14 of their Participant Guide.  Slide 19  Explain how to enter expenses on the Monthly Payment Schedule. | The monthly payment schedule:   * Helps you plan in advance when you will pay your bills * Lets you record when you will receive income to pay those bills   We will practice completing a monthly payment schedule together. You can follow along on page 14 of your Participant Guide.  You will need the Income and Expense worksheet that we completed earlier, or you can refer to the information displayed *[display slide 19]*. It contains the income and expense information that we need to transfer to the Monthly Payment Schedule.  First, you need to transfer the income sources to the left column of the schedule. Also, record the date that the income is received. In this example, one person gets paid $1,050 on the 5th and 20th of each month. The other person gets paid $350 each week (4/6, 413, 4/20, 4/27).  Next, list the couple’s expenses, including the due date, planned payment date, and amount. The Date Paid column is completed once a payment is made. Be sure to list the expenses by due date, from the earliest to latest.  The amounts and dates for the other expenses are:   * Savings: $75 due 4/1 * Rent: $1,000 due 4/1 * Food: $400 due 4/2 * Transportation: $200 due 4/3 * Personal expenses: $150 due 4/5 * Child care: $200 due 4/10 * Telephone: $40 due 4/20 * Child care: $200 due 4/25 * Credit card payments: $140 due 4/28 | |
| Completed Monthly Payment Schedule  Month: April   |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Income** | **Expenses/Bills** | **Date Income Received or Expense Due Date** | **Amount** | **Date Paid** | | Paycheck\* |  | 3/20 | $1,050 |  | | Paycheck\* |  | 3/27 | $700 |  | | Paycheck |  | 4/5 | $1,050 |  | | Paycheck |  | 4/13 | $700 |  | | Paycheck |  | 4/20 | $1,050 |  | | Paycheck |  | 4/27 | $700 |  | |  | Savings | 4/1 | $75 |  | |  | Rent | 4/1 | $1,000 |  | |  | Food | 4/5 | $400 |  | |  | Transportation | 4/5 | $200 |  | |  | Personal Expenses | 4/10 | $150 |  | |  | Child Care | 4/10 | 200 |  | |  | Telephone | 4/25 | 40 |  | |  | Child Care | 4/25 | 200 |  | |  | Credit Card Payments | 4/28 | 140 |  |   \* Note: Paychecks from previous month are included to reflect income used to pay expenses due at the first of the month. | | |
| Answer any questions. Then introduce the next topic. | Note that savings is first on the list. Why should your savings due date be before other expenses?  **Answer: When able to save, you should always put money in a savings account before you pay your bills and spend your money for the month. Otherwise, you may not be able to accomplish your savings goal.**  Why is it also important to assign early due dates to food, transportation, and essential personal expenses?  **Answer: You need money for these expenses throughout the month; therefore, it is important to set aside the money early and spend wisely so it will last throughout the entire month.**  What questions do you have about how to complete the Monthly Payment Schedule? | |
|  | | Activity 4: Monthly Payment Calendar |
| Slide 20  Refer participants to Activity 4: Monthly Payment Calendar on page 15 of their Participant Guide.  Ensure participants understand how to enter the information. | | Another spending tool to help you carry out your personal spending plan is the Monthly Payment Calendar. This tool serves the same purpose as the Monthly Payment Schedule, but in a calendar format.  We are going to complete the Monthly Payment Calendar together. Like the Monthly Payment Schedule, transfer the same income sources and expenses to the Monthly Payment Calendar. *[Display slide 19 or have participants refer to their completed Monthly Payment Schedule.]*  The savings entry has already been made so you can see how it is done. Note: when you pay an expense, you can check off the entry or mark through it with a slash (/) or “X.” |
| |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **April** | | | | | | | | **Sunday** | **Monday** | **Tuesday** | **Wednesday** | **Thursday** | **Friday** | **Saturday** | | 1  **$75 savings**  **$1,000 rent** | 2 | 3 | 4 | 5  **$1050 paycheck**  **$400 food**  **$200 transportation** | 6 | 7 | | 8 | 9 | 10  **$200 child care**  **$150 personal expenses** | 11 | 12 | 13  **$700 paycheck** | 14 | | 15 | 16 | 17 | 18 | 19 | 20  **$1050 paycheck** | 21 | | 22 | 23 | 24 | 25  **$200 child care**  **$40 telephone** | 26 | 27  **$700 paycheck** | 28  **$140 credit card payments** | | 29 | 30 |  |  |  |  |  | | | |
| Answer any questions. Then guide a brief discussion about the spending plan tools. | | * What questions do you have about how to complete the Monthly Payment Calendar? * Out of the spending plan tools we covered, which worksheet did you like the best? Why? * What difficulties, if any, did you have with them? * How would you modify either tool to make it more useful for your personal situation? |
|  | | Other Spending Plan Tools |
| Refer participants to Other Spending Plan Tools on page 16 of their Participant Guide.  Slide 21  Explain the Expense Envelope System.  Note: Now may be a good time to take a short break if you have not done so already. | | There are other spending plan tools you can use to help carry out your budget.  **Expense Envelope System**   * This tool is useful if you pay your bills in cash each month. * Make an envelope for each expense category (e.g., rent, gas, food). * Label the envelope with a category name, amount, and due date. * Divide the income you receive into the amounts to cover the expenses listed on the envelope. * Pay bills right away so you are not tempted to spend the money on something else.   **Budget Box System**   * The *budget box* is a small box with dividers for each month, with one divider for each day of the month. * When you receive a bill, check the due date and place it behind the divider that represents the bill’s due date. * As you receive income, pay your bills right away so you will not be tempted to spend your money on something else instead.   **Computer Spreadsheet System**   * If you have access to a personal computer, you can create your own spreadsheet with columns for your income, date it is received, expenses, their due dates, and the date you paid the bill. Include space under the income and expense columns to total each. Use the help function of your spreadsheet software for instructions, if needed. * Personal finance programs are also available for less than $75. * Using a computer to manage your finances is relatively simple. Updating information is quick and easy. It is important to enter transactions frequently to truly understand your financial position.   You are now aware of various spending plan tools. Select one that you are most comfortable with using.  There are just a few more things you should know about budgeting. But do not turn to the next page in your Participant Guide yet. Please wait until I tell you to. |
| Instructor Notes | | Presentation |
|  | | Spending Considerations |
| 10 minutes | | When There Are More Expenses than Income |
| Slide 22  Have participants respond before clicking the space bar, right arrow, or mouse to display the responses. Remind participants about wants vs. needs. Encourage people to seek assistance when necessary. Provide participants with a list of local, state, and federal assistance programs. | | If your spending diary or Monthly Income and Expense Worksheet shows that you have more expenses than income, there are ways to get out of trouble. But remember, everyone has different priorities. You will have to make the decisions that are right for you.  What payments do you think you should make first if you do not have enough money to pay all of your bills?  Generally speaking, it is most important to pay your necessary household expenses first: rent or mortgage, utilities, and food. Think about the health and safety of your family when making these types of decisions. You always want to have a roof over your family’s head, water and electricity, and food on the table. These are basic needs. Therefore, you may need to pay your rent or mortgage before paying other bills, such as a telephone or credit card bill, to avoid foreclosure or being evicted.  Many utility companies (e.g., the telephone, electric, and gas companies) have programs to lower your bill if you qualify. If you think you need assistance, contact your utility company to see what programs it offers. You may also be able to receive assistance from local, state, and federal agencies and organizations. |
|  | | Paying Your Loans |
| Slide 23  Explain what interest is. Give an example of how money does not grow.  Refer participants to Paying Your Loans on page 17 of their Participant Guide.  Answer any questions. Then move on to the activity. | | If you can pay your monthly household expenses, but are having trouble paying all of your loans, consider:   * **Paying off the loan with the highest interest rate first to save on interest payments.** * **Talking to your creditors.** Your creditor may be willing to reduce your payments or change the terms to accommodate your situation. Some creditors might offer extensions, accept smaller payments over a longer period of time, or accept partial payments. * **Getting credit counseling.** If you are not disciplined enough to create a workable spending plan and stick to it, cannot work out a repayment plan with your creditors, or cannot keep track of mounting bills, you might contact a reputable credit counseling organization. Many credit counseling organizations are nonprofit and work with you to solve your financial problems.   + Reputable credit counseling organizations can advise you on managing your money and debts, help you develop a spending plan, and offer free educational materials and workshops. Their counselors are certified and trained in the areas of consumer credit, money and debt management, and budgeting.   + Counselors discuss your entire financial situation with you and help you develop a personalized plan to solve your money problems. An initial counseling session typically lasts an hour, with an offer of follow-up sessions. * **Declaring bankruptcy.** This is a last resort. Bankruptcy is a legal proceeding that adjusts the debts of individuals who cannot meet their credit obligations. Bankruptcy:   + Eliminates most debts; however, certain back taxes, child support, alimony, and student loans must still be paid   + May force you to pay higher credit rates and receive less favorable terms on loans in the future   + May make it difficult to get a mortgage, open a bank account, buy life insurance, and get a job because creditors and employers can run a credit check to determine your history of past financial commitments   + Is very serious and stays on your credit report for 10 years; use it as a last resort   The law requires you to get credit counseling before you can file for bankruptcy. Credit reports, bankruptcies, and credit counseling are covered in the *To Your Credit* module.  What questions do you have about these spending plan considerations?  Now we will do an exercise to practice what we have just learned. |
|  | | Activity 5: Spending Plan Considerations |
| Slide 24  Direct participants to Activity 5: Spending Plan Considerations on page 18 of their Participant Guide. Complete the activity as a class or have participants work in small groups or individually. Review the answers.  Answer any questions. | | The purpose of this exercise is to give you an opportunity to practice making budgeting decisions when you have more expenses than income.  **Scenario**  The Clarks hold off on paying their credit card bills until the end of the month because they know they do not have enough money to cover what they owe. They have five credit cards. Three of them have an interest rate of 24 percent. The other two cards have an interest rate of 13 percent. Two of the high interest rate cards and one of the lower interest rate cards are 15 days past the due date.  Looking over the credit card bills, Mr. Clark is amazed to see that his wife spent $200 last month on shoes. She is amazed to see that he bought yet another power tool and spent $385 for it. “No wonder we have no money!” each says to the other.  When reviewing the bills, Mr. Clark confesses that he stops for coffee on his way to work every morning and eats out for lunch. Mrs. Clark admits that she gets a pedicure and manicure twice a month.  By the time the Clarks pay their rent, utilities, car payment, and grocery bill they do not have enough money to make the minimum payment on three of their five credit cards.  What has caused these financial problems for the Clarks?  **Answers:**   * **Overuse of credit cards.** * **Personal expenses are too high.** * **The couple needs to talk to each other about wants versus needs and their philosophy on money.**   What can they do to resolve their problems?  **Answers:**   * **Immediately call the credit card companies to explain their situation and negotiate manageable payment arrangements.** * **Continue to pay their rent, utilities, car payment, and grocery bills first.** * **Stop the “splurge” spending. Mr. Clark can make coffee at home and pack a lunch. Mrs. Clark can do her own nails.** * **Stick to a spending plan or get credit counseling assistance to help them create and implement a spending plan they can follow.**   What questions do you have about the practice exercise?  Let us take a look at what we have learned about spending today. |

| Instructor Notes | Presentation |
| --- | --- |
|  | Wrap-Up |
| 10 minutes | Summary and Post-Test |
| *Slide 25*  *Answer any final questions. Have participants complete the Post-Test and/or What Do You Know? form along with the evaluation form.* | We have covered a lot of information today about budgeting and creating a personal spending plan. What final questions do you have?  Now we will see what you have learned by completing *[a short Post-Test on page 19 of your Participant Guide and/or the “After the Training” column of the What Do You Know? form that you completed earlier]*.  Who would like to share one thing they learned from this training?  To improve the training, we need your feedback. Please complete the Evaluation Form on pages 24 and 25 of your Participant Guide.  . |
|  | Conclusion |
| *Slide 26*  *Review what was covered in the module and ensure participants’ expectations, questions, and concerns have all been covered.* | Congratulations! You have completed the *Money Matters* module. You learned about:   * The benefits of budgeting * How to create a spending plan to track your daily spending and monthly income and expenses * How to use the Monthly Spending Schedule and the Monthly Spending Calendar * Other considerations to keep in mind when planning your budget   Great job on completing the *Money Matters* module! Thank you for participating. |

Post-Test

### Now that you have gone through the course, see what you have learned.

1. A spending plan helps you control spending because you are able to:
   1. Keep track of your daily spending and bills due
   2. Determine your monthly income and expenses
   3. Find ways to decrease spending
   4. Find ways to increase income
   5. **All of the above**
2. What is the definition of a ***fixed expense***?
   1. An expense that may change annually
   2. An expense that changes from month to month
   3. **An expense that stays the same from month to month**
   4. An expense that stays the same for a period of time, and then changes
3. Which of the following are generally considered examples of fixed expenses? Select all that apply.
   1. **Car payment**
   2. Personal expenses
   3. Electric or gas bill
   4. **Rent or mortgage**
4. Which of the following are generally considered examples of flexible expenses? Select all that apply.
   1. **Food**
   2. Child care
   3. **Entertainment**
   4. Rent or mortgage
5. Which of the following are examples of how you might control or reduce your expenses? Select all that apply.
   1. Eat out at restaurants
   2. **Carry a small amount of cash for purchases**
   3. **Conserve or use less electricity, gas, or oil**
   4. Use your credit card to make most purchases
6. Which of the following are examples of how you might save money and increase your income?
   1. Follow a spending plan
   2. Determine if you qualify for a tax credit
   3. Direct deposit a portion of your paycheck or federal benefits into a savings account
   4. **All of the above**
7. Which spending plan tool(s) are you most comfortable with and likely to use following this training?
   1. Daily Spending Plan
   2. Monthly Income and Expense Worksheet
   3. Monthly Payment Schedule or Calendar
   4. Expense Envelopes or Budget Box
   5. Computer systems or electronic spreadsheets
8. In which of the following goal setting steps would you identify timeframes (e.g., short-, medium-, or long-term) for your financial goals?
   1. Write down your goals
   2. **Organize your goals**
   3. Educate yourself
   4. Evaluate your goals

What Do You Know? – Money Matters

Instructor: ­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: ­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

This form will allow you and the instructors to see what you know about managing money both before and after the training. Read each statement below. Please circle the number that shows how much you agree with each statement.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Before the Training | | | | After the Training | | | |
| I could/can: | **Strongly Disagree** | **Disagree** | **Agree** | **Strongly Agree** | **Strongly Disagree** | **Disagree** | **Agree** | **Strongly Agree** | |
| 1. List the steps for setting financial goals | **1** | **2** | **3** | **4** | **1** | **2** | **3** | **4** | |
| 1. Track daily spending habits | **1** | **2** | **3** | **4** | **1** | **2** | **3** | **4** | |
| 1. Prepare a personal spending plan or budget to estimate monthly income and expenses | **1** | **2** | **3** | **4** | **1** | **2** | **3** | **4** | |
| 1. Identify ways to decrease spending and increase income | **1** | **2** | **3** | **4** | **1** | **2** | **3** | **4** | |
| 1. Identify ways to increase income | **1** | **2** | **3** | **4** | **1** | **2** | **3** | **4** | |
| 1. Identify budgeting tools that will help me manage my money | **1** | **2** | **3** | **4** | **1** | **2** | **3** | **4** | |

Evaluation Form

This evaluation will enable you to assess your observations of the *Money Matters* module. Please indicate the degree to which you agree with each statement by circling the appropriate number.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Overall, I felt the module was: | **Strongly Disagree** | | **Disagree** | | **Neutral** | | **Agree** | | **Strongly Agree** | |
| [ ] Excellent |
| [ ] Very Good |
| [ ] Good |
| [ ] Fair |
| [ ] Poor |
| 1. I achieved the training objectives. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The instructions were clear and easy to follow. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The overheads were clear. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The overheads enhanced my learning. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The time allocation was correct for this module. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The module included sufficient examples and exercises so that I will be able to apply these new skills. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The instructor was knowledgeable and well-prepared. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The worksheets are valuable. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. I will use the worksheets again. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. The participants had ample opportunity to exchange experiences and ideas. | **1** | | **2** | | **3** | | **4** | | **5** | |
| 1. My knowledge/skill level of the subject matter before taking the module. 2. My knowledge/skill level of the subject matter upon completion of the module. | | **None Advanced** | | | | | | | | |
| **1** | | **2** | | **3** | | **4** | | **5** |
| **1** | | **2** | | **3** | | **4** | | **5** |
| 1. Name of Instructor:   Instructor Rating:  Please use the response scale and circle the appropriate number. | | **Response Scale:**  **5 Excellent**  **4 Very Good**  **3 Good**  **2 Fair**  **1 Poor** | | | | | | | | |
| Objectives were clear & attainable | | **1** | | **2** | | **3** | | **4** | | **5** |
| Made the subject understandable | | **1** | | **2** | | **3** | | **4** | | **5** |
| Encouraged questions | | **1** | | **2** | | **3** | | **4** | | **5** |
| Had technical knowledge | | **1** | | **2** | | **3** | | **4** | | **5** |

What was the most useful part of the training?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_

What was the least useful part of the training and how could it be improved?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Glossary

**Fixed Expenses:** Expenses with amounts that do not change from month to month.

**Flexible Expenses:** Expenses with amounts that often change from month to month.

**Gross Income:** Total income without deductions.

**Net Income:** Gross income minus deductions such as Social Security and other taxes.

**Spending Plan:** A step-by-step plan for meeting expenses in a given period of time.

1. Keep track of your daily spending
2. Determine what your monthly income and expenses are the month before they are due
3. Find ways to decrease spending
4. Find ways to increase income

**For Further Information**

**Federal Deposit Insurance Corporation (FDIC)**

[www.fdic.gov](http://www.fdic.gov)/consumer

Division of Supervision & Consumer Protection

2345 Grand Boulevard, Suite 1200

Kansas City, Missouri 64108

1-877-ASK-FDIC (275-3342)

Email: [consumeralerts@fdic.gov](mailto:consumeralerts@fdic.gov)

Visit the FDIC’s website for additional information and resources on consumer issues. For example, every issue of the quarterly *FDIC Consumer News* provides practical hints and guidance on how to become a smarter, safer user of financial services. Also, the FDIC’s Consumer Response Center is responsible for:

* Investigating all types of consumer complaints about FDIC-supervised institutions
* Responding to consumer inquiries about consumer laws and regulations and banking practices

**U.S. Financial Literacy and Education Commission**

[www.mymoney.gov](http://www.mymoney.gov)

1-888-My-Money (696-6639)

MyMoney.gov is the U.S. Government’s website dedicated to teaching all Americans about financial education. Whether you are planning to buy a home, balance your checkbook, or invest in your 401k, the resources on MyMoney.gov can help you. Throughout the site, you will find important information from federal agencies.

**Federal Trade Commission**

[www.ftc.gov](http://www.ftc.gov)/credit

1-877-FTC-HELP (382-4357)

The Federal Trade Commission (FTC) website offers practical information on a variety of consumer topics, including privacy, credit, and identity theft. The FTC also provides guidance and information on how to select a credit counselor.