



BFEM 101: Financial Capability

May 9, 2019



Early Childhood National Centers

Welcome!

Today's Host:
Anna Lovejoy



NATIONAL CENTER ON
Parent, Family and Community Engagement

1

Today's Conversation

Building Foundations for Economic Mobility 101: Financial Capability



1

What we will explore today...

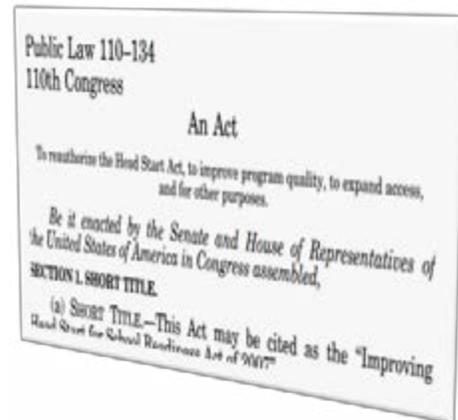
- Background on financial capability services
- Why economic mobility is important for Head Start and Early Head Start
- Strategies to integrate financial capability topics into your work



1

Head Start's history promoting family well-being

In the Improving Head Start for School Readiness Act of 2007, the definition of "family literacy services" was amended to include "financial literacy."



1

Head Start Performance Standards and Goal Setting

Head Start Program Performance Standards, Subpart E, §1302.50 (a), (b).(a) Purpose. A program must integrate parent and family engagement strategies into all systems and program services to support family well-being and promote children's learning and development...

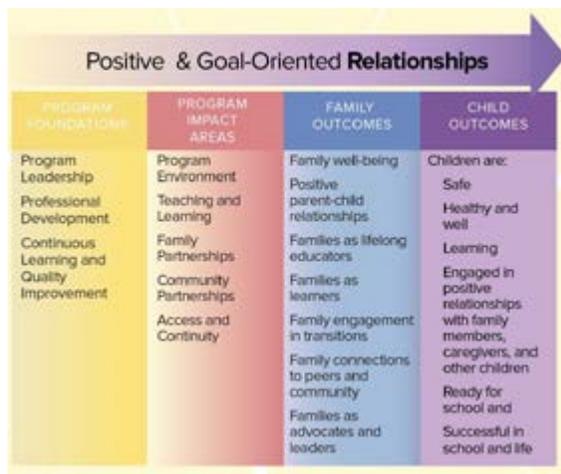
(b) Family engagement approach. A program must:

(3) Collaborate with families in a family partnership process that identifies needs, interests, strengths, goals, and services and resources that support family well-being, including family safety, health, and economic stability;



1

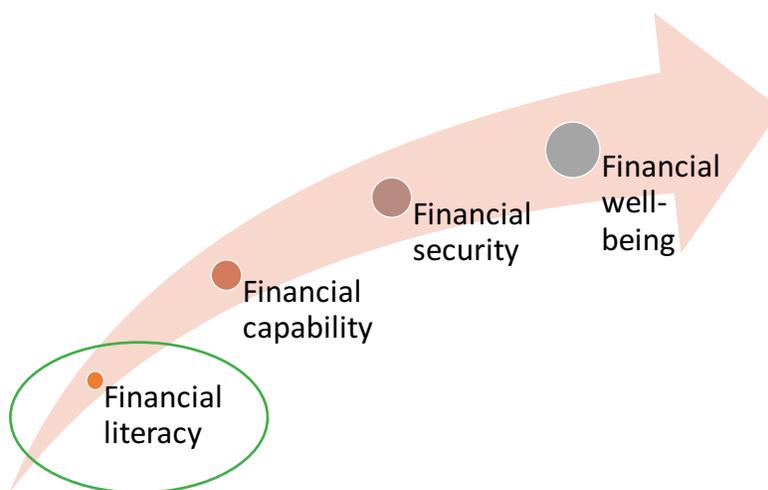
Building Foundations for Economic Mobility Webinar Series

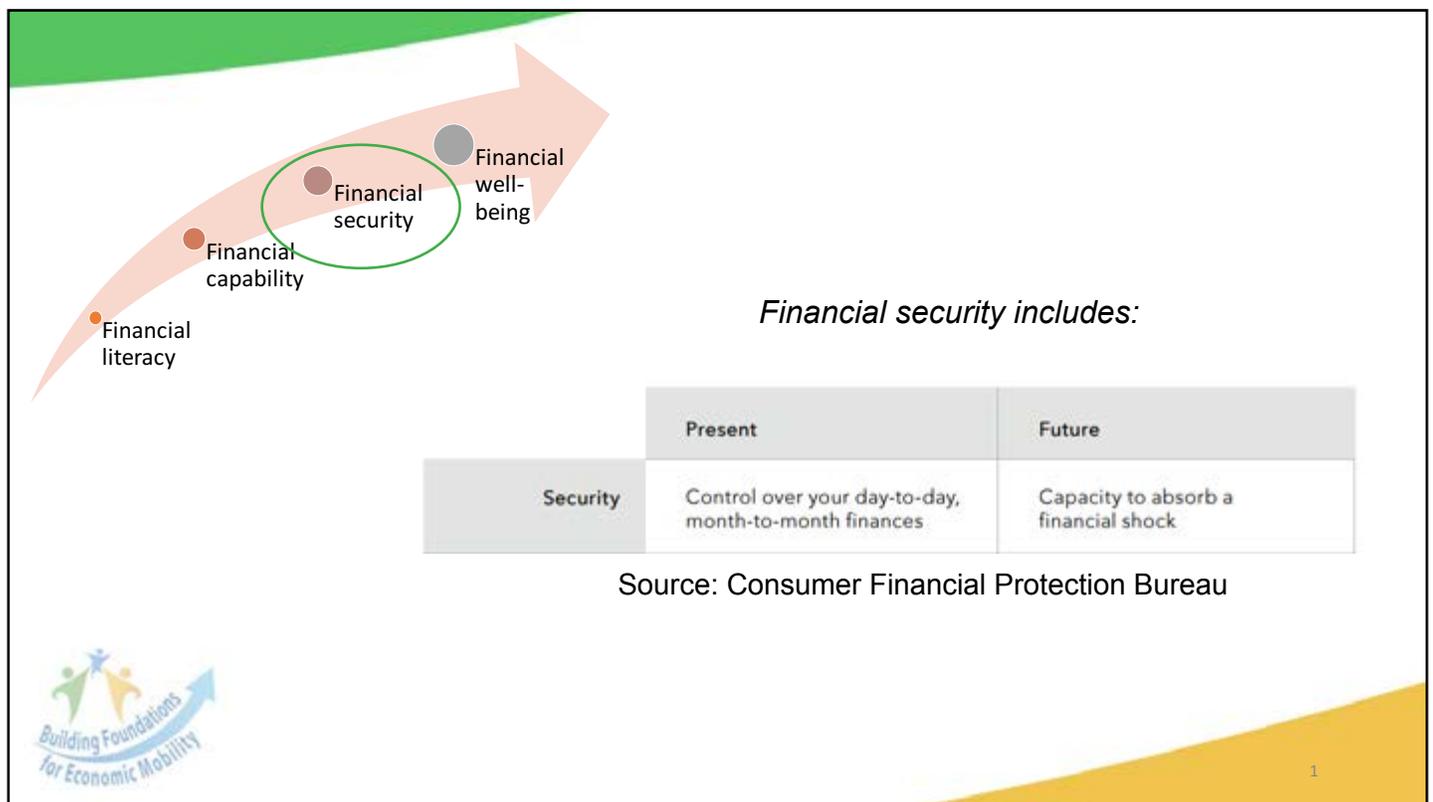
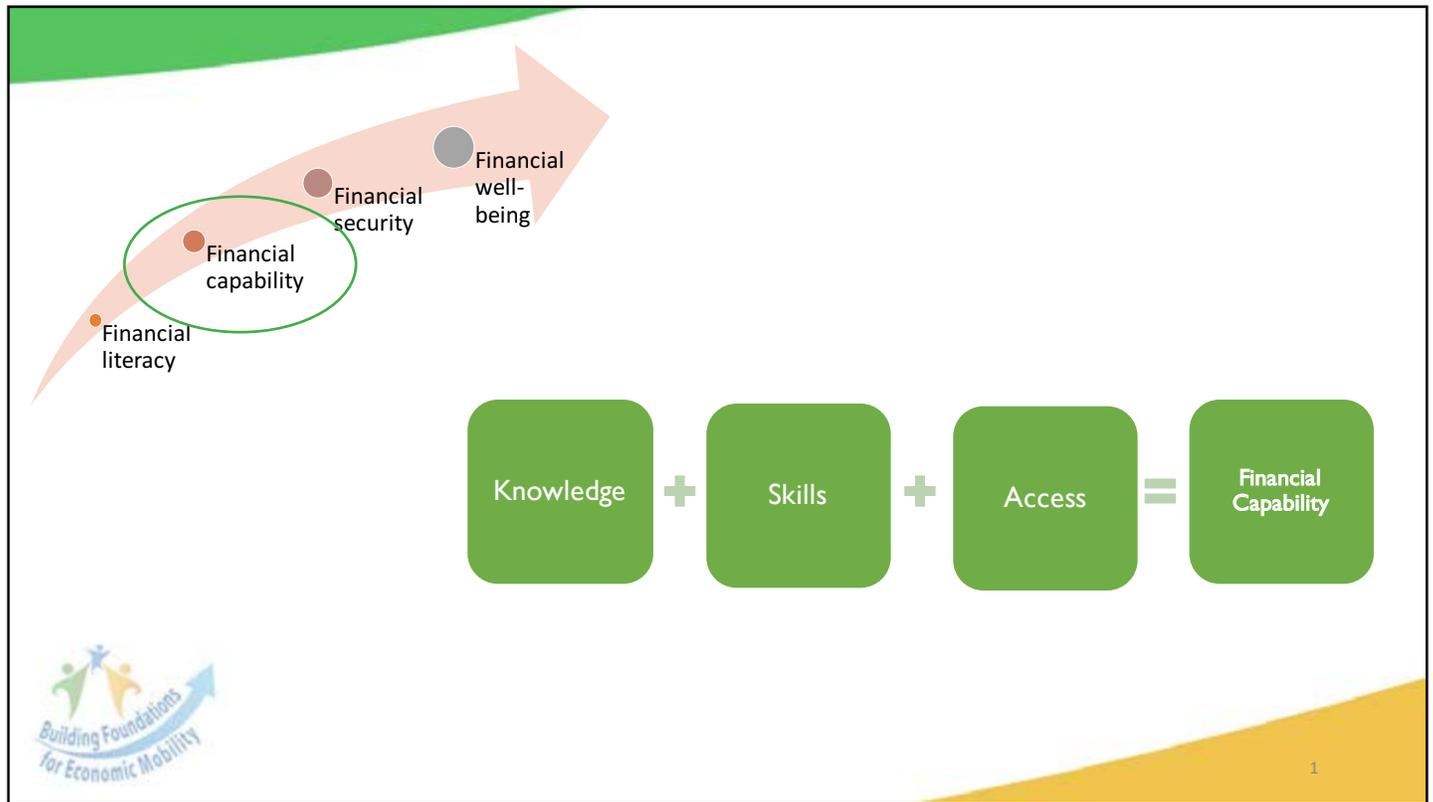


- Highlights research and exemplary practices in support of Head Start’s and Early Head Start’s two-generation mission
- Explores a core aspect of Family Well-Being



Language walk: The journey to financial





Financial well-being includes:

	Present	Future
Security	Control over your day-to-day, month-to-month finances	Capacity to absorb a financial shock
Freedom of choice	Financial freedom to make choices to enjoy life	On track to meet your financial goals

Source: Consumer Financial Protection Bureau

Examples of Financial Capability Services

Money Management	Income Supports	Credit and Debt	Financial Product & Services	Savings & Investments	Consumer Protection & Insurance
<ul style="list-style-type: none"> Financial Education Financial Counseling Financial Coaching Asset Ownership Programs 	<ul style="list-style-type: none"> Free Tax Preparation Assistance Access to Federal and State Benefits 	<ul style="list-style-type: none"> Credit Counseling Credit Building 	<ul style="list-style-type: none"> Access to Safe and Affordable Financial Products Incentivized Savings Programs Credit Building 	<ul style="list-style-type: none"> Incentivized Savings Programs Asset Ownership Programs 	<ul style="list-style-type: none"> Access to Safe and Affordable Financial Products

Ways to provide these services



Our Presenter



Catherine Dhongade

Strategic Growth Lead





Powering youth potential, Seeding economic mobility.



MyPath: *Financial Capability for Working*

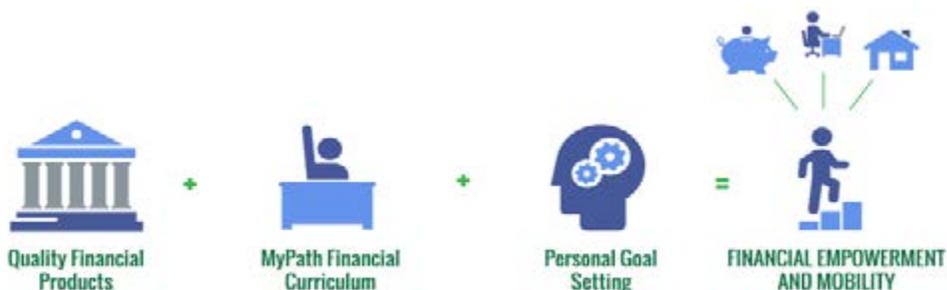
Our Vision: Every working youth has the chance to make their paycheck not just about income, but about lasting economic mobility.

Why?

- 20 million youth ages 16-24 in the workforce
- Income alone is not enough to disrupt poverty
- Many working youth live in financial deserts
- Many barriers to youth banking
- Research demonstrates the power of starting early



MyPath Approach



ACCESS + KNOWLEDGE + PRACTICE = CAPABILITY



MyPath Models

MyPath partners with youth-serving organizations and financial institutions to bring banking, savings, and credit-building to youth



1

2

3

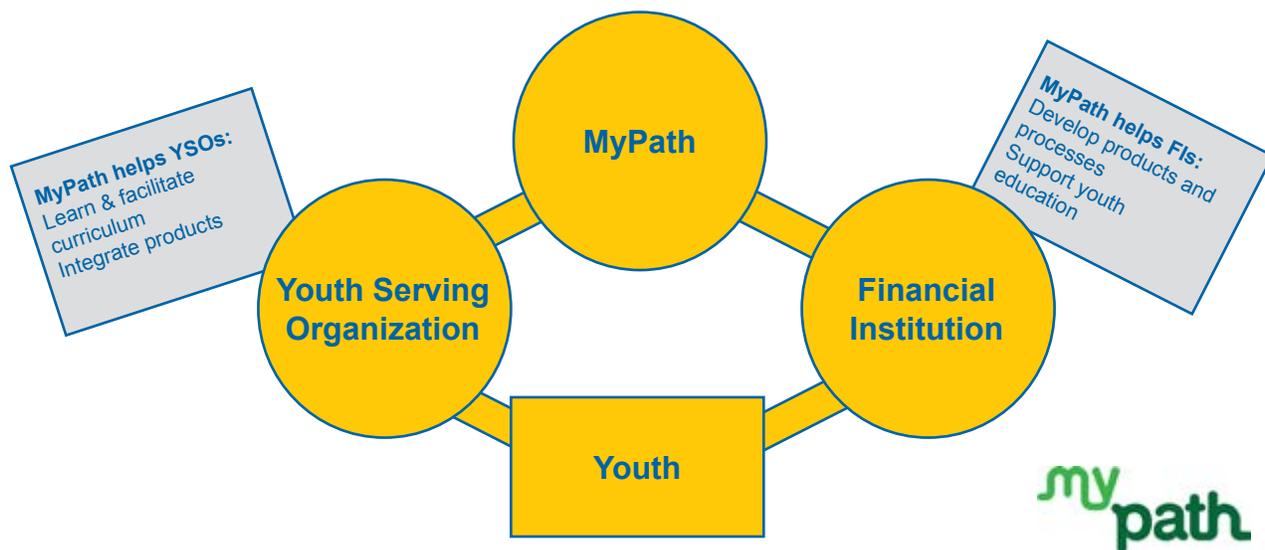
MyPath Savings

MyPath Savings2Credit

Customized Models



MyPath Savings: Partners & Roles



MyPath Savings: Curriculum

- Facilitator-led but interactive
- A blend of in-person & online activities
- Adaptive to different program settings & workflows
- Youth-designed, tested, and vetted



MyPath Savings: Products

MyPath promotes safe, affordable accounts as well as youth-friendly enrollment processes and account education

We promote the following features:

- Youth-owned accounts
- Low-to-no fees for basic account access
- No ability to overdraft
- Acceptance of alternative IDs and forms of address verification



MyPath Footprint and Impact



Financial Goal Setting



- Work with families to develop STAR goals
 - Specific
 - Timebound
 - Action-oriented
 - Realistic
- Connect it to a money / savings goal
- Establish a savings contract
- Track progress
- Celebrate successes & encourage persistence



Banking Basics



- Create space to explore early money memories and feelings about money
- Discuss the role of financial institutions in money management
 - Where do you or people you know save their money?
 - What are some risks of saving here?
 - What are some benefits of saving here?
 - Can you think of the benefits to saving your money in a financial institution?
 - What about risks with saving in a financial institution?



Bank On – Account Features



BANK ON NATIONAL ACCOUNT STANDARDS (2019–2020)

TERMS	STANDARDS
Core Features	
Transaction Account at Banking Institution	Checking account (including checkless checking); bank- or credit union-offered prepaid
Point of Sale (POS) Capability	Debit card/prepaid card
Minimum Opening Deposit and/or Account Balance	\$25 or less If not waivable: \$5 or less
Monthly Maintenance Fee	If waivable: \$10 or less; offer at least two options to waive fee to free with a single transaction (e.g. direct deposit with no minimum deposit, online bill pay, or debit card purchase)
Overdraft or Non-Sufficient Funds (NSF) Fees	None, structurally not possible (e.g. via checkless checking)
Dormancy/Inactivity Fees	None
Customer Service	
Branch Access	Free and unrestricted
Telephone Banking	Free and unrestricted (including live customer support)
Use of In-Network ATM	Free and unrestricted
Use of Out-of-Network ATM	\$2.50 or less (not including local ATM fee)



Bank On – Account Features

Functionality	
Deposit Capability	Free cash and checks in branch and at ATM, and direct deposit
Bill Pay by Customer	Free
Bill Pay by Financial Institution	Free if available, otherwise at least four free money orders and/or cashier checks per month
Check Cashing for Checks Issued by that Institution	Free
Online and Mobile Banking	Free
Banking Alerts	Free
Monthly Statements	Free electronic; \$2 or less for mailed paper
Insured Deposits	Insured by FDIC or NCUA
Strongly Recommended Features	
Account Screening (e.g. ChexSystems, Early Warning Services)	Only deny new customers for past incidences of actual fraud
Alternative IDs (Municipal, Consular, etc.)	Accept alternative IDs
Remote Account Opening	Accounts can be opened remotely
Linked Savings Accounts	Free savings accounts and account transfers
Mobile Deposits	Available, free
Funds Availability	Immediate availability for known customers cashing government, payroll, or checks from that financial institution
Money Orders	\$1.65 or less (based on U.S. Postal Service rate)
Remittances (International Wire)	Competitively priced (\$5.00 – \$20.00, depending on country)
Credit-Building Product Offerings	Secured credit card or secured personal loan, e.g.



Bank On – Certified Accounts

Certified Accounts

The CFE Fund's Bank On National Account Standards (2019-2021) provide local programs with a benchmark for account partnerships with financial institutions, and include both core and recommended features. Accounts certified as meeting Bank On National Account Standards are listed below; they are available at all branches of these financial institutions.

- Axiom Bank AxiomGO Account
- Cadence Bank eChecking Account
- Cathay Bank Community Checking Account
- CIBC Bank USA EasyPath Access Account
- Citizens Bank Spark Banking Account
- Diamond Lakes Federal Credit Union iReziFree Checking Account
- First Commonwealth Bank SmartPay Card
- First Security Bank First Steps Checking Account
- Florida Community Bank Budget Checking Account
- Independent Bank IntroChecking Account
- Mechanics Bank Bank On Account
- Old National Bank EZ Access Checking Account
- Simmons Bank Affordable Advantage Checking Account
- Spring Bank Green Checking Account
- SBT Bank Easy Banking Account
- U.S. Bank Safe Debit Account
- Bank of America Safe Balance Banking Account
- Carrilton Bank Basic Banking Account
- Chase Secure Banking Account*
- Citi Access Account
- Dart Bank Bank On Checking Account
- Dollar Bank No Overdraft Checking Account
- First National Bank Access Debit Account
- Flagstar Bank SimplyOne Account
- HERIADANK Ability Banking Account
- KeyBank Hassle-Free Account
- Northwest Bank Compass Digital Account
- Self Help Federal Credit Union Access Checking Account
- Southern Bancorp Opportunity Card
- Stato Bank & Trust Company Vision Account
- The First, A National Banking Association First AID Checking Account
- Wells Fargo EasyPay Card



POLL



Our Presenter



Yuliya Rzad
Your Money, Your Goals Program
Specialist

Office of Community Affairs



Behind on bills? Start with one step.

A Your Money, Your Goals booklet



NATIONAL CENTER ON
Parent, Family and Community Engagement

DISCLAIMER

This presentation is being made by a Consumer Financial Protection Bureau representative on behalf of the Bureau. It does not constitute legal interpretation, guidance or advice of the Consumer Financial Protection Bureau. Any opinions or views stated by the presenter are the presenter's own and may not represent the Bureau's views.

This document includes links or references to third-party resources. The inclusion of links or references to third-party sites does not necessarily reflect the Bureau's endorsement of the third-party, the views expressed on the third-party site, or products or services offered on the third-party site. The Bureau has not vetted these third-parties, their content, or any products or services they may offer. There may be other possible entities or resources that are not listed that may also serve your needs.



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



Using Behind on bills?

Use this booklet to start a conversation about money and help someone:

- Create an action plan
- Track and manage income and spending
- Prioritize bills and expenses
- Understand rights and responsibilities when contacted by debt collectors

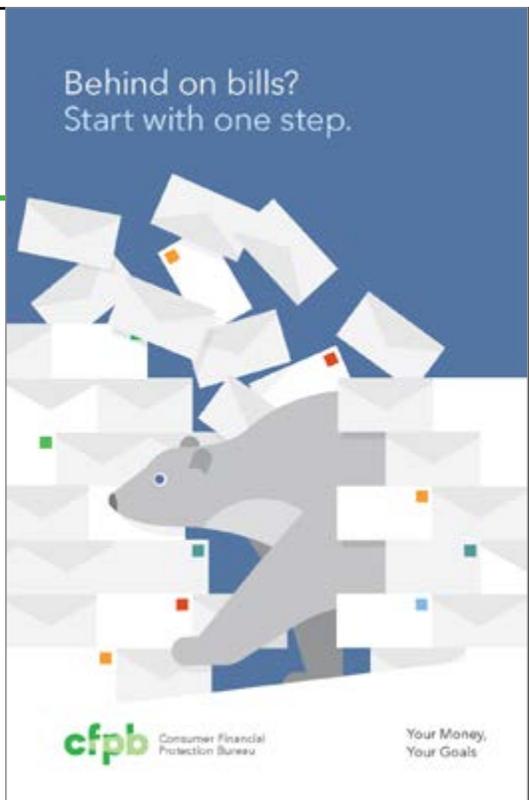


Table of contents

Eight tools if you are behind on bills

Blue-Green – can be used to help people build a clear picture of their income and spending

Yellow – can be used to think about goals and identify ways to increase income and other resources and cut expenses

Red – can be used for immediate challenges and needs



Tool structure

Unfold...

...refold and turn page



Tool description



Worksheet



A step further



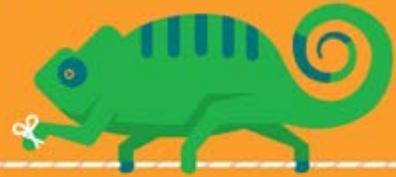
Goal setting

- **Identify** the things that really matter to you
- **Work** toward a future that includes those things
- **Track** your progress
- **Take pride** in making life better for you and your family



GOAL SETTING

What is one thing I want to change?



This tool will help you:

- Identify the things that really matter to you
- Work toward a future that includes those things
- Track your progress
- Take pride in making life better for you and your family

What to do:

1. Pick a statement that interests you
2. Write down your goal
3. Share your goal with someone who will hold you to it

Start with one question:

How have you helped someone else reach a goal?

YOUR MONEY. YOUR GOALS.

One thing I'm proud of:

One promise to myself:

One thing I'd like to change:

One dream I have for myself:

Who can help me?

Date to complete:



Goal setting

A step further

Create an action plan. Think about how long it will realistically take you to reach your goal. Then, make an action plan and stick to it. Don't forget to list any resources that might help you. For example, you might seek out information, tools and equipment, professional assistance, a loan, or find transportation.

Step 1	
Resources needed:	Date to complete:
Step 2	
Resources needed:	Date to complete:
Step 3	
Resources needed:	Date to complete:



Bill calendar

- Get a total picture** of your monthly bills
- Identify the weeks** when you have the most money due
- Plan how to pay your bills** on time and avoid late fees
- Remember** when your bills are coming up



BILL CALENDAR

What are all my bills and when are they due?



This tool will help you:

- Get a **total picture** of your monthly bills
- **Identify the weeks** when you have the most money due
- **Plan how to pay your bills** on time and avoid late fees
- **Remember** when your bills are coming up

What you'll need:

- All your bill statements from a single month
 - Statements of any bills that are online
- Some examples of bills: utilities, rent or mortgage, phone, memberships, cable, credit cards, car payments, student loans, child support, insurance

Start with one question:
 When you pay your bills on time, how do you feel?

YOUR MONEY YOUR GOALS

Use this **bill calendar** to see all your bills and when they're due.

- 1 Label the calendar with the dates of the month you want to plan for.
- 2 Make a list of all your bills.
- 3 For each bill, mark the **payment date**: 7 days before the due date for mail, 2 days before the due date for online.
- 4 Enter when you receive income into the calendar.

Month of _____

Bills:	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday



Bill calendar

A step further:

- **Balancing act.** Enter your weekly income into the calendar to compare with your weekly bill totals.
- **Other expenses.** Don't forget things like birthday, holiday, and school expenses, or bills that are due every few months or once a year.
- **Top of mind.** You can use this calendar as a daily reminder—just pin it up where you'll see it!

One thing I'm going to try next month:



Spending tracker

- **Track your spending** for a month
- **Analyze your spending** by category
- **Identify areas** you might cut back on
- **Set a goal** to keep you on track



SPENDING TRACKER

Where does my money go?

This tool will help you:

- Track your spending for a month
- Analyze your spending by category
- Identify areas you might cut back on
- Set a goal to keep you on track

What you'll need:

- All your receipts and bill statements from the month
- Any online records of your spending
- An envelope to keep your receipts in

TIP: There are free apps available to help you track your spending

Start with one question:
 How much do you think you spent last month?

YOUR MONEY. YOUR GOALS.

Use this **spending tracker** to consider what is important to you.

- 1 Get an envelope to collect your receipts.
- 2 Use the table to sort your spending into the categories below. Don't forget about bills you share with others.
- 3 At month's end, total up each category.

This month's spending:



1											
2											
3											
4											
5											

Category totals:

--	--	--	--	--	--	--	--	--	--	--	--

Total spending for this month:

--



Spending tracker

A step further

Are you spending money on items you don't need?

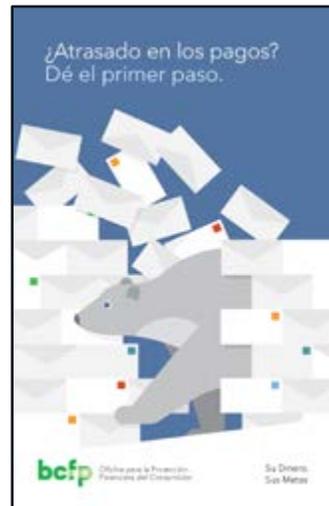
Needs are things you can't live without, like shelter, utilities, food, clothing, and transportation. Needs may also include obligations: things you have to pay, like debt, child support, alimony, and student loans. Wants, however, are things you can choose to live without.

Needs	Wants

One want I will cut back on next week:



¿Atrasado en los pagos?



Other booklets



Money as You Grow: for Parents and Caregivers



Developing executive function



Building money habits and values



Practicing money skills and decision-making

Make it easier to put children on the path to financial well-being in adulthood:

- Activities and conversation starters
- Based on research on children's financial development
- With blog posts, social media, and e-mail

consumerfinance.gov/MoneyAsYouGrow



Join our email list!

consumerfinance.gov/YourMoneyYourGoals

The screenshot displays the website's content. On the left, a 'Featured tool' section titled 'Want credit to work for you?' describes a booklet for credit conversations. Below it, 'Resources for the people you serve' includes a 'Toolkit' and 'Booklets to help talk about money'. On the right, a 'RELATED READING' section lists articles like 'Your Financial Education: What We Know and Key Questions for Future Research'. A red box highlights the 'CONNECT WITH US' section, which contains an email sign-up form with a 'Sign up' button and a 'See Privacy Act statement' link. The cfpb logo is visible in the bottom left corner.

Closing

- Visit <http://www.consumerfinance.gov/your-money-your-goals> to
 - Order and download Behind on bills? and the accompanying training outline
 - Sign up to receive Your Money, Your Goals email updates.
- Let us know what you think!
 - Let us know how you use Behind on bills? with economically vulnerable people that you serve.
 - News of your successes and constructive feedback helps the Bureau to develop new resources and enhance existing resources.
 - Email YourMoneyYourGoals@consumerfinance.gov.



Financial Capabilities and Head Start

Assessing *Head Start & Early Head Start Families' Financial Capability*

- This brief outlines strategies and tools Head Start/Early Head Start (HS/EHS) can use to gain a deeper understanding of how HS/EHS families are managing their finances to decide which services might help them build financial capability.

Financial Coaching in Head Start Programs

- This brief discusses financial coaching in Head Start settings and presents methods for providing financial coaching as well as training resources for programs interested in building staff capacity to become financial coaches.

Download the briefs here:

<https://www.acf.hhs.gov/ocs/resource/financialcapabilityandheadstart>



1

Financial Capabilities Resources

- Visit CFPB's Your Money, Your Goals website to find resources like Behind on Bills and more.
 - <http://www.consumerfinance.gov/your-money-your-goals>
- Visit the Federal Deposit Insurance Corporation's (FDIC) *Money Smart* financial education program to learn more about financial skills and positive banking relationships
 - <https://www.fdic.gov/consumers/consumer/moneysmart/index.html>



1

Financial Capabilities Resources

- Learn about integrating financial capability services into existing programs in *Building Financial Capability: A Planning Guide for Integrated Services*
 - https://www.acf.hhs.gov/sites/default/files/ocs/afi_resource_guide_building_financial_capability.pdf



1

Financial Capabilities Resources

- Visit *Practical Money Skills* to find additional free downloadable financial literacy materials
 - https://www.practicalmoneyskills.com/resources/free_materials



1

Upcoming Event!

BFEM 101: Adult Education, Training and Career Planning

Topics for the webinar include:

- Importance of training, education, and career planning for families
- How to integrate training, education, and career planning topics into your work
- Tips from programs that have included training, education, and career planning in their work



1

Join Now!



Economic Mobility Learning Community

1. Register for an account:
<http://www.123contactform.com/form-2230355/My-Peers>
2. Wait for MangoApps email message (2-3 days)
3. Click the Login Link & create user profile
4. Find the EM learning community and click "Join" on the landing page



1

Check out past BFEM webinars
on ECLKC!

<http://bit.ly/2sibgie>



1

THANK YOU!

*You will receive an e-mail with a survey link
shortly after the end of the webinar!*



1



OPEN CHAT



NETWORKING



1



Early Childhood
National Centers



PFCE@eclkc.info or call (toll-free) 1-866-763-6481
<http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/family>



1



NATIONAL CENTER ON
Parent, Family and Community Engagement